

KENYA NATIONAL ARCHIVES

PHOTOGRAPHIC SERVICE

Description of Document LEGISLATIVE COUNCIL DEBATES, VOL. II.

Covering Dates 20th Nov., 1935 to 10th Jan., 1936

Reference No. From Legislative Council Library.

The following reproduction(s) of document(s), the property of THE KENYA GOVERNMENT have been made by the Photographic Service of the Kenya National Archives solely for the purposes of research, and must not be quoted or otherwise reproduced by any means, either in whole or in part, without the express permission of the Chief Archivist, Office of the Vice-President, P.O. Box 30520, Nairobi, Kenya, to whom all communications respecting this film should be addressed.

Date of Reproduction

28th December, 1965.

COLONY AND PROTECTORATE OF KENYA



LEGISLATIVE COUNCIL
DEBATES, 1935

NATIONAL ASSEMBLY LIBRARY

ACCESSION No.

LOCATION No.

VOLUME II

CHRONOLOGICAL INDEX

	PAGE
20th November, 1935	645
21st November, 1935	665
27th November, 1935	689
28th November, 1935	733
29th November, 1935	771
3rd December, 1935	813
4th December, 1935	845
5th December, 1935	889
6th December, 1935	933
7th December, 1935	971
19th December, 1935	991
20th December, 1935	1015
30th December, 1935	1031
7th January, 1936	1071
8th January, 1936	1109
9th January, 1936	1149
10th January, 1936	1185

List of Members of Legislative Council

President :

HIS EXCELLENCY THE GOVERNOR, BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., O.B.

Ex officio Members :

COLONIAL SECRETARY (HON. A. DE V. WADE, C.M.G., O.B.E.)
ATTORNEY GENERAL (HON. W. HARRAGIN, K.C.)
TREASURER (HON. G. WALSH, C.B.E.)
CHIEF NATIVE COMMISSIONER (HON. H. R. MONTOMOERY, C.M.G.)
COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT
(HON. W. M. LOGAN, O.B.E.)
DIRECTOR OF MEDICAL SERVICES (DR. THE HON. A. R. PATTERSON) (1)
DIRECTOR OF AGRICULTURE (HON. H. B. WATERS)
DIRECTOR OF EDUCATION (HON. E. G. MORRIS, Q.B.E.)
GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS
(BRIG.-GEN. THE HON. SIR GODFREY D. RHODES, C.B.E., D.S.O.)
DIRECTOR OF PUBLIC WORKS (HON. H. L. SIGES, C.B.E.)
COMMISSIONER OF CUSTOMS (HON. G. D. KERSOFF) (2)

Nominated Official Members :

HON. T. FITZGERALD, C.M.G., O.B.E. (Postmaster General)
HON. H. G. PILLING, C.M.G. (Deputy Colonial Secretary) (3)
HON. H. R. E. E. WELBY (Prov. Commissioner, Rift Valley)
HON. T. D. H. BRUCE (Solicitor General)
MAJOR THE HON. H. H. BRASSEY-EDWARDS (Deputy Director (Animal Industry))
HON. E. B. HOSKING, O.B.E. (Commissioner of Mines)
HON. H. M. GARDNER (Conservator of Forests)
HON. M. R. R. VIDAL (Acting) (Acting Prov. Commissioner, Central Province) (4)
HON. S. H. FAZAN, C.B.E. (Acting) (Officer-in-Charge, Masai District) (5)

European Elected Members :

HON. F. A. DEMISTER Mombasa
MAJOR THE HON. F. W. CAVENDISH-BENTINCK .. Nairobi North
HON. CONWAY HARVEY Nyanza
HON. A. C. HOEY Uasin Gishu
LT.-COL. THE HON. J. G. KIRKWOOD, C.M.G., D.S.O. .. Trans Nzoia
MAJOR THE HON. G. H. RIDDELL, M.V.O. Kiambu
CAPT. THE HON. H. E. SCHWARTZ (6) Nairobi South
LT.-COL. THE HON. LORD FRANCIS SCOTT, D.S.O. .. Rift Valley
MAJOR THE HON. SIR R. DE V. SHAW, BART., M.C. .. Ukamba
HON. E. H. WRIGHT Aberdare
HON. W. G. LILLYWHITE (7) Coast

Indian Elected Members :

HON. N. S. MANGAT
DR. THE HON. A. C. L. DE SOUZA
HON. SHAMSUD-DEEN
HON. A. B. PATEL (Acting) (8)
HON. D. D. PURI (Acting) (9)

Arab Elected Member :

SHERIFF ABDULLA DIN SALIM

LIST OF MEMBERS OF LEGISLATIVE COUNCIL—(Contd.)

Nominated Unofficial Members Representing the Interests of the African Community :

VEN. ARCHDEACON THE HON. G. BURNS, O.B.E.
DR. THE HON. C. J. WILSON, M.C. (10)

Nominated Unofficial Member Representing the Interests of the Arab Community :

HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

Clerk of the Legislative Council :

MR. J. F. G. TROUGHTON (Acting)

Reporters :

J. H. GITSHAM

A. H. EDWARDS

- (1) Dr. F. J. C. Johnstone appointed Acting D.M.S. till 30th November, 1935, vice Dr. Paterson, on duty.
- (2) Mr. E. G. Hals appointed Acting Commissioner of Customs vice Mr. Kinsopp, on leave.
- (3) Mr. C. O. Gilbert appointed Acting Nominated Official Member vice Mr. Pilling, on leave, for 20th and 21st November, 1935.
- (4) Vice Hon. S. H. La Fontaine, M.C., on leave.
- (5) Vice Hon. G. C. Boulderson, on leave.
- (6) Mr. A. C. Tannahill, O.B.E., appointed vice Capt. Schwartz.
- (7) Mr. Lillywhite elected 20th November, 1935, vice Major R. W. B. Robertson-Eustace, deceased; election declared void 21st December, 1935.
- (8) Vice Hon. J. B. Pandya, on leave.
- (9) Vice Hon. Isher Dass, on leave.
- (10) Appointed substantive member vice Mr. R. W. Hemsted, C.M.G., O.B.E., resigned.

ABSENTEES FROM LEGISLATIVE COUNCIL MEETINGS

20th November, 1935 :

HON. T. FITZGERALD, C.M.G., O.B.E.
HON. ARAB ELECTED MEMBER.

21st November, 1935 :

HON. T. FITZGERALD, C.M.G., O.B.E.
HON. H. G. PILLING, C.M.G.
HON. ARAB ELECTED MEMBER.

27th November, 1935 :

HON. GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

28th November, 1935 :

HON. GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS.
HON. N. S. MANGAT.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

3rd December, 1935 :

HON. A. B. PATEL.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

4th December, 1935 :

HON. DIRECTOR OF PUBLIC WORKS.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

5th December, 1935 :

HON. DIRECTOR OF PUBLIC WORKS.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

6th December, 1935 :

HON. DIRECTOR OF PUBLIC WORKS.
HON. COMMISSIONER OF CUSTOMS.
HON. H. R. E. E. WELBY.
HON. M. R. R. VIDAL.
HON. MEMBER FOR UASIN GISHU.
HON. MEMBER FOR ABERDARE.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

7th December, 1935 :

HON. DIRECTOR OF PUBLIC WORKS.
HON. COMMISSIONER OF CUSTOMS.
HON. T. FITZGERALD, C.M.G., O.B.E.
HON. H. R. E. E. WELBY.
HON. M. R. R. VIDAL.
HON. MEMBER FOR MOMBASA.
HON. MEMBER FOR UASIN GISHU.
HON. MEMBER FOR Rift VALLEY.
HON. MEMBER FOR TRANS NZOIA.
HON. MEMBER FOR UKAMBA.
HON. MEMBER FOR ABERDARE.
HON. MEMBER FOR COAST.
HON. A. B. PATEL.
HON. ARAB ELECTED MEMBER.
VEN. ARCHDEACON THE HON. G. BURNS, O.B.E.
DR. THE HON. C. J. WILSON, M.C.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

ABSENTEES FROM LEGISLATIVE COUNCIL
MEETINGS—(Contd.)

10th December, 1935 :

HON. MEMBER FOR NAIROBI NORTH.
HON. MEMBER FOR UASIN GISHU.
HON. MEMBER FOR TRANS NZOIA.
HON. MEMBER FOR COAST.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

20th December, 1935 :

HON. MEMBER FOR UASIN GISHU.
HON. MEMBER FOR TRANS NZOIA.
HON. MEMBER FOR COAST.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

30th December, 1935 :

HON. MEMBER FOR NAIROBI SOUTH.
HON. MEMBER FOR ABERDARE.
HON. ARAB ELECTED MEMBER.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

7th January, 1936 :

HON. T. FITZGERALD, C.M.G., O.B.E.
HON. MEMBER FOR NAIROBI SOUTH.
HON. ARAB ELECTED MEMBER.

8th January, 1936 :

HON. T. FITZGERALD, C.M.G., O.B.E.
HON. MEMBER FOR NAIROBI SOUTH.
HON. ARAB ELECTED MEMBER.

9th January, 1936 :

HON. T. FITZGERALD, C.M.G., O.B.E.
HON. ARAB ELECTED MEMBER.

10th January, 1936 :

HON. T. FITZGERALD, C.M.G., O.B.E.
HON. MEMBER FOR UKANDA.
HON. A. B. PATEL.
HON. ARAB ELECTED MEMBER.
DR. THE HON. C. J. WILSON, M.C.
HON. SIR ALI BIN SALIM, K.B.E., C.M.G.



COLONY AND PROTECTORATE OF KENYA

LEGISLATIVE COUNCIL DEBATES

1935

SECOND SESSION

WEDNESDAY, 20th NOVEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 11 a.m. on Wednesday, the 20th November, 1935, His Excellency THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

The Proclamation summoning the Council was read.

OATH OF ALLEGIANCE, ADMINISTRATION OF.

The Oath was administered to:—

Ex-Officio Member.

F. J. C. Johnstone.

Nominated Official Members.

M. R. R. Vidal.

S. H. Fazan.

C. O. Gilbert.

Indian Elected Members.

A. B. Patel.

D. D. Puri.

Nominated Unofficial Member.

C. J. Wilson.

INVESTITURE.

On behalf of His Majesty the King, His Excellency presented the Insignia of a Companion of the Most Distinguished Order of Saint Michael and Saint George to:

THE HON. A. DE V. WADR, C.M.G., O.B.E.;

the Insignia of an Officer of the Most Excellent Order of the British Empire to:

HENRY WOLFE, Esq., O.B.E.,

ABDUL WAHID, Esq., O.B.E.;

the Insignia of a Member of the Most Excellent Order of the British Empire to:

J. W. CONDON, Esq., M.B.E.,

H. R. WELLS, Esq., M.B.E.;

and the Insignia of an Honorary Member of the Most Excellent Order of the British Empire to:

C. F. DA GAMA, Esq., M.B.E.,

A. R. GOMES, Esq., M.B.E.

At the request of His Royal Highness the Grand Prior and the Chapter General of the Order of the Hospital of Saint John of Jerusalem, His Excellency presented the Insignia of a Serving Brother in that Venerable Order to:

DR. J. A. CARMAN.

COMMUNICATION FROM THE CHAIR.

His Excellency made the following communication from the Chair.

HON. MEMBERS OF LEGISLATIVE COUNCIL:

This is the fifth occasion on which it has fallen upon me to open the Budget Session. The period which has elapsed since the first occasion has witnessed the worst years of economic depression which started in 1929. World prices generally reached their lowest level in 1933 and the first half of 1934, since when there has been a substantial improvement in the case of most commodities. In many parts of the world economic recovery has already gained momentum, as is shown by the steady rise in the indices of world-trade, industrial activity and employment. In this Colony, however, drought and locust infestation have added grievously to the burden imposed upon the agricultural community by the precipitate fall of commodity prices, and these combined circumstances have played havoc with the finances of many farmers already

saddled with a load of debt. We must all deplore the anxiety, and in many cases the real distress, which has been the lot of the primary producer. The present plight of those farmers who rely almost entirely on maize, and the set-back in the coffee industry—which I trust will soon right itself—are features of the situation which, I regret to say, continue to cause anxiety. Nevertheless, Kenya is not being left behind in the race, and I consider that, taking the Colony as a whole, there are grounds for looking to the future with a certain degree of optimism.

In support of my contention, I wish first of all to review in broad outline the general economic conditions as reflected by the trade statistics of the Colony and by the trend of Customs revenue collections.

To begin with, exports of domestic produce and manufactures have throughout the year shown a material improvement compared with the year 1934. During the first nine months of 1934 domestic exports were valued at £1,398,000 whereas during the corresponding period of the present year they were valued at £2,043,000; that is to say, there was during the first three quarters of this year an increase of £647,000 or nearly 50 per cent. I may add that this improvement was not accounted for, to any great extent, either by exceptional business transactions with Italian Somaliland or by the increased output of the goldfields. It was mainly due to increased tonnages shipped overseas, and to the fact that the Colony's broadly based agricultural economy tends to steady the average export price level despite the variability of individual commodity values.

Re-export trade statistics give ground for considerable satisfaction, as an indication both of the stability of East African trade as a whole and of the increasing income which is accruing to the Colony through the operation of its commercial services. During the first eight months of the year the re-export trade was valued at £1,150,000 as compared with £921,000 during the same period in 1934—i.e., an increase of £229,000 or nearly 25 per cent.

The exact position of the Colony's import trade in relation to Kenya consumption is not always clearly defined, by statistical data over a given period, but the returns for the first eight months of the year submitted to me do point unmistakably to the fact that business has expanded. The total imports (excluding specie) into Kenya and Uganda for the period referred to have increased to £4,173,000 as compared with £3,592,000 during the first eight months of 1934—i.e., an increase of £581,000 or 16 per cent. Allowing for the absorption of stocks by Uganda and for re-export transactions,

the assessed figure of retained imports for the period under review was £2,042,000 as compared with £1,718,000 in 1934—i.e., an increase of £324,000 or 16 per cent.

Further light is thrown on the position of the generality of consumers by the Customs revenue collections. During the first eight months of the present year Kenya import duty receipts amounted to £465,000, the corresponding totals for the same period of the three preceding years being £393,000 in 1934, £409,000 in 1933 and £378,000 in 1932. It is difficult to believe that the higher yield of Customs taxation disclosed by these figures does not connote an appreciable alleviation of economic conditions throughout the Colony as a whole. It may be true that, to some small extent, the increase of receipts is due to tariff adjustments, but the predominant factor contributing to these results can only have been an expansion in the purchasing power of the population. Gold mining development, to which I will refer later, has played no small part in augmenting the earnings of the consuming classes, but mining activity cannot have been by any means the only agency at work.

Moreover I have been particularly impressed, in examining the Customs revenue returns, by the character of the commodities which are yielding higher receipts. These commodities fall into three distinct groups. The first group comprises the wide range of textile goods imported mainly for the native and Asian trade. The second group consists of the high-rated luxury articles, that is to say spirits, beer, wine and tobacco. The third group includes motor cars and accessories and petroleum products. Perhaps the most significant feature of this analysis is the wide area of consumption throughout which the increase in demand has made itself felt.

I believe that the ground recovered during the last year by the trade and revenue of Kenya can be consolidated and extended unless indeed, the repercussions of the international situation lead to a general set-back in the world's markets, and I am sure that hon. members will agree that the progress recently achieved does bear witness to an inherent vitality in the economic life of this Colony.

At the end of last year the Colony's excess of assets over liabilities amounted in round figures to £208,000. For the present year we budgeted for a surplus of £16,000 which would bring our total excess of assets at the end of 1935 up to a figure of £224,000. At the end of August, however, the latest date for which final figures are available, the actual surplus for the eight months amounted to approximately £96,000. At the same date last year there was a deficit for the eight months of £16,000, so that our financial position up to the latest ascertainable date has improved as compared with this time

last year by no less a sum than £112,000. A falling off in collections during the latter part of the year and the possibility of a writing down of the value of the securities held by Government may reduce this surplus, but I am sure hon. members will be glad to learn that there are strong grounds for believing that the originally estimated surplus for the year will be substantially exceeded. I will indicate very briefly how this has come about.

Taking the revenue side first, there has been a net increase as at the end of August as compared with the same period of 1934 amounting to £118,000. Practically the whole of this increase falls under three heads: Customs Import Duties (£73,000); Native Hut and Poll Tax (£29,000); and Postal Revenue (£14,000).

The total expenditure shows a net increase of £5,500, but included in the expenditure is the sum of £34,000 representing two half-yearly contributions to sinking fund in respect of the 1930 Loan, whereas only one contribution was due in 1934.

The sanctioned expenditure estimates for 1935 provided for an increase of £49,500 over the 1934 Estimates, the whole of this increase being due to unavoidable commitments in respect of Pensions and Gratuities (including the two Provident Funds which were inaugurated in connection with the European and Asian Local Civil Services), and the additional sinking fund contribution which I have just mentioned. The fact that this additional provision of £49,500 had only been drawn upon to the extent of £5,500 by the end of August is a clear indication of the very rigid control which Heads of Departments are continuing to exercise over their votes.

I will now briefly review the activities of the larger Departments.

As regards agriculture, it is generally realized that the position of European farmers in the Colony varies widely as between the different branches of the industry and between different farmers in the same branch. In certain branches recovery has set in; in others adversity persists. The causes of adversity are numerous and complex. In the main they spring from the alteration in market conditions which we speak of as the "depression" and which overtook European agriculture at a peculiarly vulnerable stage of development. The industry had grown up rapidly under abnormally favourable conditions during the decade following the war, largely on borrowed capital. Production had not yet been established on a basis which enabled current obligations to be discharged without recourse to further borrowing. With the onset of slump conditions, the flow of further credit was suddenly

retarded. To the difficulties of finding adequate financial accommodation were added the disastrous hardships of drought and locusts. Determined efforts have been made to overcome these adversities, but the continued low levels to which the prices of commodities like maize have been reduced have unhappily driven certain farmers out of production and left others in a position that can only be described as precarious.

It will be readily realized that the problem admits of no simple and sweeping solution. Government has been, and is, most anxious to adopt any means in its power to support the economic structure of agriculture, and a Committee under the chairmanship of the Attorney General is at the moment examining the possibilities of the relief of indebtedness. It is realized, however, that any measures recommended by this Committee, if adopted, will take time to implement, whereas there are a certain number of really sound farmers who have nearly come to the end of their resources and who, if not given some temporary help to tide them over the next difficult eight or nine months, might go under to the lasting disadvantage of this Colony. As a result of my visit to the Trans Nzoia, the Plateau, Nakuru, and to the coffee areas, I have been impressed with the urgency of this problem, and I have placed before the recently constituted Board of Economic Development suggestions that were made to me during my tour. I have asked the Board to examine these suggestions and to submit to the Government without delay their recommendations as to the remedy they consider best suited to the exceptional circumstances. In examining the position the Board has, I am sure—indeed, I know—taken into consideration the effect of the reduction in Railway rates to which I shall refer later.

Though some farmers are in dire distress, it is nevertheless true that not for three or four years has the general situation of agriculture been so favourable; in my opening remarks I referred to the revival of world trade and the general improvement of economic conditions. Among particular manifestations of interest to producers in this Colony I need only mention the rise in the price of butter in London from Sh. 65 per cwt. at the beginning of October, 1934, to Sh. 115 at the same time this year; and, in the same period, of No. 1 sisal from £14 per ton to £27/10; of hides from 45d. to 54d.; of Kenya tea from 10/5d. to Sh. 1; of sesame seed from £11/15 per ton to £13/10. Since the beginning of October butter, and to a small extent sisal, prices have fallen; it is to be hoped that these falls are but a temporary fluctuation. The wool situation is favourable, world-production and hand maize prices have fallen on the London market from Sh. 23/6 per quarter to Sh. 17 and this, together with the

prospect of a large surplus above local needs, will involve the industry in losses. In regard to coffee, it is rather early to judge the prospects, in view of the strongly-marked normal seasonal variation in prices on the London market. The satisfactory prices recently recorded for fine quality Tanganyika coffee in London encourage us to hope that the market for fine coffees is still sound, but the situation for lower grades remains uncertain. The importance of coffee as the Colony's primary export crop and the number of producers who are dependent upon maize production, give to these two crops a position of peculiar significance in relation to our general economic position.

Climatic conditions have been on the whole favourable to production, and some increase of aggregate output may safely be anticipated.

I should now like to draw your attention to some material progress which has been achieved during these years of depression. The tea industry has so expanded that not only does it now supply practically the entire local market, but it is producing a surplus for export which seems likely to amount to little short of £200,000 in value during the present year. Cotton planting is being extended in existing cotton areas and introduced into new ones, and new ginneries have been established for the coming crop at Kitui, Sagana and Kibos. Production aggregated some 3½ million pounds of lint last season, as against 300,000 pounds in 1930-31, and a further increase is expected in the coming season. Before long, the crop should add £100,000 to the value of the Colony's exports. When I was in London I was fortunate enough to meet Sir William Himbury and Sir Richard Jackson of the British Cotton Growing Association. I told them about the successful efforts we were making to get the natives to grow more cotton, and I sought their advice, which they most freely gave me. As a result, I was put in touch with Sir James Currie of the Empire Cotton Growing Corporation who proved himself a real friend. It was mainly owing to him that Mr. Milligan, formerly Agricultural Advisor to the Government of India and for several years Cotton Advisor to the Corporation, has been sent out to examine our prospects and to ascertain what help is needed. I am convinced that great good will come of this visit. Mr. Milligan will also, as has already been announced, assist Sir Alan Piin in certain of his investigations.

The cultivation of wattle is expanding and progress has been made in the extract industry, so that the value of extract exported is now exceeding that of bark. The two together should reach a value of £100,000 by the end of the present year.

We may look for an expansion of the dairy industry. While the price of butter on the local market has been fairly steady, the surplus for export reached 11,330 cwt. in 1934 and 10,367 cwt. for the first eight months of 1935. This expansion of butter production has coincided most opportunely with the substantial rise in the overseas market price and the average pay-out by the Creamery has risen considerably, in spite of the increase in exports.

The situation in Native Reserves is becoming gradually more favourable. I have already mentioned the increase in the production of cotton and wattle. The value of hides exported in 1934 was higher than in any year since 1929, and progress continues in the improvement of hide preparation. The Department of Agriculture intensively fosters the greater use of shade-drying bandas in the Nyanza and Central Provinces and is now extending its activities in the pastoral areas of the Rift Valley Province and Masai District. A greater proportion of hides, in consequence, is being classed as first and second quality shade-dried.

The number of field dairies and the output of ghee continues to increase, and up to the moment there is no indication that the local market is unable to absorb the increase at steady prices. Now that the prices of native-owned cattle for slaughter have been reduced to economic levels, a large trade between pastoral and agricultural areas is being carried on. This trade, combined with losses of stock due to drought, has so far reduced the numbers of live stock in pastoral areas that over-stocking, though an issue which must be squarely faced from a long-range point of view, is not at the moment quite so pressing a problem as at one time it certainly appeared to be. I may add that a committee is now engaged in studying conditions in the live stock industry.

A noteworthy development in native agriculture is the start which has been made with mixed farming in the Kiambu district. The Agriculture Department is carefully nursing this movement, as it is felt that the effective combination of plant and animal husbandry will bring about a revolution of the most far-reaching importance in native agricultural economy. These steps, combined with the anti-erosion measures which are being energetically pushed by the Department, and its activities in the matter of swamp reclamation, inspire confidence that appreciable progress is being, and will continue to be, made to safeguard the natural heritage of native tribes in their land. I am, however, obliged to say that the difficult problem of native land tenure is checking progress in this direction in certain important areas.

The marked improvement in the quality of native produce leaving the Reserves is a matter of satisfaction to me, and I am sure it also is to everyone in the Colony. Three years ago we were at the beginning of an improvement in wattle bark; to-day some important markets offer the same price for the Kenya product as for the European product of Natal. In the important native maize districts, the quality of the grain has now reached the standard of European production. Under the recent legislation for inspection of native produce, enacted on the recommendation of the Native Marketing Advisory Council, the services of compulsory central inspection are being extended to cover additional products and wider areas. Rapid results may confidently be expected.

The war between Italy and Abyssinia has inevitably aroused interest in the Reserves, and District Commissioners have taken every opportunity of explaining the position so far as it is known. I have recently myself visited by air our frontier on both sides of Lake Rudolf, and Government is keeping closely under review the steps which are necessary to safeguard our borders.

On the subject of public health I have but little to say that is not on the whole satisfactory. The epidemic of malaria which occurred in Nairobi earlier in the year and was still in progress when Mr. Wade addressed you in June was brought under control during the months of July and August, and the incidence of this disease in the town is now low.

With regard to the prevention of malaria in two other important towns in the Colony, hon. members will doubtless be gratified to learn that as a result of applications made by Government to the Secretary of State for assistance from the Colonial Development Fund, it has been decided to make a free grant of £18,220 from the fund in respect of Kisumu, and a free grant of £3,000 in respect of Mombasa, the latter grant being conditional, however, on an allocation of a similar amount being made locally. The occasion of the making of the very generous grant for work at Kisumu is partly, of course, the fact that Kisumu is now an important air port on a line of Imperial communication, and a centre of mining activities.

With regard to other major infectious diseases I will refer only to plague and to cerebro-spinal meningitis.

As regards plague, there was during the month of October a considerable number of cases in the Fort Hall, Kerugoya and South Nyeri Native Reserves, but the incidence is now small. As regards cerebro-spinal fever, sporadic cases con-breaks have recently occurred in the Machakos and Fort Hall tinue to occur in most parts of the Colony, while small out-

Native Reserves. The matter is still a source of some anxiety to the Medical Department, and I have recently signed a Special Warrant for £700 for the purchase of additional serum against possible eventualities.

Apart from the occurrences to which I have just referred, the state of public health in the Colony during the past six months has shown but little deviation from the normal.

The figures of expenditure on development by the mining interests during the first half of this year, which have recently been published, reflect an increase of 75 per cent as compared with the previous half year. During this period a very considerable amount of new machinery was installed and the number of persons in employment, and their wages, have increased.

In the last few months, however, the Italo-Abyssinian dispute has had a retarding effect on the flow of capital, which the East African mining section has not escaped; and certain developments which had been expected have been held over. Despite this, steady progress continues to be made as a whole, particularly in the Southern goldfields.

A geological survey is at present being made of the northern half of No. 2 Mining Area.

The question of land rents has occupied our attention during the last few months. Numerous individual applications for relief have been dealt with sympathetically, and a general scheme of assistance for farmers in the pastoral areas of Laikipia and North Nyeri has been approved and applied. It is hoped that this relief will improve the farming position in these areas which have suffered in various ways during recent years. Representations from other districts for remission or reductions in land rents for 1936 have also been received. These are based largely on the fall which has occurred or is anticipated in commodity prices, particularly of coffee and maize. Relief from rents, though obviously one measure of assistance to farmers, may not be in itself the only or, in fact, the best measure, and the question is one which I have asked the Board of Economic Development to consider.

Hon. members will be interested to know that as a result of Major Cawthorne's visit a scheme to deal with the exceptional cases of officers who are now being compulsorily retired from the Indian Army and who desire to become settlers in this Colony has been transmitted to the Secretary of State for his approval.

The work in connection with the Kenya Land Commission is proceeding as satisfactorily as the complexities of the problem permit. Several purchases of land as recommended

by the Commission have already been completed and negotiations in other cases are approaching finality. A considerable amount of survey work has been done in regard to areas of Forest Reserve which are to be added to Native Reserves. The Uasin Gishu Masai have been moved to the Masai Reserve, and the Mumonyot Masai will shortly be moved into the Samburu district. It is anticipated that satisfactory arrangements for the evacuation of Tigonj will shortly be concluded. A scheme for the removal of the village of Pangani in Nairobi is now under consideration by the Municipal Council.

As regards Public Works, hon. members will recall that on 2nd July Council approved a re-allocation of a portion of the balance remaining under the Buildings Sub-Head of the Loan so as to provide £3,500 for a Native Market at Kisumu, £2,400 for a further extension to the Native Section of Mathari Mental Hospital, £18,000 for a Bostring Block for the Girls' Secondary School at Nairobi, and £78,500 for a Grouped Hospital at Nairobi. These re-allocations have received the approval of the Secretary of State, and the Public Works Department is proceeding as rapidly as possible with the designs for the first three of these structures, and the Loan Works (Buildings) Committee has under consideration the best means to adopt for the preparation of the design for the Grouped Hospital.

In his opening address on 26th June the Acting Governor informed Council of the grant of two loans from the Colonial Development Fund, one for £64,000 for roads in the mining areas, and the other for £35,000 for the Lumbwa-Kericho Road. From the sum of £64,000, £4,000 was allocated to the construction of bridges on the road between the new port at Muhoru Bay and Lolgorien, and these bridges are nearly finished. The allocation to individual roads to serve the mining areas of the sum of £60,000 has been the subject of close investigation by the Central Roads and Traffic Board over a period of several months. I have concurred with the advice of the Board to seek approval for re-allocation of this sum so that, in addition to meeting the requirements of the Kakamega mining area, it will also cover the urgent need for communications to other mining areas which are now in course of development.

The survey and elaboration of details of design and estimates for the Lumbwa-Kericho road are now well advanced, and it is hoped that it will be possible to start construction early in the New Year. It will, I am sure, be realized by hon. members that it is necessary to accord close attention to alternatives before embarking on such a large expenditure on one road.

Turning to education, the steady increase in the number of children of all races attending school, while most satisfactory, makes it more and more difficult to provide adequate facilities without a corresponding increase in expenditure. Since the year 1928 the number of children attending Government and Aided Schools has increased by the following percentages:—

European	33½ per cent.
Indian	145 per cent.
Arab and African	22 per cent.

while the expenditure in the year 1934 showed an increase of less than 5 per cent on that for 1928.

It has not been possible for financial reasons to bring in compulsory education for European children, but from inquiries made through the School Committees the position disclosed is satisfactory and there would appear to be very few cases in which European children are not receiving schooling of some kind. In any such cases which have come to light the facilities available have been brought to the notice of parents, who have been informed when necessary how to obtain remission of fees. On the advice of the Advisory Council for European Education a system of zoning has also been introduced in order to make the most of the existing boarding accommodation.

The policy of endeavouring to secure that all children attend school has had its repercussions on the revenue derived from fees. The amount of boarding and tuition fees remitted in 1934 in respect of Europeans was just under £10,000, which is approximately the total amount collected in that year in European Education Tax. It is obvious, therefore, that the hardships and difficulties which have been faced so courageously by many sections of the European community have been fully realized and have not been allowed to endanger the education of the rising generation.

The rapid increase in the number of Indian children has rendered the situation one of great difficulty, and Government schools are usually filled to their maximum capacity. The policy is to support, by grants-in-aid, public and community schools. Provision for some increase in these grants has been made in the Budget and it is intended to bring the grant-aided schools under much closer supervision.

A recommendation has been made by the School Committee of the Indian Boys' Secondary School, Nairobi, that applicants for entry to the school should be required to pass an entrance examination and to be of a suitable age. This should place some check on numbers and relieve the position in regard to lack of accommodation. A similar procedure will be adopted at the Alidina Visram High School, Mombasa.

It is proposed to start a Teacher Training Class for Indian students in January, and the necessary provision has been made in the Estimates. This scheme, in addition to providing careers for local Indian youths, should avoid the expense of recruiting from India.

The standard of successes of Kenya Indian students in external examinations has been well maintained.

The Indian community has realized its responsibilities in regard to the education of its children in a wholehearted manner and is deserving of all the support that Government can afford, but the future employment of this younger generation after school age will have to be given grave consideration in a few years' time.

Good progress is being made at the Coast Arab Secondary School. Out of six candidates presented for the Junior Cambridge Examination, three were successful. Commercial subjects are included in the curriculum and ex-students are in demand in banks and business houses in Mombasa, as well as in the Customs Department.

The Malindi Primary School, which was founded through the generosity of Sir Ali bin Salim, is functioning satisfactorily, as is also the Arab School, Mombasa.

A new Government African School erected at Kisii by the apprentices of the Native Industrial Training Depot was opened early in the year. The funds for building were supplied by the South Kavirondo Local Native Council. The staff is paid for by Government, while the boarding expenses are met by the Local Native Council.

There are now eleven schools of this type; a strong agricultural bias is given to the curriculum but specialized training in agriculture is the function of the Agricultural Department. The aim of the schools is to give the boys a general education up to the Primary School Certificate, which is the standard of entry for departmental training institutions. In addition to the Government African Primary Schools, there are a number of Mission primary schools which receive grants under the Grant-in-Aid Rules.

Secondary education is confined to the Alliance High School, Kikuyu, and the Catholic High School at Kabuu. Both these institutions are in receipt of financial support from Government. The position in regard to secondary education is being carefully watched. While there can be no question of denying to Africans the opportunity for such education, it is necessary to proceed slowly and to guard against disproportionate expenditure in this direction while the widespread demand for elementary education remains unsatisfied. These

remarks apply still more forcibly to post-secondary education, which especially calls for the precaution of seeing that employment is available for those who undergo such training. With these considerations in view it is proposed to provide a limited number of bursaries to Makerere College, Uganda. The bursars will be required to follow prescribed courses and, when qualified, to return to Kenya and accept employment in the departments for which they have been trained. Africans so equipped with semi-professional qualifications should be of great service in the Reserves in development campaigns.

I am glad to be able to say that the general financial position of the Railways and Harbours Administration is a very satisfactory one, as I think hon. members will agree when I state that the revenue returns to the end of October are £240,000 above the estimate in respect of the Railway, and £73,637 in respect of the Port of Mombasa, or a total of £313,637 in all.

The General Manager will deal with the position in detail later in this Session when he introduces his budget for 1936, and I will only say now that the present revenue returns are comparable with the figures of the boom year of 1929, while the ton mileage being dealt with is considerably in excess of the figure for that year. Owing to action taken in 1931 and subsequent years, expenditure is, however, much below 1929 figures.

As a result of the combination of these two factors of increased traffic and reduced expenditure, the Administration has been able to recommend very important rates reductions: these have the complete approval of the High Commissioner and will come into effect on 1st December next, a month earlier than had originally been intended. Full details of the reductions will appear in the Press to-morrow, but for the information of hon. members I may say now that the reductions amount to the substantial total of £150,000. Included in this total are reductions in export rates of £33,000 for coffee and £12,000 for sisal and also the removal of the special branch line rate and the Port surcharge. (Hear, hear.)

In addition to the rate reductions already mentioned, there will also be given for the period of one year a special emergency rebate of Sh. 5 per ton on maize exported which is estimated to represent the sum of £18,000.

The total of the rate reductions provides relief in almost equal proportions between imports and exports, and, with the line rates, benefits all three territories. I trust that the reductions in export rates will be of particular value to the primary producers of this Colony, and in this connection I should like

to record my great appreciation of the very helpful attitude of the Uganda members of the Railway Advisory Council, who have realized very fully the difficulties which at present face some of the industries of this territory.

I trust that the Railways and Harbours Administration has completely emerged from the period of depression, and the satisfactory position in which it now is, admitting as it does of rate reductions, is the result of the firm policy pursued by the General Manager and his staff, during the past few years. I should like to take this opportunity of congratulating him on the results achieved. (Applause.)

Before I deal with the 1936 Budget I must refer to the mission entrusted to the Special Commissioner, Sir Alan Pim, You are all aware of the circumstances which led up to his appointment, and you are also aware of the high qualifications he possesses for this particular and difficult task. I can only say that I and my officers most cordially welcome this appointment and it is our intention to give Sir Alan all the assistance we can. I am sure that the unofficial community will do likewise.

We can hardly expect that an inquiry of the magnitude he has undertaken can be completed before the end of the year and it will therefore be necessary to follow the procedure adopted in connection with the 1933 Estimates—that is to say, to pass a provisional Budget on the understanding that it be subject to such modifications during the New Year as may be warranted by such of the Special Commissioner's recommendations as may receive approval.

From the draft Estimates which will be laid this morning, you will observe that they envisage in round figures a reduction in net revenue of £20,000 and a reduction in net expenditure of £14,000, the latter figure being the difference between a decrease in recurrent expenditure of £33,000 and an increase in non-recurrent expenditure of £19,000. This gives us an estimated surplus of £9,688.

The decrease of approximately £33,000 in recurrent expenditure is considerably less than the total of the savings envisaged in the Report of the Select Committee on Economy. The recommendations of that Committee have received careful consideration, and, although effect has been given to many, some have proved either impracticable or unacceptable. The opportunity has been taken in the Memorandum on the draft Estimates to refer to the detailed recommendations, and to explain the action taken in each case.

On behalf of the Government I thank the members of the Committee for the valuable work they have performed.

The increase of £19,000 in Extraordinary Expenditure is due in part to the necessity for making provision for this Colony's participation in the British Empire Exhibition at Johannesburg, for the cost of Sir Alan Pim's visit, and for the construction of certain public works which, I am advised, are very urgently required.

As regards the Revenue Estimates, Customs and Excise show an increase of £22,500 at £675,000. This figure is £15,000 less than the revised Estimates for 1935, but in view of the uncertain international outlook with its effect on mining finance, and in view of the fact that it would be premature to regard as permanent the high prices prevailing for certain commodities, I do not think that any figure in excess of £675,000 can be regarded as sound.

Native Hut and Poll Tax shows a reduction of £33,000 at £540,000. It will be remembered that the Estimates for 1935 included a substantial sum on account of payment of arrears for tax outstanding from previous years which cannot be anticipated during 1936; therefore such a reduction is necessary.

I will now refer to three important items which perforce have been included in the Revenue Estimates. To have omitted even one of them would have left us with an unbalanced budget which all who have the Colony's welfare at heart would, I am sure, deplore. The hallmark of stability is a balanced budget.

The items I have referred to are the graduated portion of the Non-Native Poll Tax, estimated to bring in £34,000, the additional proceeds from Trade and Professional Licences estimated to bring in £15,500, and the Levy on Official Salaries estimated to bring in £47,000.

All these measures are, as you know, temporary in that they expire at the end of each year and, at the discretion of this Council, can be either renewed, modified or withdrawn. As regards the levy on salaries I think it right to mention that it has already been withdrawn in Uganda, Zanzibar, and in respect of the Railway Administration. It will be withdrawn in Tanganyika from the 1st January next, and I understand that it has been withdrawn in practically all parts of the Empire. That the Colonial officials serving in Kenya should almost alone remain subject to this sectional taxation is in my judgment not satisfactory.

That the existing system of taxation should be retained for the time being is, however, inevitable in the circumstances in which the Colony now finds itself placed. The necessity of maintaining the public finances on a stable and satisfactory basis does not permit of any piecemeal adjustments being undertaken before Sir Alan Pim has reported. For the time

being, therefore, it is, I consider, the paramount duty of Government to safeguard the present budgetary equilibrium which has only been laboriously reached after a long period during which the accounts of the Colony have recorded a deficit each year.

I would again emphasize that the Estimates laid before you are both provisional and draft. Provisional in that, as I have just stated, they are liable to alteration in the light of Sir Alan Pim's report, and draft in that they are liable to alteration in the light of the advice tendered by the Standing Finance Committee.

The other matters which will be laid before you during the Session require no special mention at this stage, but I should like to refer briefly to the Bill to amend the Royal Naval Volunteer Reserve Ordinance with the object of permitting enlistment into the Reserve of the Swahili and Arab coast seamen who we consider are exceptionally well qualified for this particular service. The officers and petty officers will as hitherto be Europeans. I hope when any hon. member happens to be in Mombasa he will not fail to pay a visit to the new headquarters of the Reserve. We are under a particular debt to the Hon. Sir Ali bin Salim who most generously provided most of the funds for the completion of these headquarters which may before long become the headquarters of an East African Division of the Royal Naval Volunteer Reserve. (Applause.)

Hon. members, I am sure you will join me in offering from this Council a warm welcome to the Chief Scout, and to the Chief Guide—and I am glad to see her now with us (applause)—who has helped him so wonderfully in the great work that has made his name famous throughout the civilized world. As you are aware, we are elsewhere endeavouring to show our distinguished visitors how much we appreciate their visit.

Since we last met, both the Colony and this Council have suffered a sad loss from the death of Major Robertson-Eustace. He will be much missed by all who knew him, and particularly by those from the Coast whose interests he had so much at heart.

We have suffered another loss owing to the resignation of Mr. Rupert Hemsted through ill-health, but we have obtained a worthy successor in the person of the hon. Dr. Wilson.

Hon. members, in conclusion and in opening this Session of Council, I most earnestly trust that with the help of Almighty God, its deliberations may lead to the further peace, prosperity and welfare of the Colony of Kenya. (Applause.)

MINUTES.

The Minutes of the meeting of the 3rd August, 1935, were confirmed.

PAPERS LAID ON THE TABLE.

- By THE HON. THE COLONIAL SECRETARY :
- Provisional Draft Estimates of the Revenue and Expenditure for the year 1936.
 - Memorandum on the Provisional Draft Estimates of Expenditure for 1936.
 - Schedule of Additional Provision No. 2 of 1935 for the period 1st April to 30th June, 1935.
 - Colonial Audit Department Annual Report, 1934.
 - Game Department Annual Report (1932, 1933 and 1934).
 - Kenya Police Annual Report, 1934.
 - Police Gratuities Regulations, 1935, made under the Police Ordinance, 1930.
- By THE HON. THE TREASURER :
- Statement of Colonial Loans (XXIV) submitted to Legislative Council in November, 1935.
- By THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT :
- Annual Report of the Commissioner for Local Government, Lands and Settlement, 1934.
 - Return of Land Grants—1st April to 30th June, 1935.
 - Return of Land Grants—1st July to 30th September, 1935.
- By THE HON. THE DIRECTOR OF EDUCATION :
- Education Department Annual Report, 1934.
- By THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS :
- Estimates of the Revenue and Expenditure of the Kenya and Uganda Railways and Harbours for 1936.
- By THE HON. E. B. HOSKING, O.B.E., COMMISSIONER OF MINES :
- Mining and Geological Department Annual Report, 1934.
- By THE HON. H. M. GARDNER, CONSERVATOR OF FORESTS :
- Forest Department Annual Report, 1934.

NOTICE OF MOTION.

Re TRAFFIC ORDINANCE, 1928.

Notice of the following motion was given—

By THE HON. MEMBER FOR NAIROBI SOUTH :

"This Council is of opinion that the Traffic Ordinance, 1928, should be amended to provide for monthly licences to be taken out in respect of the months of March, June, September and December in any year at one-third of the price of a quarterly licence, plus ten per cent."

BILLS.

FIRST READINGS.

On the motion of the hon. the Attorney General, seconded by the hon. T. D. H. Bruce, the following Bills were read a first time :—

Morris Pension Bill.

Subordinate Courts (Separation and Maintenance) (Amendment) Bill.

Civil Procedure (Amendment No. 2) Bill.

Kenya Royal Naval Volunteer Reserve (Amendment) Bill.

Notice was given to move the second reading at a later stage of the session.

*The Council adjourned till 10 a.m. on Thursday,
21st November, 1935.*

THURSDAY, 21st NOVEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Thursday, the 21st November, 1935, His Excellency THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The Minutes of the meeting of the 20th November, 1935, were confirmed.

PAPERS LAID ON THE TABLE.

The following Paper was laid on the Table:—

By THE HON. THE COLONIAL SECRETARY:

Schedule of Additional Provision No. 3 of 1935 for the period 1st July to 30th September, 1935.

NOTICE OF MOTION.

Notice of the following motion was given:

By THE HON. THE COLONIAL SECRETARY:

"That the Schedule of Additional Provision No. 3 of 1935 be referred to the Standing Finance Committee."

ORAL ANSWERS TO QUESTIONS.

THE WATER ORDINANCE, 1929.

No. 52.—THE HON. CONWAY HARVEY asked:

"1. Will the hon. the Colonial Secretary be pleased to state the reasons for putting into operation the provisions of the Water Ordinance, 1929, at the present time?"

2. Were any representative users of water consulted before such decision was made?"

3. Can areas where water problems are not acute, and the need for economy imperative, be excluded from the provisions of this Ordinance, until times improve?"

4. Will all users of water be called upon to pay for the use of water, even though they have been in possession of official permits for many years?"

5. How will charges for the use of water be based?"

THE HON. THE COLONIAL SECRETARY: 1. The rapidly increasing demands for authority to divert and use water from public streams rendered it necessary to bring the Ordinance into operation.

2. There was no consultation with users, but representations urging that the Ordinance be brought into operation were received from public bodies, and users have from time to time expressed themselves as dissatisfied with the legislation previously in force.

3. The answer is in the negative. It is considered unsuitable that one law should apply to some parts of the Colony and another law to other parts.

4. It is not intended to make any charge for the use of water.

5. As no charge is to be made the question does not arise.

THE HON. CONWAY HARVEY: Arising out of that answer, Sir, may I ask whether the permit for the use of water will involve financial commitments on those who apply, and whether such permit when it is finally given will be vested in the land or be individual to the applicant?

THE HON. THE COLONIAL SECRETARY: I do not know if my hon. friend the Director of Public Works can answer that, or whether he would like notice given first?

THE HON. THE DIRECTOR OF PUBLIC WORKS: Your Excellency, it is proposed to bring an amending Bill before the Council this session which will limit the amount of the fees for documents, not the charge for water, which an applicant for a permit will have to pay. At present they have to pay full fees. As regards the question as to whether a permit will be appurtenant to the land or not, water rights conferred by licences will be appurtenant to the land but sanctions and other informal authority will not be so appurtenant.

COTTON ACREAGE, COAST PROVINCE NATIVE RESERVES.

No. 56.—**THE HON. F. A. BEMISTER** asked:

"What acreage has been planted with cotton in the Coast Province Native Reserves?"

"If possible please give reply according to tribes?"

THE HON. THE DIRECTOR OF AGRICULTURE: The estimated acreage planted with cotton in the Coast Province Native Reserves according to tribes is as follows:—

Nyika tribes	...	...	3,500 acres.
Digo	...	...	3,500 "
Pokouo	...	...	100 "
Taveta	...	...	100 "

THE HON. F. A. BEMISTER: Arising out of that answer, Sir, have you not missed one of the tribes out? What about the Giriama?

THE HON. THE CHIEF NATIVE COMMISSIONER: They are included in the Nyika.

OVERSEAS SCHOLARSHIPS FOR INDIAN STUDENTS.

No. 58.—**THE HON. A. B. PATEL** asked:

"In view of the fact that provision has been made for overseas scholarships for European students, will Government make a similar provision for Indian students going overseas for higher studies?"

If the answer be in the affirmative, when it is proposed to do so, and if not, for what reasons?"

THE HON. THE COLONIAL SECRETARY: No provision has been made in the draft Estimates for 1936. Should the honourable member feel that such provision should be made, he will no doubt take the opportunity to raise the matter when the Estimates of the Education Department are under examination by the Standing Finance Committee.

MOTIONS.

SCHEDULE OF ADDITIONAL PROVISION No. 2 OF 1935.

THE HON. THE COLONIAL SECRETARY: Your Excellency, I beg to move the first motion which stands in my name on the Order of the Day:—

"That the Schedule of Additional Provision No. 2 of 1935 be referred to the Standing Finance Committee for examination and report."

The Schedule, Sir, covers additional expenditure incurred during the second quarter of the year. The total sum involved is £8,541, which to the extent of £2,210 is covered by savings which have been specifically earmarked, leaving net additional expenditure of £6,331.

The details of the various items are explained in the printed memorandum.

THE HON. THE TREASURER seconded.

The question was put and carried.

CARRIAGE OF GOODS BY MOTOR (PROHIBITION) ORDINANCE, 1932.

THE HON. THE COLONIAL SECRETARY: Your Excellency, I beg to move:

"Whereas it is provided, *inter alia*, by section 13 of the Carriage of Goods by Motor (Prohibition) Ordinance, 1932, that the said Ordinance shall continue in force until the 31st day of December, 1933:

And whereas it is further provided in section 12 of the said Ordinance that the Governor may, by proclamation, with the approval of the Legislative Council, declare that the said Ordinance shall remain in force until a date to be fixed in such proclamation :

And whereas by Proclamation No. 13 of the 19th day of December, 1933, the Governor with the approval of the Legislative Council declared that the said Ordinance should remain in force until the thirty-first day of December, 1934 :

And whereas by Proclamation No. 117 of the 17th day of December, 1934, the Governor with the approval of the Legislative Council declared that the said Ordinance should remain in force until the thirty-first day of December, 1935 :

Now, therefore, it is hereby resolved that this Council approves the issue of a proclamation declaring that the said Ordinance shall remain in force until the thirty-first day of December, 1935."

It is in effect that the operation of the Carriage of Goods by Motor (Prohibition) Ordinance, 1932, be prolonged.

Your Excellency, the circumstances and conditions which led to the introduction of this Ordinance in 1932 are well known, to every hon. member of this House, as are also the arguments which induced Government to adopt the policy which is expressed in that Ordinance. That policy has been endorsed by this Council on two subsequent occasions. I do not, therefore, propose to waste the time of the House by any discussion of principle. It will be enough to say that the arguments which were valid in 1932 are equally valid now, that the Ordinance has been successful and is being successful in achieving the object for which it was introduced, and it is therefore proposed to continue it.

The motion, however, does contemplate a variation from previous practice. Hitherto it has been the custom to renew the Ordinance for a period of one year only; it is now proposed to keep it alive for a period of three years. The reason for this is that the railway rating policy depends on the protection by Government against unfair competition, and the Railway Administration naturally wish to be assured that this protection is not likely to be withdrawn at a moment's notice at the end of any one year. This motion, therefore, is designed to convey to the Railway Administration the assurance which they desire.

It is, however, recognized that this method may not prove to be the best permanent solution of the problem. Your Excellency therefore recently appointed a committee whose terms of reference include—

"to investigate and consider the desirability in the interests of all sections of the community of co-ordinating and regulating all forms of transport in the Colony, having due regard to, *inter alia*, the necessity for avoiding un-economic and/or dangerous competition."

I understand that somewhat similar committees are conducting somewhat similar investigations in the neighbouring territories. Moreover, the problem is not an isolated one confined to Kenya. It will therefore in due course receive further consideration by the Governors' Conference which has already recorded its conviction that the matter is one which needs investigation.

If, as a result of these investigations, some more scientific or more satisfactory way of dealing with the problem can be devised, this Ordinance (for whose continuance I am now asking) can be repealed.

What my motion amounts to is this: that so long as conditions remain substantially the same, and provided that no better remedy is forthcoming in the meantime, the Railway Administration may rest assured that it can rely on the continuation of Government's policy of protection for a reasonable period.

THE HON. THE TREASURER seconded.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Your Excellency, I rise to support the motion, because it is quite obvious that if the Railway is to give the reduction in rates such as we were informed yesterday it is necessary it should be protected from the danger of this competition.

"I am very pleased, Sir, to hear the explanation given by the hon. the Colonial Secretary that this continuation is provisional in view of what recommendations may be forthcoming from the committee recently appointed. I have read in the Press that the neighbouring territory is bringing out some gentleman who is an expert in this matter, and I think it very advisable if this Government were to take advantage of his visit to East Africa to get his advice also on this somewhat difficult problem.

THE HON. SHAMSUD-DEEN: Your Excellency, I beg leave to move an amendment to the motion at this juncture, that the figure "1933" should be changed to "1936", which in effect amounts to the suggestion of our carrying on the present practice of continuing the Ordinance for one year. The very

fact that the hon. mover has mentioned that committees have been appointed to investigate the desirability of co-ordinating and regulating the transport of the three colonies demands that we should not be committed to extending this present practice to a period of three years. We must await the Report of our committee. I cannot anticipate the conclusions of that committee, and it is just possible that their Report may be to the effect that there is no longer any justification for this monopoly being given the Railway.

Your Excellency, the hon. the Colonial Secretary has said that the Railway wants protection from Government against this uneconomic competition, but incidents which have taken place from the time this Ordinance was introduced have really provided grounds for a re-examination of the whole matter. If we are trying to prevent uneconomic competition against the Railway, to my mind it appears that the Railway is now planning uneconomic competition against Government, because it is depriving Government of legitimate sources of income which should really come to the coffers of Government instead of going to the coffers of the Railway and so enabling the latter to build up such big reserves. Whenever we talk about the Railway being expected to carry maize, for instance, to the coast for export, they say they cannot do it below cost. If they cannot do that below cost, they cannot expect to get from the community the colossal revenue that they are deriving from certain goods which only cost them to carry a fraction of what they get from the community.

I personally think that if this road traffic was subjected to a very heavy tax payable to Government for the carriage of high class goods on which the Railway charges extortionate freight, it would be a source of a big income to Government itself, for the only difference now is that while the Railway comes to Government for protection against this so-called uneconomic competition it is taking away most of the income that should come to Government. Quite apart from the tax which I have suggested, Government is actually being deprived of a very large source of income which used to come to us from sources which have already been mentioned and which I have no intention of repeating, in the way of customs duty on motor parts, petrol and other things.

Apart from that, I also know it has put thousands—perhaps I may be accused of exaggeration, but certainly hundreds—of people out of jobs. When the families and children of those people who made a living out of the road transport are counted the number is certainly thousands. I happen to be, perhaps unfortunately, aware of conditions that are prevalent in the quarters where these people who have been deprived of their living reside. We have heard, and we still hear, of

occasional cases of suicide in this Colony owing to the depression. Of course, in the quarters where reside these people who have been deprived of their living there are no suicides, but so many deaths occur simply for want of medicine and medical treatment which they cannot afford to have. Such deaths amount to murder, not suicide, by one section of the community against the other section.

I have no desire to take up the time of the House by prolonging my speech, but I would say this much. I do not think there is one single member of this House who believes that this measure is not going to stop as a permanent measure. I do not know whether we are deceiving ourselves or the public by continuing this measure for one, two, or three years when we know perfectly well that it is going to stop as a permanent feature. Railway have been given a free gift of the rail road and the rolling stock, most of which is rotting in different places and will have to be sold as scrap iron before long, and yet they cannot run their institution unless Government gives them an assurance against competition by a paltry few number of lorries. I beg to move, Sir, that the figures "1938" in the last line of the motion be deleted and the figures "1936" substituted therefor.

THE HON. A. B. PATEL: Your Excellency, I beg to second the amendment proposed by the hon. member.

I do not propose to discuss the principle involved in this motion. I recognize that legitimate protection should be afforded the Railway Administration from competition by motor vehicles, but at the same time I believe hon. members will agree that that protection should not be carried further than what is necessary. It must be recognized that it is not always to the interests of the general public to afford this protection. It must also be remembered that this measure was in the nature of a temporary and emergency enactment, and it was a very wise precaution that it should only be continued from year to year. In the amendment proposed an extension of one year only is also suggested, and in my opinion no reasons have been shown why the past practice should be departed from.

In view of the circumstances related by the hon. mover, I think that in the present year the reasons are more in favour of an extension of one year only. I agree with the observations made by the *East African Standard* in its editorial on 20th November, when it stated:

"It is proposed to extend the Road versus Rail legislation for three years. It will be recognised at once that the Railway Management has some right to expect security in the light of its financial commitments and to argue

that unless that security is given on a sounder basis than a year to year extension of protection, the Railway cannot use its improving revenue or its reserves, to assist hard-hit producers and business houses. But on the other hand it will have been noted that the Government of Tanganyika proposes to seek expert advice on this very difficult problem of road and rail competition and it is not unreasonable to suggest that if one of three Territories proposes to take such a step, the other two, equally affected, might well consider it. In that case it might be unwise, without the most careful consideration, to tie the hands of the Legislature still further in the very limited control it now has over Railway policy. It is also to be remembered that at the moment there is an enquiry on foot regarding regulation of Kenya transport which has a bearing on the same subject."

Your Excellency, it is therefore more necessary than in the past to extend this measure for one year only to afford an opportunity to this House to change its view if necessary in the light of new circumstances which may arise.

THE HON. THE COLONIAL SECRETARY: Your Excellency, speaking to the amendment, on behalf of Government I would say that I cannot accept the amendment. The question of the extension of the period of three years was considered at great length by Your Excellency's advisers, and we were assured by the Railway Administration, and believed them, that it was necessary they should have a certain measure of security, that security to which the hon. Member Mr. Patel has just referred. Taking everything into consideration, we definitely came to the conclusion that three years was a reasonable period. At the same time, we did realize that it was just possible something might happen in the course of the three years which would alter the situation, in which case the remedy was perfectly easy: to repeal the Ordinance.

For those reasons, Your Excellency, I have to say that Government cannot accept this amendment.

The amendment was put and negatived.

The debate was resumed on the original motion.

THE HON. D. D. POHI: Your Excellency, in view of the fact that the very important amendment of my hon. friend Mr. Shamsud-Deen has not been accepted, I beg to rise to oppose the motion. The reason advanced for the continuation of this Ordinance is on account of the uneconomic competition with the Railway, but the Railway admit themselves that their rating policy has a number of defects which should be

eliminated as and when the opportunity arises, and the way to eliminate these defects is to gradually reduce the top Railway goods rates. The hon. the General Manager himself wrote in his annual Report for last year, if I am permitted to quote from it, on page 72 as follows:—

"There are still a number of defects which should be eliminated as and when the opportunity arises.

Alterations in rates should, therefore, be designed to eliminate these defects rather than to perpetuate them. By far the most important is the unbalanced nature of our rates structure. This is clearly obvious from a study of the table shown on page 10. While the average charge to the public as given in the table on page 9 is very reasonable for a Railway of this size, having heavy grades, sharp curvature and a low density of traffic (see table above) working at a high altitude, importing all its coal and paying high rates on its load-charges, it will be noticed that certain comparatively small tonnages of high valued imported goods pay very high rates indeed and contribute a large proportion of the total revenue, while large tonnages of low valued agricultural exports pay extremely low rates.

The unbalanced nature of this tariff above and below the average rate introduces many consequential troubles and difficulties. On the one hand, the high rates (Classes 1, 2 and 3) render the Railway unduly vulnerable to road and air competition and make it incumbent upon the Governments, if the policy is to be maintained, to provide adequate protection by means of legislation. Furthermore, such high rates keep up unduly the cost of the commodities concerned, tending to increase the cost of living and the cost of manufacture where imported products are used."

Now, Sir, those are very good reasons, which the Railway Administration admit themselves, why Classes 1, 2, and 3 should be reduced at an early opportunity. But now that there is an opportunity of £150,000 relief being given in Railway rates, it has been decided that this relief should go to primary producers, although a small concession has been allowed in blankets, which are reduced from Class 1 to Class 3, and a 10 per cent rebate on cotton cloth and piece goods. Generally, there has not been any reduction in the Railway classification of commodities, especially in the higher classes. The Class 1 goods rate being very high, has been the cause of goods being brought by road from Mombasa. Now that that road is closed by law, goods are coming in through some other channel. Therefore the proper thing for the Railway to do would be to decrease the rates to such an extent that it would be impossible for lorries to bring goods or for any other

means of transport to carry goods cheaper than the Railway. Therefore the Railway Administration has failed in its duty towards the community generally, and I beg that this motion should not be passed by this House.

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: Your Excellency, there are one or two points raised by hon. members which I would like to clear up and the first is the question of rate reductions. This problem as hon. members will be aware became very acute when we were considering in what way we could give back a considerable sum of money to the users of the railway. We had to consider the very point the hon. Member Mr. Puri has mentioned, whether we should devote the whole of that sum to these high rates which we all admit to be high, or whether we should give that money in other directions, which we thought would benefit the general wealth and producing capacity of the country in a better way. The decision was taken that we should further reduce the rates on primary produce and certain imported commodities which will not, however, speaking generally, include any Class 1, 2 and 3 goods. There are only two items in the list we have selected that are in Classes 1, 2 and 3 and these involve only a small proportion of the total amount. That is a question of policy: shall we keep these classes high and give the reductions in the lower classes? Both the countries as a whole wish that policy maintained and therefore we must come to this hon. House for protection against unfair and uneconomic competition. The only other alternative is to allow us to devote the whole of the rate reductions to the high classed goods. At the present stage of the development of this country, in my view that would be a mistake. I agree therefore that the majority view of these two territories is quite sound in this respect and that at the present time the reductions should not be devoted to these high classes.

It has been suggested that by this form of protection, Government is depriving itself of certain revenue. That is not the position. Government would not be obtaining this revenue in any case. Either we get the protection we have asked for or we must deal with the competition through the rates as has been suggested by the hon. Mr. Puri. In either case no traffic moves by road and therefore the customs duty and other forms of revenue would not accrue. That point I think must be quite clear to hon. members. That is the gist of the matter. It is a question of policy in that the two territories as a whole consider that the present policy of keeping up import rates on Classes 1, 2 and 3 and having very low rates for primary produce and exports is the best policy and in view of that this legislation is of course essential.

THE HON. F. A. BEMISTER: Your Excellency, at the moment I am a little confused but what I take it is that at the moment the Railway asked for security and the hon. mover said they were going to give them security for three years but that there was a Board which might take it away in six months. I do not quite understand where the Railway gets the security if they have hanging over their heads this Board on economic development which may alter the whole system. I wish that could be made clear. It is either certain for three years or surely the Railway will not accept it.

THE HON. SHAMSUD-DEEN: Your Excellency, am I allowed to speak again?

HIS EXCELLENCY: I am afraid not Mr. Shamsud-Deen. You proposed an amendment and cannot speak again.

THE HON. SHAMSUD-DEEN: We are now discussing the original motion.

HIS EXCELLENCY: You are not allowed to speak to the motion even. I have ruled that before. That is the ruling I gave and it has been confirmed.

If no other hon. member wishes to speak I will call upon the hon. mover to reply.

THE HON. THE COLONIAL SECRETARY: Your Excellency, there are two points which have been mentioned to which I would very briefly refer.

The Hon. Mr. Shamsud-Deen asked if there was any one in this House who was not convinced that this legislation was to be permanent. I may be the only one but any how I am one. I am not at all convinced. In fact I do not see how it can be permanent. None of us can tell what the developments of transport might be. We have only to look back to the past history of England and see how coaches were superseded by railways, how canal transport vanished, and how the internal combustion engine brought the traffic back to the roads. The very fact that Your Excellency appointed this committee and that an expert is going out to Tanganyika shows that Government does not think it is a permanent measure and there is no hypocrisy at all in our suggestion that it should be reviewed from time to time and in three years as being a reasonable period.

The other note I have was on a point made by the hon. Member for Mombasa. He says he did not see what security we were giving the Railway if a Board could take it away again. I tried to make that quite plain at the end of my

introductory speech. The security we are giving the Railway is this: providing conditions remain the same, providing there is the same necessity for protection and no better way is found in the meantime, Government's policy will remain the same. The assurance that Government's policy is not going to be altered unless there is some very good reason, some change in conditions which necessitate that alteration, in which case the whole Ordinance can be repealed. That is the assurance for which the Railway has asked and that is the assurance we are giving them.

The substantive motion was then put and carried.

SISAL SOFTENING FACTORY.

THE HON. THE TREASURER: Your Excellency, I beg to move the following motion:

"Be it resolved that this Council approves the expenditure of a sum of £3,065 upon the purposes specified in the Schedule hereto as a charge against the revenue and other funds of the Colony.

Schedule.

Colonial Development Fund—

Sisal Softening Factory £3,065."

This is a formal motion. Under Colonial Regulations it is necessary to obtain the special sanction of the Legislature for expenditure in excess of £2,500 if such expenditure is not already provided for in the approved Estimates. The particular amount covered by this resolution is in respect of the first two instalments of a grant of £10,500 from the Colonial Development Fund and the Colony's actual financial position will not be affected, but as gross expenditure is shown in the Estimates an entry on both sides of the accounts must occur. Hence the necessity for this motion.

The purpose for which this grant has been made is to allow of further practical experiments being instituted with regard to the commercial possibility of sisal softening. As members probably know, sisal is naturally a hard fibre and as such has only a limited range of utility. If by some inexpensive process it can be converted into a soft fibre the uses to which it can be put will be very considerably extended as it will then become suitable for the manufacture of the better qualities of canvas fabrics for sailcloth, tarpaulin wagon covers, mail bags and similar commodities and also for the manufacture of the stronger grades of twine and rope. Its value would then naturally be very much increased with obvious advantage to the industry as a whole. The intention is to conduct the first practical experiments in the United

Kingdom in the first instance and then if these experiments prove successful plants will be installed on various plantations in East Africa.

The terms of the loan are that the advance shall be regarded as a free grant of capital if the project has not proved successful at the end of two years from the date of issue of the loan, otherwise the loan will be free of interest for two years, thereafter to bear interest at 4 per cent and the loan to be repaid within seven years of the date of the advance or earlier at the option of the borrower.

Provision for the full amount of £10,500 appears in the draft Estimates for 1936, but as the portion now under discussion will be expended this year, the 1936 Estimates will require to be amended by a deduction of £3,065 on both sides of the Estimates.

I beg to move.

THE HON. THE ATTORNEY GENERAL seconded.

VEN. ARCHDEACON THE HON. G. BURNS: Your Excellency, I should like, for my information, to know whether this amount of £3,065 is a loan from the Colony to the sisal industry and the sisal industry at some other time will pay that back or not, because it is, I see, from the revenue of the Colony and naturally the people who are engaged in this industry of sisal production are only one class of people and on the other hand the people who contribute towards the revenue of the Colony have to bear the brunt of this £3,065. Is it a loan or is it going to be paid back a little later on to Government funds by the sisal industry?

THE HON. A. C. HOBY: Your Excellency, I support the motion. This really is the outcome of the individual efforts of a primary producer in this country, to whom I think we owe a great debt of gratitude. Experiments have been carried on at home by this man and he has been responsible for finding his own finances up to the point when he satisfied such eminent authorities as the Imperial Institute and other eminent people engaged in this research and the result is that his experiments have gone so far as to justify an application being made for financial assistance. When one thinks of the benefits that will accrue to this Colony if these experiments go far enough to bring about the production of soft sisal fibre, it is hard to realize the enormous benefits that will accrue especially to the native population of this country and the Europeans and that will have the effect of bringing the sisal industry as an outstanding primary industry for Kenya. That is my definite opinion and I believe that it is a small-minded way of looking at things if when you have such an effort being made at home and which if successful means such a lot to this

Colony, to turn round and say—no, let the industry pay for it. It is a measure which, if successful and I believe we have every reason to believe it is going to be successful, will be of such benefit to this Colony, that the cost of the original factory which is put in at the figure of £10,500 will be very small indeed to the benefits which the Colony will receive, and I strongly support the motion.

THE HON. THE TREASURER: Your Excellency, I must apologize to the hon. and ven. member for not having made myself sufficiently clear. The sum in question is from the Colonial Development Fund and an entry appears on the revenue side of the Estimates for £3,065 and a similar sum appears on the expenditure side. It is in consequence of the Colonial Regulations that we are now dealing with the expenditure side. So far as repayment goes, I thought I stated that it shall be regarded as a free grant from the Imperial Government if at the end of two years the experiment has proved to have been unsuccessful. If, on the other hand, it proves itself successful, it is repayable within seven years, interest being charged at 4 per cent and the loan being free of interest for two years.

The question was put and carried.

PENSION—DR. P. F. NUNAN.

THE HON. THE TREASURER: Your Excellency, I beg to move the second motion standing in my name:—

"This Council approves the payment of an unreduced pension of £611/16/3 a year to Dr. P. F. Nunan, who is retiring from the service of this Colony with effect from the 29th November, 1935, inclusive, in lieu of a reduced pension of £481/7/2 a year and a gratuity of £1,604/10/10."

This also, Sir, is a formal motion in that many other motions of a similar nature have been approved by this House quite recently. The particular officer in question, Dr. Nunan, entered the East African Protectorate Medical Service in August, 1913, transferred to Tanganyika Territory in December, 1923, returned to Kenya in August, 1925. He is now a Senior Medical Officer on leave pending retirement, which retirement will take effect from the end of the present month. He originally opted to receive a reduced pension and gratuity and he now requests that option should be revoked and it is considered to be in the interest of Government that he should be allowed to do so.

I beg to move.

THE HON. THE ATTORNEY GENERAL seconded.

The question was put and carried.

LOAN FUNDS RE-ALLOCATION—COMMUNICATIONS.

THE HON. THE DIRECTOR OF PUBLIC WORKS: Your Excellency, I beg to move the following motion:

"Be it resolved that this Council hereby approves the expenditure of a sum of one thousand three hundred pounds upon the purpose specified in the Schedule hereto as a charge against loan funds and further approves provision being made therefor by a re-allocation of the amount from—

Communications:

Feeder Roads £1,300

Schedule.

Communications:

Main Roads and Bridges £1,300."

I need not take up more than a few moments of the time of the House in dealing with this re-allocation which has been unanimously approved by the Central Roads and Traffic Board. The motion seeks authority for the transfer of a sum of £1,300 from the item Feeder Roads of the Sub-head Communications of the Loan to the item Main Roads and Bridges of the same Sub-head. It is proposed to spend £1,000 on the construction of a new road from Mau Summit to Mokotana, a distance of about 12 miles over easy country, so providing an essential link in the main road from Nakuru through Molo to Eldoret, and putting that road on its permanent alignment. It is also proposed to use £300 on the construction of a bitumen strip for about one mile on the Limuru Road as an experiment to ascertain the suitability of that mode of construction for this country. It has been found to be very satisfactory in Southern Rhodesia.

I beg to move.

THE HON. THE TREASURER seconded.

The question was put and carried.

BILLS.

SECOND READINGS.

MORRIS PENSION BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, with your permission and the permission of the House, I ask leave to postpone introducing the second reading of the Morris Pension Bill till some later date in this Session. Actually from information I have just received it may not be necessary to introduce it at all.

HIS EXCELLENCY : I take it the House has no objection to that.

**SUBORDINATE COURTS (SEPARATION AND MAINTENANCE)
(AMENDMENT) BILL.**

THE HON. THE ATTORNEY GENERAL : Your Excellency, I beg to move the second reading of a Bill to amend the Subordinate Courts (Separation and Maintenance) Ordinance, 1928.

A simple example of what has happened in this Colony within the last year will, I think, satisfy hon. members that this amendment is most necessary. During the last year a man and his wife were residing in Kenya with four children. Early in the year the lady decamped with someone else to another Colony and the gentleman was so broken-hearted that he went off on his own also to some other Colony, with the result that the Colony has been left with the four children to support. It was then found on reference to me that it was impossible for us to take any step against this gentleman although we happened to know where he was residing and that he was actually receiving sufficient salary to offer some contribution to the upkeep of the children.

This amendment provides by those important words in section 3 which reads: "In any case where a woman is dead, or has committed an act of adultery or is absent from the Colony" and the important words are "or is absent from the Colony" the Attorney General may move in the matter. The effect of that amendment will be that in the case I have given to you I can take action at once to endeavour to obtain some money for the support of these children from the man who we know is receiving a salary sufficient to support them. As it is, in the absence of the lady, I am unable to take any steps in the matter at all.

I beg to move.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

**KENYA ROYAL NAVAL VOLUNTEER RESERVE (AMENDMENT)
BILL.**

THE HON. THE ATTORNEY GENERAL : Your Excellency, I beg to move the second reading of a Bill to amend the Kenya Royal Naval Volunteer Reserve Ordinance, 1931.

I feel that this Bill speaks for itself and it is hardly necessary for me to say anything in introducing it. If hon. members will look at the opposite side of the page you will

see that as the law stands at present every member of the Reserve must be a British subject of European race or origin. It has been reported to the Government from those that know in Mombasa that it is necessary in order to get the ordinary ratings to work on the boats in the Reserve that we should extend this section so as to permit the Government to permit Arabs or Africans to be enlisted as A.B.s and such like in this Reserve. It must be obvious to everybody that these people on the Coast are exceedingly good seamen and by excluding them we are certainly not adding to the efficiency of the Force, apart from the fact that it has been found that the Europeans down there or I should imagine anywhere else in the tropics do not care for the ordinary jobs of A.B. down at Mombasa.

THE HON. T. D. H. BRUCE seconded.

THE HON. A. B. PATEL : Your Excellency, I am not sure if the point I desire to touch on this Bill should be considered as a matter of principle or as a matter of detail which I should move as an amendment in the committee stage, but to my mind on the point of the Arab and African communities the absence of the word "Indian" from the proviso proposed to be added to section 8 is a matter of principle in one respect. I am aware of the objects and reasons given in support of the amendment but at the same time in my opinion the absence of the word "Indian" makes one think that many times Government in my submission forgets that the Indian community also does live in this country. I am not trying to secure better posts for Indians but to draw the attention of the Government to a vital principle from our point of view that whilst such Ordinances are framed the Indian community should not be forgotten and it may be argued in reply perhaps that the Indian community mostly consists of traders and has no interest in the posts in the Ordinance, but I might remind this House that there are thousands of Indian Muslims from Western India who have settled down on the Coast particularly in Mombasa who are a sea-faring population. They were the people who came to Mombasa generations back and made business as a sea-faring population. They were the people who were running shows down the Coast and they were also the people who were working as boatmen before the deep-water piers were constructed at Mombasa. Owing to the construction of these piers they were thrown out of work and have not reconciled themselves with other trades. In the circumstances I submit that there are people on the Coast amongst the Indian Muslims from Western India who are quite fit enough to take this kind of work. At the same time I do not think it can put the Government to any inconvenience by including the word "Indian" in the proviso because Your

Excellency has absolute discretion whether any particular kind of people will be included or not and the proviso is very clear that when Your Excellency at any time considers it desirable in the public interest only Your Excellency may make provision. Therefore I trust that the Government will see its way to include the word "Indian" in three places in that proviso wherever the words "Arabs or Africans" occur.

THE HON. SHAMSUD-DEEN : Your Excellency, I only wish to supplement the remarks made by my hon. friend just now by saying that although we are always accused in this House of bringing opposition to questions, that the Government in this instance should deliberately exclude British Indians. I think there is no necessity for the word "Indian"—it should be any British subject. I do not agree also with the objects mentioned in this Ordinance that the Arabs and Africans, and as I hope Indians, that the British Indians should always be relegated to the positions of cutters of wood and drawers of water. If a man has the qualifications there is no reason whatsoever why he should not be in any branch of the service for which he is qualified. Although these are only small pin-pricks I think they go very far in making heart-burnings owing to their being excluded because of their place of birth or colour. As far as the people Mr. Patel referred to, I would only mention just one case which I think is well-known to the General Manager of the Kenya and Uganda Railway—the case of a man named Juma. He belongs to the same tribe as Mr. Patel and he carries with him a book of certificates dating as far back as 1870. When there was no organized service he was a pilot and there is a regular tribe called the Hadala whose only occupation is that of navigation. They have for a number of years been carrying on trade between Mombasa and Arabia and Bombay, sailing with just the aid of a compass, and even if the policy was to be perpetuated with the Arabs and natives, these Indians must always be in the same position as scavengers and menials and so forth. I think the Government will benefit very much by making use of that class of people living at the Coast in that they are really actually driven to a sort of straitened conditions for want of occupation and this is the only occupation for which they have been trained.

THE HON. SIR ALL BIN SALIM : Your Excellency, I am of the same opinion. Since the Arabs and Africans have been mentioned in the Bill, I think the Indians should be included. Actually if they are excluded it makes them feel that the Government is doing a favour to the Arabs and Africans and such an opinion should be avoided if possible and I think they ought to be included.

THE HON. D. D. PUNT : Your Excellency, in my opinion this raises a very much bigger question. We are generally blamed in this country that we do not take part in the defence of Kenya but I say, Sir, that the blame is not on the Indian community : it is partly with Government. Now when the opportunity occurs, the Kenya Royal Naval Volunteer Reserve is limited to one section of the community, and as my hon. friend has pointed out Indians are to be kept out of it. Steps are now to be taken to include Arabs and Africans, but I say—and if necessary I will propose an amendment—that Indians should be included, or that the Bill should be so worded that no racial elements are mentioned, so that this Naval Volunteer Reserve shall be open to Indians, Arabs and Africans, thereby giving an opportunity to those Indians who have made this country their home to take their share in the defence of the country of their adoption.

Council adjourned for the usual interval.

On resuming.

THE HON. THE ATTORNEY GENERAL : Your Excellency, I feel that it is quite unnecessary for me to say that there is no intention of casting any aspersions on the Indians of this Colony by their omission from this Bill which I was responsible for drafting. But the Bill was meant to be a matter of practical politics, and the officers of the Reserve in Mombasa informed us that the people they believed they could enlist were going to be Africans and Arabs; as a matter of practice they still think that will probably be the case. I may say however, that if, as the hon. Indian members seem to think, some Indians may wish to join and will be suitable men for joining, Government will have no objection at the proper time and place—which will be in the committee stage of this Bill—to deleting the words "Arabs or Africans" and substituting therefor "non-Europeans" thus bringing in everybody as suggested. As a matter of procedure, this is only a question of detail and should have come up in the committee stage, but I have given my answer now to allay any suspicion that may have been aroused by the speeches of the hon. members.

The question was put and carried.

THE CIVIL PROCEDURE (AMENDMENT NO. 2) BILL.

THE HON. THE ATTORNEY GENERAL : I move that the Civil Procedure (Amendment No. 2) Bill be read a second time.

There are three points in this Bill. The first is the alteration with regard to the word "decree" and the word "judgment". It has been found in practice that the decree—which is a formal document following the judgment of the court—is

often drawn up at some considerable period after the actual decision has been given, with the result that although the judgment may be given on one day it may take a considerable time before a man is able to enter his appeal because he can only appeal from the decree and not from the judgment. The decree is an epitome of the judgment in effect, and as a rule is drawn up by the successful party who, having been successful, may not be in any particular hurry to put in the formal decree. We therefore propose by this Bill to make it possible as in England, at the request of the Law Society, to appeal right away from the judgment as soon as it is given. No real matter of principal whatever is involved.

The second point is a result of the deliberations of a committee which is sitting at present, and the object of the second amendment is to protect the primary producer to some extent from attachment of his property up to an amount of £500 instead of an amount of £25 as at present. I should like to make it quite clear in this House that it was not the opinion of the Committee that a great deal had been done by greedy creditors in attaching property, but as one particular case had been brought to our notice we thought it only right that we should take immediate steps to urge Government to grant that protection which we thought the primary producer should have in these times by extending the amount to £500. You will realize that £25 means probably six oxen, with the result that that is all that could be protected—perhaps at the outside four oxen—so that a greedy creditor could entirely prevent a farmer, by an attachment against him, from carrying out his ordinary occupations by removing all except £25 worth of oxen. This Bill therefore extends the amount to £500. It is true that this will not remain in the law for ever, because we hope as a result of the Committee's deliberations that Government will be able to accept another form of relief which will render this particular section unnecessary. However, for the time being I am asking the House to accept this as a temporary measure.

There is another small point with regard to the time of appeal, which is the third point. It is this. As the law stands at present, you have to appeal within thirty days from the subordinate court. It is quite possible that in the out districts, before a man can get a copy of the judgment and can see his lawyer as to whether an appeal should be lodged, and get copies of all the various papers, a considerable time is occupied, with the result that it has been found that when everything has been subjected to consideration by those able to advise the litigant the thirty days have elapsed. We therefore make it possible in this Bill for the Registrar to extend the time of appeal by the length of time it has taken the

various clerks to prepare the necessary papers and submit them to the litigant; in effect, the time of appeal will be extended by that much. We also give the Supreme Court the right to extend the time for any good cause that may be shown.

THE HON. T. D. H. BRUCE seconded.

LT. COL. THE HON. LORD FRANCIS SCOTT: Your Excellency, I rise to support the motion before the House, and I should like to express my gratitude to Government for bringing in this amendment to try and help the position of a judgment-debtor when he is an agriculturist and an attachment is taken out against him.

CAPT. THE HON. H. E. SCHWARTZ: Your Excellency, as one of that body which is now labelled as one of the creditor class—I do not know why!—I should like to support what the Noble Lord has said regarding the attitude of Government in giving this immediate relief to agriculturists, which relief may be of very great importance and may make a very considerable difference to many of them.

The only other remark which I have to make concerns a point which has just struck me. It will probably be explained immediately by my hon. and learned friend the Attorney General. As far as I can see, in this Bill—which I did not see until two seconds ago—the first part deals with the question of no longer appealing from a decree but a judgment, an excellent innovation, and the last part says the time may be extended while you have time to get the decree. If you are not appealing against a decree, why wait to get it until you appeal? I suggest that the word should be judgment, not decree.

THE HON. CONWAY HARVEY: There is just one point, Your Excellency, that I should very much like cleared up when the hon. and learned mover replies to the debate. I take it for granted that nothing in this measure will affect in any way whatever the rights enjoyed by those who hold chattel mortgages for agricultural implements and such like things? It is a point which will be of very great interest to business people all over the country, and I suggest that this is a good opportunity for making the position of such people perfectly clear *vis-à-vis* this particular measure.

THE HON. THE ATTORNEY GENERAL: Your Excellency, replying first to the hon. Member for Nyanza, he is perfectly right that this measure does not affect chattels mortgages in any way. This visualizes, if I may give a good example, a

shopkeeper having judgment against a farmer for, let us say, £50, and he goes to court and gets what is called an attachment order. He goes on to the farm with the requisite authority and attaches property. He was able to attach everything of the nature described in the Bill above £25 worth, and now that exemption is being extended to £500. Chattels mortgages will not be affected at all.

With regard to the point raised by the hon. and learned Member Capt. Schwartz, that is a committee point which he will no doubt raise in committee, but he will probably be satisfied if he reads sections 2 and 4 together. Though I admit it might be put differently, the effect will be exactly the same, because in section 2 where you read the word "decree" you include "judgment", and where you read it anywhere else you can include the word "judgment".

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that the Council resolve itself into a Committee of the whole Council in order to consider, clause by clause, the following Bills:—

Subordinate Courts (Separation and Maintenance) (Amendment) Bill.

Civil Procedure (Amendment No. 2) Bill.

Kenya Royal Naval Volunteer Reserve (Amendment) Bill.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

Council went in Committee.

In Committee.

THE SUBORDINATE COURTS (SEPARATION AND MAINTENANCE) (AMENDMENT) BILL.

The Bill was considered clause by clause.

THE CIVIL PROCEDURE (AMENDMENT NO. 2) BILL.

The Bill was considered clause by clause.

Clause 2.

THE HON. E. B. HOSKING: May I protest against the word "appealable"? When the sense of the word is "appeal againstable" judgment?" (Laughter.) "an appeal shall lie against a

THE HON. THE ATTORNEY GENERAL: "Appealable" is perfectly understandable as a legal word and will be understood by any court that has to consider it. (Laughter.)

HIS EXCELLENCY: I take it that you do not want to move an amendment?

THE HON. E. B. HOSKING: No, Sir.

CAPT. THE HON. H. E. SCHWARTZ: I move that clause 4 be amended by the insertion of the word "the" between the words "for" and "preparation" in the eighth line thereof, and by the deletion of the word "decree" in the ninth line thereof and the substitution of the word "judgment" therefor.

THE HON. THE ATTORNEY GENERAL: I am prepared to accept that. The question was put and carried.

THE KENYA ROYAL NAVAL VOLUNTEER RESERVE (AMENDMENT) BILL.
The Bill was considered clause by clause.

Clause 2.

THE HON. SHAMSUD-DEEN moved that clause 2 be amended by the deletion of the words "Arabs or Africans" wherever they occur in the said clause and the substitution therefor of the word "Non-Europeans".

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that the Subordinate Courts (Separation and Maintenance) (Amendment) Bill be reported to Council without amendment and that the Civil Procedure (Amendment No. 2) Bill and the Kenya Royal Naval Volunteer Reserve (Amendment) Bill be reported to Council with amendment.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

Council resumed its sitting.

His Excellency informed Council that the Subordinate Courts (Separation and Maintenance) (Amendment) Bill had been considered clause by clause in committee of the whole Council and had been reported to Council without amendment, and that the Civil Procedure (Amendment No. 2) Bill and the Kenya Royal Naval Volunteer Reserve (Amendment) Bill had been considered clause by clause in committee of the whole Council and had been reported to Council with amendment.

THIRD READINGS.

THE HON. THE ATTORNEY GENERAL moved that the—
Subordinate Courts (Separation and Maintenance) (Amendment) Bill,
Civil Procedure (Amendment No. 2) Bill,
Kenya Royal Naval Volunteer Reserve (Amendment) Bill,
be each read a third time and passed.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

The Bills were each read a third time and passed.

Council adjourned till 10 a.m. on Wednesday,
27th November, 1935.

WEDNESDAY, 27th NOVEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Wednesday, the 27th November, 1935, His Excellency the Governor (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

ADMINISTRATION OF OATH OF ALLEGIANCE.

The oath was administered to:—

EUROPEAN ELECTED MEMBER FOR THE COAST:

WILLIAM GILBERT LILLYWHITE.

INVESTITURE.

On behalf of His Majesty the King, His Excellency presented the Insignia of a Companion of the Most Distinguished Order of Saint Michael and Saint George to the Hon. T. Fitzgerald, C.M.G., O.B.E.

MINUTES.

The minutes of the meeting of the 21st November, 1935, were confirmed.

PAPERS LAID ON THE TABLE.

The following paper was laid on the table:—

BY THE HON. THE COMMISSIONER OF CUSTOMS:

Report of the Select Committee of Legislative Council appointed to consider and report upon the provisions of a Bill to impose duties of excise, in substitution for the Report laid on the table on the 8th July, 1935.

NOTICE OF MOTION.

Notice of the following motion was given:—

BY THE HON. MEMBER FOR NAIROBI SOUTH:

"That a Select Committee of this Council be appointed to consider the provisions of the Township Private Streets Ordinance, 1924, and to report on such amendments as may be considered necessary."

ORAL ANSWERS TO QUESTIONS.

AGRICULTURAL ADVANCES BOARD.

No. 66.—THE HON. A. B. PATEL asked:—

"Will Government inform this House of—

(a) the amounts placed at the disposal of the Agricultural Advances Board;

- (b) the source from which such amounts were advanced;
- (c) the amounts already advanced but considered irrecoverable; and
- (d) the amounts already written off as bad debts respectively during the years 1930, 1931, 1932, 1933, 1934 and 1935 under Ordinance No. XII of 1930?"

THE HON. THE TREASURER : (a) The amounts placed at the disposal of the Agricultural Advances Board were as under :—

1930	...	...	£100,000
1933	...	...	13,000
1934	...	...	201

£113,201

(b) From the Surplus Balances of the Colony.

(c) The extent of irrecoverable advances as at present ascertainable will be given in reply to the last part of the question. It seems inevitable that authority must be sought in due course to write off further amounts, but as in the majority of cases the possibility exists of interference with farming operations from some quarter outside the control of the Advances Board, e.g. foreclosure under a mortgage, it is impossible to express any useful opinion as to the extent of further default.

(d) Amounts written off as bad debts are as follows :—

1930	...	Nil.	1933	...	£2,056 18 28
1931	...	Nil.	1934	...	£4,294 7 26
1932	...	Nil.	1935	...	£4,892 9 39

Authority will be sought at a later date to write off a further sum of £5,129-15-15, considered by the Board to be irrecoverable.

THE HON. F. A. BEMISTER : Arising out of that question, Sir, may I ask—

HIS EXCELLENCY : I cannot allow a debate on a question.

LT. COL. THE HON. LORD FRANCIS SCOTT : On a point of order, Sir, anyone is allowed to ask a supplementary question.

HIS EXCELLENCY : I agree.

THE HON. F. A. BEMISTER : What is the difference between the income, the total interest earned, and the losses written off?

THE HON. THE TREASURER : Roughly speaking, Sir, one balances the other.

LOANS—CONVERSION SCHEME.

No. 68.—THE HON. MEMBER FOR UASIN GISHU asked :—

" 1. Will Government state whether or not active steps are being taken with regard to a conversion scheme concerning the Colony's loan commitments?"

2. If the answer is in the negative, will Government give detailed reasons, other than the mere fact that no redemption clauses exist, why action has not been found possible?"

THE HON. THE TREASURER : Active inquiries have been instituted by this Government from 1924 onwards with reference to the possibility of converting existing loans, the last examination being undertaken early in the present year, when all available authorities were consulted. As stated on page 38 of the Memorandum on the Draft Estimates for 1936, no scheme has as yet been devised which is likely to be acceptable to the bondholders and at the same time not to be the financial disadvantage of the Colony.

In common with a very large number of Dominions, Colonial and Municipal loans, aggregating borrowings of hundreds of millions sterling, the loans of this Colony have been issued with stipulated dates of redemption, and so far as this Government is aware no attempt has been made to convert any loans of this type on a purely voluntary basis.

It may be mentioned that when the 6 per cent £5,000,000 loan of 1921 was floated, £2,100,000 only was taken up by the public, leaving £2,900,000 to be taken up by the underwriters, a sufficient indication that the terms offered were not at that time considered to be unduly generous.

MOTIONS.

DRAFT ESTIMATES, 1936.

THE HON. THE COLONIAL SECRETARY : Your Excellency, I beg to move :—

" That the Draft Estimates of Revenue and Expenditure for 1936 be referred to the Standing Finance Committee for consideration and report."

As Your Excellency has explained, these Estimates— even in the form in which they will emerge from the deliberations of the Standing Finance Committee—are provisional to the extent that they may be subject to modification in the light of recommendations which may be made by Sir Alan

Pin. Sir Alan brings to our assistance a wealth of experience and proved ability in dealing with problems similar to those which now confront this Colony, and we on this side of the House cordially welcome the most searching inquisition to which we can be subjected.

Before dealing with the actual figures of the Estimates, I would like to attempt to explode certain myths which, somehow or other, seem to have gained credence, and which, I think, tend to obscure the consideration of the financial and economic issues with which these Estimates are concerned.

The first myth is, that Government views with indifference the losses which farmers have incurred during the years of depression and has no sympathy with them in the plight in which some of them now find themselves. How such an extraordinary story originated, how it succeeded in gaining any currency, passes my understanding; but I have seen it so often repeated that I cannot help thinking that some people genuinely hold it. As a matter of fact, Sir, most of us on this side of the House have far too many personal friends among the farmers, quite apart from any other consideration, to make such an attitude of mind even remotely possible. Some of us have known those friends for a long period of years. We have known them when prices were good, when their hopes were legitimately high. We have known them in a previous depression struggling with adversity and winning through. They have put millions of pounds into the country and have brought millions of acres under cultivation. How is it possible that we could regard the realization of their hopes and the permanence of their achievements as anything but matters of the greatest possible moment to the whole Colony and to every one of us? (Applause.)

But, Sir, however deep our sympathy with them in their troubles, however sincere our realization of the value of what they have done for the Colony, we are not thereby endowed with the power to perform miracles. We cannot command the rains to come or the locusts to go. We cannot command the markets of the world or control the prices of primary products.

And that brings me to the second myth, which is, that Government is content to sit still and do nothing and wait for something to turn up. Government, Sir, is not content to do anything of the kind. Government has, in fact, done a very great deal more than is commonly realized or admitted. It has helped directly by the Land Bank, by the Agricultural Advances Board, by loans, by remissions of rent, and by a railway rating policy, and, indirectly, it has given enormous assistance to agriculture by its tariff policy under which duties

are imposed not for revenue purposes but for the protection of agriculture. Also, Government appointed the Economic Development Committee, which has recently reported, and has accepted the recommendation of that Committee to establish a permanent Board of Economic Development. That Board has been established and is in being. Moreover, I would remind hon. members that our resources for assisting agriculture are very limited. We are not like Rhodesia with its copper mines or South Africa with its gold.

I would also remind hon. Members that while there are many who criticize Government for having done too little for agriculture, they are probably outnumbered by those who criticize us for having done too much. I am certainly not among the latter, but I do say that if we have done too little it has not been for want of will to do more.

Now I come to the third myth, and that is, that Government does not want the assistance or the co-operation of representatives of the unofficial community. This is a myth which seems to me to be easily exploded by the facts of history.

During these difficult years, Your Excellency has naturally, inevitably, appointed committees consisting of those whom Your Excellency considered most capable of advising you on the difficult problems of your administration. In fact, it is hardly too much to say that government during these years has been conducted by committees, at least to a very large extent. We have had the Expenditure Advisory Committee, the Watch Dog Committee, the Economic Development Committee, and we have the Standing Finance Committee. We have also a number of other standing committees not dealing specifically with finance, but dealing with problems in which finance is a very important factor, such as the Loan Works Committee, the Central Roads and Traffic Board, the Kenya Advisory Committee, and, of course, the Board of Agriculture and the recently appointed Standing Board of Economic Development. On all those committees, whether *ad hoc* committees or standing committees, the unofficial representation has been at least equal to the official representation, and it seems to me that the statement which is frequently made that Government does not want, and has not asked for, the co-operation of the unofficial element cannot be substantiated for one second in the light of these definite facts. If Your Excellency did not want unofficial help, Your Excellency would not appoint so strong an unofficial personnel to these committees. The simple fact is, particularly in these past difficult years, that Government does want unofficial co-operation, needs unofficial co-operation, cannot do without it, has consistently sought it, and will continue to do so.

That, Sir, brings me to the fourth myth, and that is, that Government disregards and rejects representations and advice from the representatives of the unofficial community. This myth is a little more difficult to deal with, because it generally appears in a somewhat vague and general form.

We are told that we reject the just representations of unofficial members, but we are not told what those representations are, and, personally, I do not know what the representations are that we are supposed to have rejected. What I do know is this, that any representations which have been made by the unofficial community have always received sincere consideration and, at least, if any have been rejected, they have been rejected for reasons which to Government seemed to be adequate. I know also that the advice of the Expenditure Advisory Committee was accepted almost to the extent of 100 per cent; that there was never any question of rejecting any single piece of advice given by the Watch Dog Committee; that the great majority of the recommendations of the Economic Development Committee were accepted; and I do not think that members of the Standing Committees to which I have referred could fairly say that Government disregards or rejects their advice. As a matter of fact, my own experience is that when we get on committees we entirely forget whether we are Government or unofficial members. (Hear, hear.)

There is, however, one committee many of whose recommendations Government has not found it possible to accept. I refer, of course, to the recent Economy Committee. Not one of those recommendations has been rejected, however, without full and sincere consideration. Hon. members will find the reasons for the decisions taken set out in the printed Memorandum on the Expenditure Estimates. If any hon. member considers any of these decisions unwise, I will welcome an expression of his views, and I will guarantee that his arguments will receive full consideration and attention in the Standing Finance Committee.

Your Excellency, I have devoted considerable time to this preamble because I feel that the popular beliefs to which I have referred are entire misconceptions, and I believe that these misconceptions have caused a great deal of misunderstanding, both in this country and elsewhere—particularly in England—and I believe that the removal of these misconceptions is an essential preliminary to the impartial and dispassionate consideration of the budget which is now before the House.

This budget is a perfectly simple document, and represents the best that Government can do in the circumstances. It is unimaginative; it differs not at all in principle from either the budget of 1934 or that of 1935; it involves no new principles; it suggests no new methods of raising revenue. It

is framed in accordance with the definite policy which this Government has adopted during the last few years; that is to say, the policy on the one hand of balancing the budget, and, on the other, of spending no more than is necessary to keep a reasonable Government machine in being—to quote once again those well known words from the Report of the Expenditure Advisory Committee.

This, Your Excellency, has meant, on the one hand, that we have had to refuse many applications for additional expenditure which, if not vital to the interests of the Colony, are at least highly desirable, and, on the other hand, as Your Excellency has explained, we have had to retain certain taxes to which I fully realize there is considerable opposition.

Now, Sir, I wish to turn to the details of the Estimates.

First of all, the Revenue Estimates. The gross revenue estimate is £59,000 higher than the corresponding figure for 1935, but, as has been stated in the Memorandum, this figure is misleading, because the budget for 1936 has on each side items for revenue and expenditure from the Colonial Development Fund and from the grant of £50,000 voted by His Majesty's Government for giving effect to the recommendations of the Carter Land Commission. A truer comparison is found in the figures of net revenue on page 6 of the printed Estimates, which show a net decrease of some £20,000.

Customs and Excise, as Your Excellency pointed out, have been estimated to produce £675,000, an increase of £22,500 on the Sanctioned Estimates for 1935 but £15,000 less than the Revised Estimates for this year. This figure is, I think, a reasonable estimate. Hon. members know that trade may be dislocated owing to the present international situation. The price of coffee unfortunately appears to be much lower than it was a year ago, and although we all hope it may rise again we cannot say what the future may bring forth. I trust therefore that hon. members will agree that a certain amount of caution is necessary in estimating the Customs revenue for next year. The figure of £675,000 is, I think, neither unduly optimistic nor unduly pessimistic. We all hope that it will not only be realized but also materially exceeded, but we feel we should be ill-advised to budget on that hope.

The next item of revenue to which I would refer is Native Hut and Poll Tax, which has been put at £540,000. I must admit that the position in regard to this tax is unsatisfactory—at least, it is not so satisfactory, as we would wish, and it is a little difficult to understand. There is no doubt whatever that the standard of living in the native reserves has immensely improved. The increase in Customs revenue from articles imported for native use seems to indicate that, taken as a whole, the purchasing power of the native population has increased.

And yet we have to admit that the collection of the tax seems to be becoming more and more difficult. In 1934 it eventuated as being the most disappointing item in the Estimates, realizing only £314,000 as compared with the estimate of £571,000. In the 1935 Estimates allowance was made for arrears of the 1934 collection and the figure was put at £562,979. As was explained when the 1935 budget was introduced, the estimate prepared by District Commissioners was made on the logical basis, and included the actual potential amount due, plus the arrears standing over from previous years, and minus a closely calculated percentage of exemptions. It has been found, particularly in the Nyanza Province, for the reasons that I propose to give, that these arrears cannot be collected in full, and the amount of the estimate now given for 1936 takes no account of the arrears in respect of 1933 and 1934.

The estimate for 1935 has since been revised to £530,000, and it is not at all certain that even that amount will be realized by the end of this year. And yet in 1933, in the depths of the depression, when that depression had been with us for three years, the collection of hut and poll tax amounted to £557,791.

I am inclined to think that the reason for the increasing difficulty in collection may be found in the social development of the people, which is operating in two ways. In the first place, the incidence of wealth is probably shifting. Formerly, the rich native was the man with a large estate and a large number of wives to cultivate it for him. He wanted nothing that money could buy, and uncomplainingly and willingly paid the taxes of the whole family. With decreased prices for stock and produce, a man of that sort is now far less wealthy than he was. The wealth seems to have shifted to the more educated and progressive individuals, who have one wife only, and therefore have only one tax to pay. They are the people who make their money as employees, as skilled workmen, as farmers, as transport riders, or as men of business.

Secondly, the natives are becoming more individualistic. Formerly, a man would willingly shoulder the obligation to pay taxes for his father, his uncles, anybody who happened to want assistance. Now, I think, they are becoming more inclined to pay only for themselves, and let their consins and older relations look after themselves. That means, I think, a far greater number of older people have had to be exempted, particularly widows. However that may be, whether that is the true explanation or not, in view of all the circumstances, the figure of £540,000 has been taken as representing the amount likely to be realized. That figure would have been less had for the introduction of a system of collection by stamped cards, from which good results are anticipated. Reference to this system is made on page 30 of the printed Memorandum.

The next item to which I must refer is the revenue from traders' and professional licences, estimated to produce £35,000 in 1936, a reduction of £15,000 on the sanctioned Estimates for this year. Hon. members are all no doubt familiar with the history of this tax. For reasons well known to all, licence fees payable by traders were generally increased, and the system was extended to include members of certain professions during 1933. It was found that not only did the revenue derived from these licences fall far short of that which had been anticipated by the Alternative Proposals Committee, but that there were many anomalies in the Ordinance and that the burden of the tax fell inequitably on certain sections of the community. A representative committee was therefore appointed last year to examine the working of the Ordinance in the light of experience gained, and to make recommendations for its amendment, and the Committee was at the same time instructed to bear in mind that Government would wish for revenue to the amount of £50,000 from the charges imposed. A figure of £50,000 was accordingly inserted in the 1935 Estimates. It has transpired, however, that the yield will be very considerably less than that sum. In fact, it will be about £35,000, or approximately £2,000 more than the yield from the fees imposed by the 1933 Ordinance. The figure of £35,000 has been inserted in the 1936 Estimates on the assumption that the House will agree to the continuance of the Ordinance in its present form.

Under the Post Office Estimates, an increase in net postal revenue of £3,500 is anticipated, despite the fact that the revenue obtained this year from the proceeds of the sale of stamps to collectors in connection with the two new stamp issues made cannot be expected to recur.

Prison Industries show a reduction of £3,000 at the figure of £8,000. It will be remembered that the 1935 Estimates contemplated the erection of a prison farm and quarry camp near Ngong, the idea being that stone should be quarried for the construction of various buildings from loan funds. Owing, however, to a welcome decrease in the prison population, it has been decided for the time being not to proceed with this scheme, and in consequence we cannot anticipate any revenue from the sale of quarried stone during 1936.

Rents of lands show a reduction of £4,500 at £55,500. This is almost entirely due to the remission of certain rents in the Laikipia and Nanyuki areas.

Interest on Agricultural Advances shows a decrease of £2,500 at £2,500. This is due to the fact that the rate of interest charged has been reduced from 8 per cent to 6½ per cent. I may say that, as my hon. friend the Treasurer has already explained this morning, it will shortly be necessary to

write off a further sum of over £5,000 advanced under the scheme and now deemed irrecoverable, and I am afraid there is little doubt that further sums will have to be written off before the scheme can be wound up.

Reimbursements show an increase of £9,650, which is the aggregate of a number of small items, all of which can be explained when the Estimates are under examination by the Standing Finance Committee. The only item to which I wish to refer here is an increase of £2,390 in the reimbursement from Loan on account of the Public Works staff. The ordinary revenue staff of the Public Works Department is to a material degree engaged on work connected with buildings financed from Loan, and it is considered equitable that a fair reimbursement to Government should be made for the services of the officers concerned. Consequently, the recommendation of the Select Committee on Economy, which advocated a reimbursement from Loan Funds of the salaries of the Superintending Engineer and two European clerks has been accepted by Government, subject to the approval of the Secretary of State.

I do not think I need trouble the House by explaining here the various items of revenue to be derived from the Colonial Development Fund and the Parliamentary Grant. Each new item is explained in the Memorandum on the Draft Estimates of Expenditure, and should any hon. member desire further information, he will no doubt raise the matter either in debate or before the Standing Finance Committee.

I will now turn to the Provisional Draft Expenditure Estimates. Again the expenditure against grants for roads from the Colonial Development Fund and against the Parliamentary Grant render the figures of gross expenditure misleading. The figures of net expenditure, however, show that there is a net decrease in net recurrent expenditure of just over £33,000, and this despite material increases under Pensions and Gratuities, and under Post Office and Telegraphs. If these Heads are excluded for the moment, the net decrease on other heads amounts to something over £44,000.

But we have also had to provide for normal increments to the permanent staff, and for expenditure incurred in connection with the transfer to the Local Civil Service of officers hitherto serving on agreements. Increments are to a considerable extent set off by reductions which arise when officers on the maximum of the salary scale leave and their places are taken by someone at the bottom of the scale. But this year there is a net increase of about £12,000, so that on a fair basis of comparison with the 1935 Estimates the reduction which we have been able to make amounts to approximately £56,000. Of this sum, however, £5,000 is a fictitious economy, as it is

money to be spent this year on medical stores required for next year; that is to say, there will be a corresponding decrease in this year's surplus.

Head II, Administration, shows an increase of £6,078, which, as explained in the Memorandum, is due entirely to the fact that the Head of Estimates previously known as Statistical Departments disappears from this year's budget, and is included in the Administration Head. Actually, on a comparative basis, Administration itself shows a decrease of £4,370. We have been able to reduce the clerical staff by nine, a reduction which has been facilitated by the mechanization of Treasury accounts and a consequent relief of work in District Offices.

I do not think that the detailed estimates for the Provincial Administration call for any special comments other than those appearing in the Memorandum.

The Agricultural Department vote stands at a figure of £2,956 less than this year. This reduction is entirely in respect of field veterinary services, and is largely due to a proposal to dispense with the services of a number of stock inspectors. Hon. members have no doubt read the portion of the Memorandum dealing with this Department, and there is therefore no need for me to explain in detail now why the recommendation of the Select Committee on Economy in respect of this Department has not yet been given effect to.

I take this opportunity of stating how fortunate we are to have secured the services of Mr. Milligan to assist Sir Alan Pin in his investigations into the organization of this Department, which has been the subject of acute argument for many years. Mr. Milligan's very considerable experience of tropical agriculture and his high reputation are such as to inspire complete confidence in his judgment.

The organization of the Audit Department is unchanged. I know that certain members of this House feel that the cost of this Department can and should be reduced, and I hope that Sir Alan Pin's Report will finally dispose of this matter, one way or the other.

Education shows a net reduction of £786, but, as explained in the Memorandum, the real reduction is very much more. I do not see how any further material reduction in the cost of this Department can be made except by closing schools, and I know that all hon. Members will agree with me that that would be most undesirable.

As Your Excellency explained in your communication from the Chair, the Colony's finances do not permit of the introduction of compulsory education for European children, but my

hon. friend the Director of Education is satisfied that the number of children in the country who are not receiving at least primary education is negligible.

It is proposed to start classes locally for the training of European and Indian teachers. No such facilities have existed hitherto, and the qualified members of the staff have always been trained overseas; consequently their emoluments are relatively high. We hope under the new scheme not only to obtain teachers at less expensive salaries, but also to provide careers for a number of boys and girls—European and Indian—who are now growing up in the Colony.

In regard to the training of African teachers, as explained in the Memorandum it is proposed to make greater use of the facilities offered at Makerere College, Uganda.

Hon. members have no doubt observed that the estimates of expenditure on African education show a reduction of nearly £4,000. This is not due to curtailment of services, but to a reorganization of the staff in existing schools. The only school which it is proposed to close is the school at Waa, which has not been a success, and arrangements have been made for leasing the buildings to a Mission, which will manage it as an aided school.

The Forest Department calls for little special comment. The Economy Committee recommended a reduction to £27,200. As explained in the Memorandum, this recommendation has not been accepted by Government *in toto*. The two main functions of the Department are the preservation and extension of our forest estates, and Government is advised that neither activity can be carried on effectively with a smaller staff than that provided in the draft Estimates. Hon. members will remember that the Economic Development Committee recommended the appointment of two additional foresters; unfortunately, finances do not admit of the acceptance of this recommendation.

The next Head to which I desire to refer is Head XVI, Local Government Contributions. Certain members of the Select Committee on Economy recommended the abolition of District Councils, largely on the ground that the fact that certain roads were maintained by local authorities and others by the Public Works Department led to extravagances on account of duplication of overhead expenditure. Government, however, is very reluctant to abandon the policy of local government which it deliberately adopted some years ago. That policy has enlisted the services of a number of public-spirited persons throughout the Colony. They have devoted a great deal of their time to local government work, and it is generally agreed that they have done it well. Government has every

reason to be grateful to them, and it would be a thousand pities now to lose their co-operation. It was felt that to accept this particular recommendation would be a retrograde step. (Hear, hear.) These Estimates therefore provide for the continuance of the present policy and the retention of the system of District Councils. It is believed, however, that substantial economies can be effected by some extension of the system and by the fusion of District Councils where practicable. Negotiations with District Councils are proceeding on these lines, but they have not yet reached the stage where adjustments can be made in the Estimates. The grants payable to the Nakuru and Eldoret Municipal Boards show considerable reductions. Both these bodies have agreed to these reductions in view of the need for economy in Government expenditure, and I wish to express Government's appreciation of the attitude which they have adopted. (Hear, hear.)

I have already referred to the fact that the apparent reduction in the cost of the Medical Department is in no sense a genuine saving; in fact, on a comparative basis, there is a material increase in expenditure. I do not see how it can be otherwise. The statistics of the number of natives who come for treatment are amazingly high; in some hospitals as many as two or three patients share a single bed. It is all to the good that the native is making more and more use of the services provided, but it all means expenditure, and, quite frankly, I feel that in the near future expenditure on this Department may have to be considerably increased. Turning the sick away from hospital or dispensary is unthinkable, but dressing and drugs cost money. Moreover, the present hospital accommodation is quite inadequate to the needs of the population.

There is little which I need say about the Military vote. In present circumstances, any drastic reorganization is clearly out of the question, but a number of material economies have been effected in the Supply and Transport Corps.

The organization of the Mines Department differs slightly from that reflected in the 1935 Estimates. I do not think it necessary to justify to this House the desirability of proceeding as rapidly as possible with the geological survey of the Colony, and for this reason provision has been made for a new appointment of a geologist.

Under Miscellaneous Services Extraordinary, provision has been made for participation by this Colony in the British Empire Exhibition at Johannesburg. I would like, if I may, to draw attention to an error in the Memorandum, where it is stated that the Exhibition is being arranged by the Union Government, with the active assistance of the Federation.

Pensions and gratuities show a further increase of £9,000. This vote will in the distant future be materially decreased as and when the Local Civil Service becomes firmly established, but it seems inevitable that it will rise each year for the next few years. Steps have recently been taken to reduce the number of pensionable posts, and also, as hon. members are aware, to reduce the rate of computation of the pension, or the pension constant as it is called, but the effects of this action will not be evident for some years to come.

Expenditure on the Post Office has increased, but so has the revenue. No change in present charges is proposed, but hon. members will recall that the air mail letter rate to Great Britain has recently been reduced from 65 to 50 cents, at an annual cost of £2,000.

Expenditure on Printing and Stationery shows an increase of £700, but estimated revenue shows an increase of £1,000. The increase in expenditure is entirely due to increments, and no extra staff is proposed.

Turning to the Prisons Department, I am glad to be able to state that there has been a material reduction in the prison population, and consequently there is a reduction in estimated net expenditure amounting to £4,385.

Head XXVII, Public Works Department, and Head XXVIII, Public Works Recurrent, between them show a net reduction of over £11,000, without any drastic reorganization. The bulk of this reduction is due to the fact that house allowance in lieu of quarters is not payable to members of the Local Civil Services. It will be seen from page 38 of the printed Memorandum that Government intends to extend the experiment by which the Nakuru District Council acts as contractor to Government for the upkeep of the main trunk roads within its boundaries. I sincerely hope that the extension of the experiment will prove successful and economical.

The increase of £1,000 under Treasury is more apparent than real. A sum of £750 was voted in 1935 for the cost of administration of two Provident Funds in connection with the Local Civil Services. This sum has been transferred to the Treasury head. The balance of just over £300 is more than covered by increments and Local Civil Service personal consolidation allowances.

The last head of Estimates to which I propose to refer is Public Works Extraordinary, which shows an increase of over £12,000. The fact of the matter is, Sir, that during the past few years this vote has been starved for reasons of economy, and we are now faced with the necessity of providing for a number of works which I fear can no longer be postponed. It is possible that we may make some adjustments in the list of

works when the draft Estimates are under consideration by the Standing Finance Committee, but I fear it will not be practicable to reduce the total provision.

Your Excellency, as I have attempted to explain, these Provisional Estimates represent the best that Government can do in the interests of all races in the present circumstances. That does not mean, of course, that they are not capable of improvement, and I shall cordially welcome any constructive proposals for improvement for consideration by the Standing Finance Committee. The fact that they are provisional in no way relieves us of the responsibility of producing the best budget that we can.

These Estimates contemplate the maintenance of the existing organization of Government, and have taken no account of any proposals for constitutional or departmental alterations such as those made by certain members of the Economy Committee. I have no doubt that those proposals will receive full consideration by Sir Alan Pim, and it may be that a subsequent meeting of this Council will have a very different set of Estimates to discuss.

Your Excellency, I beg to move.

The Hon. the Treasurer seconded.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I move that the debate be adjourned until after the usual interval in order to permit of the recommitment of the Civil Procedure (Amendment No. 2) Bill being taken at once.

The Hon. T. D. H. Bruce seconded.

The question was put and carried.

The debate was adjourned.

BILLS.

FIRST READINGS.

On the motion of the Hon. the Attorney General, seconded by the Hon. T. D. H. Bruce, the following Bills were read a first time:—

The Architects and Quantity Surveyors (Amendment) Bill.

The Arms (Traffic with Abyssinia) (Amendment) Bill.

RECOMMITTAL.

CIVIL PROCEDURE (AMENDMENT No. 2) BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I move that the Council resolve itself into a Committee of the whole Council to reconsider the amendments to the Civil Procedure (Amendment No. 2) Bill, which were effected during the Committee stage.

For the information of the House I should say that since this Bill passed its third reading a few days ago, I have had the opportunity of discussing the matter with my hon. and learned friend the Member for Nairobi South; I have also seen the Chief Justice and certain members of the Law Society. It is our considered opinion that a certain amendment which was made on the second reading of the Bill might be better unmade, and for that reason I ask Your Excellency that the Bill be recommitted.

CAPT. THE HON. H. E. SCHWARTZ: On a point of order, Your Excellency, is the hon. the Attorney General not going to give notice that he proposes to proceed at a later date with the second reading of the two Bills which have just been read a first time, because if they came up on the last day of meeting we might not be able to deal with them.

THE HON. THE ATTORNEY GENERAL: Notice will be given in due course. There is no hurry about those two Bills.

The Hon. T. D. H. Bruce seconded.

The question was put and carried.

Council went into Committee.

THE HON. THE ATTORNEY GENERAL: I move that clause 4 of the Bill be amended by the deletion of the word "the" before the word "preparation" in the eighth line thereof, and by the substitution of the word "decree" for the word "judgment" in the ninth line thereof.

As hon. members are aware, when the Bill was in the Committee stage a few days ago, we altered clause 4 in two particulars. We inserted the word "the" before "preparation" in line 8, and altered the word "decree" to the word "judgment" in line 9. That amendment was moved by the hon. and learned Member for Nairobi South, and I accepted it, but I think it true to say that neither of us realized that certain circumstances might occur, once in a thousand times perhaps, when the word "judgment" would not be sufficiently wide.

As I explained before, the word "decree" includes judgment, but judgment does not include decree. A decree is a formal document drawn up after judgment has been given, and it occasionally happens in drawing up these decrees that a decree does not in effect follow the judgment, and although both parties are quite satisfied with the judgment one is dissatisfied with the decree. If we insert the word "judgment", as we have, instead of "decree" in this clause, in that particular case the time taken, which may be considerable, to draw up the decree would not be taken into consideration by the Registrar.

The point has been reconsidered by my hon. and learned friend, and also by the Chief Justice and the President of the Law Society, and we are all in agreement that the correct word in this clause is "decree".

The question was put and carried.

THE HON. THE ATTORNEY GENERAL: I beg to move that the Civil Procedure (Amendment No. 2) Bill be reported to Council with amendment.

The question was put and carried.

Council resumed its sitting.

His Excellency informed Council that the Civil Procedure (Amendment No. 2) Bill had been reconsidered in Committee of the whole Council, and had been reported to Council with amendment.

THIRD READING.

The Hon. the Attorney General moved that the Civil Procedure (Amendment No. 2) Bill be read a third time and passed.

The Hon. T. D. H. Bruce seconded.

The question was put and carried.

The Civil Procedure (Amendment No. 2) Bill was read a third time and passed.

Council adjourned for the usual interval.

On resuming.

MOTION.

DRAFT ESTIMATES, 1936.

HIS EXCELLENCY: The debate on the estimates will now continue.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Your Excellency, I am glad to say that we are able to-day to discuss this budget in a better atmosphere than we have been able to for the past year or two. This, Sir, is due to the fact that at long last the Government have paid attention to the repeated demands of us Elected Members that they should realize the very difficult plight of the farmers in the country, and the absolute necessity for taking some definite action to assist them through these very difficult times. I should like to say that I welcome the opening remarks of my hon. friend the mover of this motion this morning which accentuated the fact that Government was in earnest in wishing to act on these lines.

Government have accepted our point of view, and have taken practical steps to try and deal with the situation by various methods, one of the most important being the appointment of the Agricultural Indebtedness Committee, which is at present sitting under the very able and helpful chairmanship of my hon. friend the Attorney General. The first outcome of their deliberations has already been seen in the Bill which passed through this House this morning giving extended security to any unfortunate farmer who might have had the misfortune to have an attachment taken out against him under the law. This Committee is at present exploring every other

possible means by which they can further assist farmers at the present time, and especially with a view to enabling a change over by one crop farmers to mixed farming. I sincerely trust their deliberations may result in something really practical and really helpful. In regard to this, Sir, I should like to ask what is the present position with regard to increased funds for the Lank Bank, and also what has become of the proposed Dairy Produce Control Bill? (Hear, hear.) Both of these items are very essential to the successful outcome of the deliberations of this Committee. Further than this, they are also exploring the possibility of initiating some form of negotiable bonds scheme which may release some of the frozen assets of the Colony and allow them once more to circulate. The success or otherwise of this Committee is of the utmost importance, not only to the whole agricultural community but to the whole country, whose prosperity must ultimately depend on the well-being of agriculture. (Hear, hear.)

Recently, Sir, as has been mentioned, Government have appointed the Standing Board of Economic Development. This is another step forward which should enable urgent problems to be dealt with expeditiously. Personally, I have always urged the necessity of some such Board coming into existence, as under the form of bureaucratic Government which we have in Kenya, it is no one's particular job to deal with these questions, and in my opinion such a Board is absolutely necessary if the assets of the Colony are to be fully developed. This Board, as the hon. mover said, has already started to function, and no doubt when this present session of Legislative Council is over it will tackle many of the other really important questions which are facing us to-day. One of the most important of all, really a follow-up of other committees' work, is to see that the farmers' position in this Colony is further consolidated, whilst a most important problem which can no longer be delayed and which must be tackled is the question of the conservation of the soil, and the prevention of further erosion. Now, Sir, I must again draw Government's attention to the recommendations contained in the Carter Commission Report on this subject, and to point out that Government have not taken any steps yet to implement those recommendations, which were that a committee should be formed to investigate this question as thoroughly as possible. I suggest that it is a very weak line to adopt to say that because there has been a certain amount of reduction among stock and because of better rains improving the pasturage, therefore there is no need for immediate action. On the contrary, Sir, I submit there is every need for immediate action. It is just as urgent, or even more so, than ever, but the fact that stock has been reduced and that pasturage is better, does make it easier to bring in the necessary remedial measures.

While on the subject of the Carter Commission Report, can Government not yet give us any information as to the replies to their despatches to the Secretary of State on the whole question of implementing that Report and especially with regard to the safeguarding of the White Highlands?

On the other side of the picture, we have always maintained that the overhead expenses of Kenya are more than the capacity of the Colony can bear. If we look at round figures we will see that the gross cost of Government is considerably in excess of three million pounds, whilst after deducting reimbursements the net cost is still well over two millions. At the same time, last year our exports fell to a figure below the two million pounds mark, though this year they are up considerably above that amount. It must be remembered, however, that the increased tonnages to which you, Sir, referred in your address from the Chair the other day, during the present year have consisted to a great extent of crops which are being exported at a price considerably below the cost of production. I refer, of course, especially to the big crops of coffee and maize. And, Sir, whilst on the subject of exports, can Government give us any further information as to what is happening about this proposed paper pulp industry, of which we heard so much last year?

I think these figures—I have not gone into details, I have given round figures—do give some indication of the very heavy burden which the present overheads of Government entail on the community, and when we are considering the net figure as opposed to the gross figure it must be remembered that the greater part of those reimbursements come back from the Kenya and Uganda Railways, and are therefore provided out of the pockets of the taxpayers of this country.

Efforts have been made by various committees and bodies during recent years to try and reduce this heavy overhead expenditure, but we have all found it very difficult for local people to pierce the stone wall obstruction which is put up by the conservative minded heads of departments, and which Government, in my opinion, has not been firm enough in overcoming, and in consequence we demanded the appointment of some gentleman from outside who had the necessary experience and knowledge of similar problems in other countries, and who would therefore be in a very much stronger position to defeat any such obstruction than anybody locally here either official or unofficial. You, Sir, acceded to our demand, and asked for the appointment of Sir Alan Pim, which I am glad to say was immediately implemented by the authorities in Whitehall. I think, Sir, that everyone who has so far met Sir Alan Pim, and those perhaps who have not met him, but have read of his records in other countries, must build very high hopes that his visit here may have very material

results in the further reduction of expenditure by reorganization of the whole Government machine, or by any other methods which he may put forward.

I am only too ready, Sir, to give all credit to Government for having adopted these methods of rectifying the position, but I do venture to say that nothing would have happened if it had not been for the perpetual pressure which we on this side of the House brought to bear during the last few years. I further suggest, Sir, that had Government listened to us sooner, much trouble could have been avoided.

The fact that Government has taken these steps, and by so doing has engendered a feeling of greater confidence in the country, only goes to prove the necessity for real co-operation between the Government and the people. Such co-operation, of course, must be bilateral and not unilateral. If we feel that our co-operation is not genuinely desired, but in fact is resented by Government, it necessarily forces us into a position of pure opposition, which I regret to say we have had to adopt during the past year. I must once more urge on Government that the right line is to give to the citizens of Kenya a greater say in their own affairs, and a greater share in the financial control of the Colony. In doing so, you are only giving them what is their right, namely, to share in the responsibilities of the Government of the Colony. In my opinion, this is the direction in which lies the true road to genuine co-operation (hear, hear).

I think, Sir, everyone, including my hon. friend the mover, will agree it is essential for Government to have a certain amount of opposition and criticism. If not, any Government is likely to become slack and self-satisfied. We try to provide that criticism, and I trust that we are not altogether destructive in our efforts, but are also constructive in some of our ideas.

Unfortunately, some Government officials seem to take parliamentary criticism, if voiced in strong language, as a sort of attack on them personally. This, of course, is an entirely wrong attitude to adopt. They must realize that, unlike the Civil Servants in England, who are purely technical advisers to responsible ministers, here they themselves occupy the position of responsible ministers, and are paid high salaries accordingly. Any minister is liable to be fiercely attacked for the administration of his department, and it should be realized always that these attacks are on the individual in his capacity as head of a department and not in any personal way. In my opinion, politics should never be dragged into private and social relations. If I might just remind hon. members of the well-known instances in England of those great parliamentary leaders in the House of Commons, Mr. Asquith and Mr. Balfour, Mr. Churchill and Mr. P. E. Smith, as they were in

those days. No political leaders ever attacked each other more fiercely than did those gentlemen, and yet in their personal relations they were the closest of friends. I believe after the most heated attacks Mr. Asquith and Mr. Balfour went off to play a rubber of bridge together at which pursuit they were both extremely inefficient! (laughter).

In criticising the Budget it is very difficult this year, in view of the statement that it is only provisional and liable to very considerable changes as the result of the Report of the Special Commissioner.

Now if we look, first of all, at the expenditure side we find that instead of the £100,000 which we demanded last year, there is a net reduction in recurrent expenditure of about £83,000. The reasons why many of the recommendations of the Select Committee on Economy have not been adopted, have been explained in the Memorandum on the Estimates, and personally I do not mean to deal with many of them. I shall leave that to other hon. members who actually served on that Committee. But we are not satisfied that Government have done anything like what they might have done.

Whilst I consider that there is still ample room for further reductions in some of the departments, I am certain that the real basis of economy must rest on a system of reorganization, and a reorganization of the whole salary scale of Government officials. This question, however, will be considered by Sir Alan Pim, and we shall have to wait for his Report before those particular points of view can be really considered. But the result of the small reduction in expenditure is that Government have put forward no proposals for reduced taxation and this, Sir, naturally is a matter of very grave disappointment to the country at large.

I shall now touch on a few of the items on the expenditure side which I think call for special mention.

The first one I wish to draw attention to is in the Administration Vote, Item 6, where it states that eleven new cadets are coming out to the country in a few months time. It points out that this will then bring the establishment up to two over strength, and surely, Sir, at a time when we are all trying to effect economy, there can be no justification for exceeding the properly constituted establishment. But that is only a small point compared to a much bigger one and I want to ask how many of those eleven cadets are lads from Kenya? If the answer is that none of them are, I should like to ask why that is so, and once more I wish to impress on the Government here (who, I believe, are sympathetic) and still more on the Colonial Office in London, that we will not tolerate much longer having to provide funds to pay the salaries of young gentlemen imported from outside, when we have many of our own boys

belonging to the Colony who are well qualified to hold such posts, but who are refused the opportunity of serving their own country in such a way (applause).

We remember the reply of Government to a motion which I myself moved in this House last July, and I should like to ask what steps Government have taken to impress our point of view on the authorities in London?

Still dealing with the Administration Vote, Items 82 and 127, it states that by the employment of Chiefs and Headmen a great deal of the work of tax collection has been taken away from District Officers. Now, Sir, I am thoroughly in agreement with the line of action and I trust it will be further developed and increased, but at the same time as we are told it is necessary to have so many administrative officers so as to collect all this tax and if they are relieved of that work, can we have the explanation why it does not result in a reduction in the numbers of Administration officers in various parts of the country?

The next point I want to touch on is the question of the Agricultural Department, and, Sir, before dealing with the proposed expenditure in that department, I should like to draw attention to the fact that on page 38 of the Estimates—it is headed Agricultural Department Non-Native Services. Now, Sir, under that is included the whole of the personal emoluments for the administration and general, and that, Sir, of course, is very misleading and a misnomer, because I think it is quite correct to say that my hon. friend the Director of Agriculture is just as much serving the interests of native agriculture as he is of non-native agriculture.

Dealing with the Estimates of this department, I feel very strongly, Sir, that the officer administering this department has been extremely badly treated by his own Government. At the request of the Economy Committee he undertook to put up a scheme of reorganization of his department which would bring about considerable economies with, in his opinion, increased efficiency. I do consider that when the head of a department puts up such proposals he has a right to expect that he will be wholeheartedly supported by his own superior officers in the Government of the Colony. Instead of which other interested people, and his own subordinates at that, have been allowed to frustrate his scheme from being brought into operation and on this subject I would like to point out that the note in the Memorandum with regard to the views of the Board of Agriculture are not strictly in accordance with fact, because I am informed that the vast majority of that Board were entirely in agreement with the Director's proposals and wished to support him (hear, hear). I consider, Sir, that there is no need to wait for Sir Alan Pim's report to take action with regard to that department, but that the Director should

be supported and have his recommendations brought into force at the earliest possible moment. I regret to say that Government's action with regard to this department makes one have grave doubts as to whether they really do wish the heads of departments to practice economy, or whether, on the other hand, they resent an officer being zealous enough to show how economy and efficiency can go hand in hand.

Whilst on this department, I should like to take this opportunity of recording my appreciation of Government's action in referring these estimates for the consideration of the Board of Agriculture even though they did not follow their advice. This is undoubtedly a point of constitutional importance, as up till now I have always understood that Government have refused to submit their estimates to any outside body comprising a considerable number of unofficials. I trust, Sir, that this precedent may be followed in the future but that when it is followed the advice tendered will be accepted.

I am also very glad to see that Government are increasing their contribution to the Agricultural and Horticultural Society and that their method of doing so, by which they give up a certain sum definitely so much more pound for pound as is contributed by the people of the country, will encourage more people to become members of that Society, as by so doing each pound subscribed to the Society will mean two to the Society, a Society which I think everyone will agree is of the greatest benefit to the country.

I shall only touch briefly on the Audit Department. As the hon. mover said many of us are not at all satisfied that this department does not cost more than is necessary. The difficulty of course is that it claims that it is not essentially a department of the Government of Kenya, but that it also owes allegiance to the Director of Colonial Audit in London. I do not consider that the position of this department is at all satisfactory and I sincerely trust that Sir Alan Pim will go into this question very thoroughly.

I will now touch on the Education Department. Whilst Government has not implemented all the recommendations of the Economy Committee, I am quite sure that my hon. friend the Director of Education is endeavouring to run his department on economic and efficient lines and that in due course his methods will lead to further economies. This question of compulsory education of all European children is one which I believe cannot be much longer postponed and I should like to know from the Director the numbers of European children who are at present not receiving proper education and what he estimates the cost would be to bring this measure into force? Personally, I believe the cost to be considerably less than has often been put forward.

Not much can be done with the Military Vote at the present time as of course it is obvious that with a war just over our borders it is impossible to go in for any drastic forms of reduction in expenditure, but at the same time I do trust that the Government, in consultation with the Officer Commanding the Northern Brigade, is considering methods of re-organization which may have the effect of increasing efficiency and reducing expenditure. I feel sure it can be done and I have no doubt that bringing a fresh mind to the question the Officer Commanding will be having some plans maturing in his mind. But under this vote, Sir, I must once more put in a plea for the Defence Force. There is no question that this Force has been consistently starved for many years past and it seems that it has incurred for some reason the hostility and opposition of Government. If it had not been for the enthusiasm of a few officers and a good many of the rank and file, it would have been very difficult to have kept the Force going at all, and I do stress the fact that not only is this Defence Force an essential and an important factor in the whole scheme of the defence of the Colony, but it also affords the most beneficial means of giving an opportunity for instilling discipline into the minds of the youths of the Colony and in my opinion so far from being cut down and starved of money, any money spent on it is very well spent in the interests of the whole Colony.

Under the heading of "Miscellaneous" is the question of the subsidy to Imperial Airways. We all know that a new scheme is on foot with regard to this, and I am sure the public would like to know what the proposals are and how it will affect the finances of the Colony, as well as the facilities for travel and postage. I should like to take this opportunity, Sir, of saying how much we sympathize with Imperial Airways in their recent mishaps, although we must all be very thankful that they have resulted in no loss of life.

Under this same heading comes up the question of the branch line guarantees, and I quite agree that these cannot be abolished by the Government of Kenya on its own. They are, of course, a definite contractual obligation entered into between Kenya and the Kenya and Uganda Railways, but at the same time it does seem to me that it is a matter which should now be discussed between the parties concerned, as it does seem somewhat anomalous that the Colony, which is so hard up, should have to pay large sums for the interest and the sinking fund on these branch lines to the Railway which, at the present moment, has been able to build up large reserves in addition to making good annual profits. After all, they are definitely part of the whole Railway system and are shown as such in the Railway Estimates.

This morning, in answer to a question on the subject of interests on our loans and possibility of conversion of loans, the hon. the Treasurer stated that no scheme had yet been devised. I know the fact that the Crown Agents, when arranging these loans originally, failed to insert a redemption clause makes it very difficult to convert except on a voluntary basis but, at the same time, I believe it is possible to put forward terms for a longer dated loan at a much lower rate of interest although, of course, we should have to give a good premium on the capital amounts. I think that this would be acceptable to a large proportion of the bond holders, and it would be a fair conversion system, even though it extends the burden for a longer period on to the backs of future generations. We must take into account that if we wait another ten years, until the loans finally mature, we may find that a world war has intervened and that no cheap money is any longer available. When it does come to conversion we may have to pay for it at high rates of interest. So I do urge that this question—which is a very difficult burden on the whole of this Colony—should be further explored and that some definite scheme should be evolved.

I now come to the Public Works Department. This is a Department where I do not think much can be done by small, piecemeal savings and so on. It is obviously a department which wants to be thoroughly reorganized, to use the words of the hon. member, in a drastic manner. At present we are falling between two stools. Government has told us this morning that it has decided to continue the system of District Councils and to further the scope of their activities with regard to main trunk roads. I strongly support the decision of Government, and believe it should be extended further, but at the same time I think there should be further investigation to see that no over-lapping takes place so that real economy is accomplished. This, of course, is essentially a problem that the Special Commissioner will go into.

While dealing with the Public Works Department, I notice under Loan Funds Expenditure that a sum of £1,000 is allocated for the preparation of quantities and designs for the Central Offices. It has been decided that these Central Offices should not be proceeded for a time. When that was decided upon it was shown that considerable savings would accrue to Government from the renting of other offices all over Nairobi which could be put against some of the costs, interest, sinking fund and so on on the capital moneys required for these buildings. At the present the majority of departments are housed either in the Railway offices or new Law Courts, so that the need for Central Offices has greatly diminished. I suggest that no further expenditure under this

heading should therefore be incurred for the next few years, until the finances of the Colony have improved to such an extent that the scheme can be brought to fruition.

One other thing on the expenditure side, and that is connected with the Trade and Information Office in London. We all know that the position of Kenya's own representative in that office is by no means satisfactory, and I should like to hear from Government what steps it has taken to support and strengthen his position. We were told that an inquiry was to have been held into the whole question in London; can we now be told what was the result of that inquiry?

That, Sir, is all I have to say on the expenditure side of the Estimates, and I will now turn to the revenue side. I find it rather difficult to assimilate the various figures which have been put before us by Government, and to arrive at an accurate appreciation of the situation. You, Sir, in your address drew special attention, as indicating the increased prosperity of the country, to the fact that at the end of August, revenue was up by £118,000 as compared with last year. We know that there was a further considerable surplus over Estimates in the Customs revenue for October, and so naturally the country imagines that prosperity is increasing monthly. If one turns, however, to the Revised Estimates of Revenue, we find that on Government's own figures there is not anticipated to be any surplus over the Estimates which they originally put up for the year but, in fact, an actual shortfall of more than £7,000 on the first eleven items of revenue, say, including land sales, of nearly £10,000.

Now, Sir, is it quite fair to the public to emphasize this big surplus at the end of August, when in fact the Revenue Estimates for the whole of the year are not expected even to be realized? The fact is that, if unforeseen savings are not taken into account, instead of the anticipated surplus of £50,000 at the end of the year, there would actually be a deficit of about £30,000, as unforeseen savings have been estimated at £86,000. It is well known that these unforeseen savings occur every year, and, in fact, during the last three years, on Government's own figures, have averaged well over £100,000. This being so, do we really put before the country the true Estimates every year, or should we not say that there should be deducted from the total expenditure a sum of a thousand pounds? While, on the other side, must be reckoned unforeseen expenditure by special warrant.

I sincerely trust that my hon. friend the Treasurer will explain these points more clearly, so that the public may know the real facts and not live in a fool's paradise, imagining that everything in the garden is lovely. Or, Sir, have I made a

wrong deduction; and, in fact, is it that everything is lovely, but that Government are deliberately concealing the fact so as to avoid any demand for reduced taxation?

If you go into revenue figures for this year, you will find that, with the exception of Customs, which are estimated to be up by about £37,000, our criticisms last year of the Estimates of Revenue would not be so very far wrong. Native hut and poll tax shows a very large shortfall, as we foresaw, and altogether, had it not been for the large increase in returns from Customs duties, there would have been a shortfall on the Estimates of Revenue of about £47,000.

I am glad to see that reduced revenue is expected to accrue from rents on lands and interest on agricultural advances. Both these items represent a desire on Government's part to help hard pressed farmers, and should be appreciated.

We now come to the question of taxation. I very much regret to see that once more the non-native graduated poll tax figures on the list. (Hear, hear.) We Elected Members have so often expressed our views on this particular tax as representing a direct breach of faith with us, and, in consequence, a very real obstacle to full co-operation between us and the Government, that I do not think it is necessary once more to repeat all our arguments. I must warn Government, however, that we refuse to have any part or parcel in the reimposition of this tax. (Hear, hear.) One cannot help drawing a comparison on this question of taxation to the attitude of the Government of Kenya with that of the two neighbouring territories, where definite reductions have been promised.

With regard to the question of taxation, I should like to emphasize that the unofficial community, when asking that Sir Alan Pim should come out here, did not ask that his terms of reference should include the question of taxation, and so we hold ourselves in no way bound by any recommendations which he may put forward in this respect. This, Sir, does not mean that we shall refuse to discuss such questions. On the contrary, we shall be only too ready to give him any possible assistance we can on any subject whatsoever.

With regard to trade licences, of course one recognizes that these must be reintroduced before the end of the year, but we have requested that a Select Committee shall be appointed to inquire into its application, and particularly to see in what respect it bears unduly hardly in certain cases which have been brought to notice during the past year.

With regard to Your Excellency's remarks on the levy on salaries, personally, I should like to say that I do not consider that the levy is a proper method of adjusting salaries, except

as a temporary measure. In my opinion, the whole salary scales of the Overseas Service, with a few exceptions in the case of certain technical officers, are too high for present-day conditions or for a young, impoverished country like this to bear. But the adjustment should be on a permanent and not on a temporary basis. In the meantime, I cannot support the abolition of the levy on the better-off portion of the community until some real alleviation in taxation has been afforded to the more financially depressed portions of the people. At the same time, I should like to say that there does seem a case for the Local Civil Services claiming consideration in preference to the Overseas section, in view of the fact that their scales were settled during the slump and not in the boom period, as were the scales of the Overseas Service. I am afraid I am quite unimpressed by what has happened in other territories. In this regard I am only influenced by one consideration, and that is, what can Kenya afford to pay? Further, of course, the scales here are much better than in many other colonies. In fact, it has happened on occasions that officers have refused promotion to other colonies, as, if they had accepted, they would have been financially worse off, whilst of course the climate and conditions of life out here are immensely superior to almost any other colony.

It may be argued that there is only a balance of under £10,000, and that so it is impossible to afford any relief in taxation. I do not admit this. First of all, this balance could be considerably increased by further economies in many departments, and especially the Agricultural and Public Works Departments, and next, how is it that when there is likely to be a surplus of at least £50,000 in 1935, and that expenditure in 1936 is to be £14,000 less than that of 1935, there is only going to be a surplus of £10,000 in 1936? Surely, working on this reckoning, there should be a surplus of at least £60,000 or more, if what you said in your address is correct, that the financial and economic condition of the Colony is so very much improved.

In view of the changed attitude of Government—which only time can show whether it is apparent or real—I have endeavoured to avoid any hard words or any expressions which might give rise to acrimony, in the hopes that Government really do mean at last to enlist our co-operation with themselves for the welfare of the Colony.

I support the motion before the House to refer the Estimates to the Standing Finance Committee, but I wish to make it clear that I reserve the right to dissociate myself from any responsibility for a provisional budget which will admittedly have to be altered later on in the year in accordance with the report of the Special Commissioner.

In conclusion, I must emphasize that we refuse to support any budget which includes the taxes to which we have taken exception on so many occasions. (Applause.)

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: Your Excellency, in opening my remarks on Government's budgetary proposals for 1936, I, also, wish to pay a tribute to Government's recent change of attitude, which has gone some way to show that at last Government does recognize that things are very difficult, and has shown willingness to consult the unofficial community as to how things can be improved, and as to how some more substantial foundations can be laid from which we can get once again definite and take advantage of better times when they come.

The appointment of the Agricultural Indebtedness Committee with its present terms of reference, the appointment of the Board of Economic Development with its present personnel and the appointment of Sir Alan Pim as Financial Commissioner, are all things that were asked for by the unofficial community, and all things which have been conceded by Government since the last session of this House. If such a policy of co-operation can be continued, I am quite sure it will be of very great benefit to the whole country.

I should also like to associate myself with the remarks made by the hon. and noble Member for Rift Valley, in connection with the attacks and criticisms of Government which have emanated from this side of the House.

Now, Sir, the budget which Government laid last week, unless it comes back from the Standing Finance Committee in a fundamentally changed form, will be bitterly and strenuously opposed by the European Elected Members. It will be opposed in that it still in no way conforms to the principles, nor has it been drawn up on the basis, which we have consistently advocated during the past three or four years. Government presumably admit this, but contend that, following the procedure adopted in the 1933 Estimates, they are merely laying a provisional budget on the understanding that it is to be subject to such modification in the future as may be warranted by such of the Special Commissioner's recommendations as may receive approval.

Your Excellency, we definitely refuse to accept the principle that in times of difficulty the Government of Kenya or the people of Kenya are between them incapable of framing a budget on a basis generally acceptable to those who have to find the money, and that therefore we have to submit to dictation from overseas in this regard. This was not the purpose for which we asked for the appointment of Sir Alan Pim, to

whose task the hon. and noble Member for Rift Valley has already alluded, and to whose task I shall allude later. I was very glad to hear from the hon. the Colonial Secretary this morning that Government do accept full responsibility for their own budget, whether it is approved or otherwise.

Members on this side of the House have made it perfectly clear year after year as to the general lines on which they consider, in the present difficult period, the Colony's budgets, whether provisional or otherwise, should be drawn up, and we in this long period cannot be expected to have anything to do with a budget which does not conform to those lines. In order to justify our attitude this year it will scarcely be necessary at this stage to go back to the history of previous budget sessions further than to that of last year. Last year, members on this side of the House vigorously opposed Government's budgetary proposals. We contended that in order to justify their expenditure estimates, the revenue estimates submitted, in view of the position that existed at that time, were not as conservative as they should be, and unless things improved to a remarkable extent they would not be realized. We contended that people were living and had been living on their capital for many years, a process which could not go on indefinitely; that taxation, taking that into consideration, was extremely harsh, and that the proper way to deal with the situation was to further drastically curtail expenditure so as to reduce taxation and leave some margin for productive development; and we ended up in the Standing Finance Committee by making six suggestions as to how expenditure could be further reduced. Government, Sir, on the other hand, contended that their estimates of revenue were conservative, and were not based on any presumption that circumstances would make any startling improvement during 1935, that expenditure could not be further reduced, and that the extra taxation which had been imposed during the last few years had to remain.

During the last budget session the battle was a very acrimonious one, and, to cut a long story short, one need only remind hon. members that in order to obviate a complete break between members on this side of the House and Government Your Excellency appointed a Select Committee which was to try and find ways and means of reducing expenditure, on the assumption that should such savings prove feasible reductions in taxation would be made. I shall refer to the recommendations made by that Committee in the course of a few moments.

The position this time last year was that on the figures available for nine months working of 1934, a deficit was anticipated amounting to £52,313. Luckily, the months of October, November and December last year subsequently

showed a very remarkable improvement, but we did not know that at the time. Government's budgetary proposals for this year, submitted last year, provided for a surplus of £15,007.

During the first eight months of this year the great improvement which manifested itself in November and December of last year has been maintained, and I think all hon. members will agree that things this year have luckily been very much better than we had any logical right to expect. As has been pointed out by the hon. and noble Member for the Rift Valley, Your Excellency, in your address from the chair at the beginning of this session, drew comparisons between a portion of a year, the results of which lead us to anticipate a final surplus of £50,000, with a portion of a year, the results of which led us to anticipate a deficit of £50,000. These comparisons, of course, show a very great improvement in conditions for which we are all truly thankful, and to which it is obviously a very good thing to draw attention.

Our task, however, in this debate is to maintain a balanced view: pleased as we are to see daylight at last, we must not let optimism override our sense of proportion. Anyone who has followed the various official tabulations which have appeared in the Press during the last few months, and who has listened to Your Excellency's address and who heard that a surplus of £50,000 was anticipated at the end of this year, might receive the impression that the Colony's revenue was buoyant, that revenue estimates had been greatly exceeded, and that Elected Members, as regards their contentions last year, had in the light of subsequent events this year been proved hopelessly wrong. That, Sir, would not be a correct impression.

On page one of the Memorandum on the Provisional Draft Estimates for 1935, certain figures are given which at first sight would appear to inform us that an increase of £3,776 over the original Estimates of Revenue for 1935 is now anticipated. This on examination will not be found to be the case, as £7,548 from the Colonial Development Fund and £6,125, a portion of the Parliamentary Grant, making a total of £13,673, have been added in the revised figures. These being cross entries could neither be expected nor taken into account at the time the Estimates were framed. Actually, taking revenue items 1 to 12, which Government recognizes on page 6 of the Estimates as embracing every item of actual revenue from whatever source, and making allowance for that portion of the Colonial Development Fund cross entry which was provided for in the original Estimates, it is now anticipated that in spite of improved conditions there will be a shortfall in revenue of not less than £9,897 at the end of this year, and this in spite of an estimated surplus in Customs revenue of £37,500.

Taking the revenue items which we criticized last year, it is now anticipated that there will be surpluses of £37,500 in Customs and Excise—so we were utterly wrong on that—and of £6,000 on the working of the Post Office; but there have been shortfalls of £42,000 under Licensing, Duties and Taxes, £2,750 in Fees and Payments for Specific Services, which was explained, £4,600 in Revenue from Government Properties, £2,000 in Interest, and £2,700 in Land Sales.

In view of this anticipated shortfall in revenue as against original estimates this year, it may well be asked how the estimated surplus of £30,000 is accounted for? It is probably advisable from the point of view of a layman that one should try and clarify the position. The original estimated expenditure for 1935 was £3,237,629, to which amount must be added expenditure which has since been incurred under special warrants not covered by savings, which amount to a further £56,069, making a total of £3,293,698. The revised figure for revenue, including the extra moneys from the Colonial Development Fund and the Parliamentary Grant, amounts to £3,257,212, which is £36,386 less than the revised figure of expenditure. So that, except for such departmental savings as may be found possible, and which always amount to a considerable sum, there will be an estimated shortfall this year, as already pointed out, of £36,386.

This time last year only £41,500 in departmental savings was allowed for, but at the end of the year's working it was found that departmental savings had amounted to £80,000, or £38,500 more than was taken into account in the revised expenditure Estimates which were before the House this time last year. This feat was quite rightly made the subject of special congratulation to heads of departments in His Excellency the Acting Governor's communication from the chair on the 26th June, and I therefore conclude that in view of the fact that a further year of difficult circumstances has just concluded, it was just as hard for heads of departments to find savings in 1935 as it was in 1934, if not harder; yet on this account at this period an exact sum of £86,386 is said to be the revised estimate of departmental savings which provides the £30,000 estimated surplus, of which we have been told. This amount of savings I have no doubt is a reasonably safe estimate, but I do not think, unless something has happened of which we have no knowledge, it is likely to be exceeded, in that in the present conditions, year by year naturally it becomes harder for heads of departments to make savings.

The comparative position last year was that estimated expenditure for 1934 was £3,188,041, to which had to be added, as I have done this year, to provide for special warrants not covered by savings, £69,137, making a total expenditure

of £3,257,178. The revised figure for revenue was £3,163,105, showing an estimated shortfall, apart from possible departmental savings, of £94,013, as against £36,000 odd this year. As I have just said, at this time last year provision was only made for £41,500 for possible savings, which reduced the estimated deficit to the figure of £53,513, which deficit luckily did not materialize, owing to the good months of November and December. The results of those good months provided an extra £19,874 over the revised Estimates of revenue, and the departmental savings at the end of the year were found to amount to £80,000 instead of £41,500, which two factors, together with the appreciation in the value of Government investments during 1934, I am glad to say, enabled last year's account to be closed with a surplus of £3,144.

From what I have said it is obvious that although Government's financial prospects have improved there has been no such material change in the position as would warrant any variation in the attitude which has been taken up by the Elected Members during the past two or three years. Government, themselves, obviously also appreciate this, as, disregarding the Colonial Development Fund and Parliamentary Grant cross entries, they are, in spite of the improvement in condition, budgeting for a lesser Revenue in 1936 than they estimated this time last year they would obtain during 1935.

So much for Government's budgetary position.

I will now turn to the economic position of the country as a whole. Admittedly, as Your Excellency has pointed out, the outlook is very much better: we have had better rains, and prices of butter, sisal, hides and tea have improved; the price of coffee, our main export, has fallen, and the coffee outlook, I am afraid, Sir, is not very hopeful at the moment.

To members on this side of the House it was a great relief to note from Your Excellency's speech and also from the remarks of the Hon. the Colonial Secretary this morning, that Government do now appreciate that a number of farmers are being driven out of production and that others are left in a position that can only be described as precarious, in that they have come to the end of their resources, and if not given help to tide them over the next few months they may go under, to the lasting disadvantage of the Colony. The result of Government's recognition of this lamentable state of affairs is that Government and the unofficial community are at the present moment together engaged in endeavouring to find ways and means of dealing with the situation. The trouble, of course; Your Excellency, is that these measures should have been taken two or three years ago as has been repeatedly urged by hon. members on this side of the House. (Hear, hear.) I hope that after these measures have been

taken to assist the less fortunate over the next few months, the point will not be overlooked that if and when conditions return to normal, the individual producer—commercial man and trader—in this country will have a tremendous leeway to make up, and ways and means must be devised now to help him to do so. It must be remembered that conditions have not yet returned to normal.

Your Excellency made comparisons as between our domestic exports, our re-exports and our imports during the first nine months of this year and the first nine months of last year, and I am glad to say the comparisons showed naturally an enormous improvement. However, we must remember that our domestic exports in the past have amounted to £3,422,000, our trade imports to over six and a half millions, and our retained imports to five millions, so we still have a long way to go before we get back to normal in this respect. The customs revenue showed a big improvement, but again it must be remembered that customs revenue in the past has amounted to £950,000. Taking these factors into consideration, we therefore equally contend that a change in the position of the country as a whole has not occurred which would in any shape or form justify the Elected Members departing on this occasion from the policy which they advocated last year and in previous years. (Hear, hear.)

It may, incidentally, not be out of place to again draw attention to the written record of the various recommendations which Elected Members on this side of the House have made in the past. As one example, there are, of course, the speeches of Elected Members, which will be found in Hansard, and they are well worth re-reading from 1931 onwards. Secondly, there are the notes which may be found at the end of the Report of the Economic Advisory Committee signed by Lord Francis Scott and myself, in which, amongst other remarks, we stated that the suggestion had been made that the gap between Expenditure and Revenue could be bridged either by a process of further drastic retrenchments, by additional taxation or both. We pointed out that our terms of reference instructed us in arriving at conclusions to have regard to the essential need for productive development, in view of which instruction we felt it our duty to make some allusion to taxation. We pointed out that further Revenue might be found by resorting to additional tax, but that a stage has been reached at which the imposition of further taxation, far from bringing in any very material additional Revenue, would curtail enterprise and adversely affect the development of the country. Even at that time, February, 1933, we remarked, in paragraph 460, on the fact that the assurance was given to the Committee that Government's Estimates of Revenue were framed on ultra-conservative lines,

but from such evidence as we had we came to the conclusion that there was a possibility, if not a likelihood, of certain taxes, notably the Native Hut and Poll Tax collection, failing to come up to expectations! We ended those notes by stressing that the only possible solution lay in further reductions in the cost of Government.

That, Sir, was the attitude we took up during the Budget Session at the end of 1933. Last year, in the Minority Report of the Standing Finance Committee, Lord Francis Scott, The Hon. Conway Harvey and I again reiterated that the problem was not merely one of balancing the Budget on paper, but the far more important question had to be considered as to what amount, under present day conditions, could be expected from the inhabitants of the country for the purpose of maintaining the administrative machinery of Government without repercussions on the development of the country. We again stated that the proper way to deal with the situation was to lighten taxation. This year, Sir, for the reasons I have outlined we are maintaining precisely the same attitude. (Hear, hear.)

Your Excellency, in your communication from the chair, alluded to certain taxation measures which you referred to as "Temporary in that they expire at the end of each year and at the discretion of Council can be either renewed, modified or withdrawn. These taxes, however, Government felt had to be included in this year's estimates. These measures were—the graduated non-native poll tax; the additional proceeds from trade and professional licences, and the levy on official salaries, thus apparently recording that in the opinion of Government this group of taxes come under the same category. Your Excellency then went on to stress the injustice of the levy on official salaries in that Colonial Officials serving in Kenya should, almost alone, remain subject to what was described as "sectional taxation". Your Excellency concluded by stating that the necessity of maintaining public finances on a stable and satisfactory basis did not permit of any "piecemeal" adjustments being undertaken before Sir Alan Pim had reported. The Noble Lord, the Hon. Member for Rift Valley, has already referred to the levy on official salaries, and has clearly stated the point of view of Elected Members on this subject. But in view of Your Excellency's remarks I feel that, on this question, Government must, once again, be left in no doubt as to our contentions with regard to the graduated non-native poll tax and the increased amounts collected in trade and professional licences.

Firstly, we do not agree with Your Excellency's elucidation of what is meant by a temporary emergency tax. There was no question of the graduated poll tax being renewed or

modified when we agreed to its imposition up to the end of 1934. Secondly, Sir, the tenor of Your Excellency's remarks tends to give the impression that Government still cherish the view that Sir Alan Pim might recommend that this group of taxes should be modified or in some way replaced on the plea—

- (a) that sectional taxation is undesirable.
- (b) that it is unfair that traders and professional men should be made to pay a tax to be allowed to try and earn a living before they have actually made any profits.
- (c) that some tax could be devised that might be better than the existing graduated non-native poll tax.

This argument may sound very logical but it entirely overlooks one vital and basic principle, which is that we agreed to the graduated non-native poll tax and to the additional extractions from the trade and professional communities only as emergency measures temporary in character. We will therefore not discuss even any modification of these taxes—we demand their withdrawal in accordance with the agreement entered into between the Government and the people of this country. (Hear, hear.)

Your Excellency, after this has been accomplished and the agreement we made with Government thereby implemented we are perfectly willing to take part in any inquiry as to how the existing fiscal system can be improved or more equitably readjusted; and in this connection I think it only right to remind hon. members that the taxes to which I have just alluded are not the only extra taxes which have been imposed during recent years. I would draw attention to the increased duty on tobacco, the entertainment tax, increased stamp duties, the increase on petrol, the many increases in customs duties, and other minor measures, all of which have been introduced since the more normal days when our revenue amounted to a larger figure than it does today, without the help of these extra impositions.

Coming to the budgetary proposals which are now before the House, we contend that, regardless of Sir Alan Pim's inquiry, the following taxes must be removed: the graduated non-native poll tax, receipts from which are estimated to amount to £34,000; some reductions must be given in the trade and professional licences, which at present are estimated to total £15,500, say £7,500, and, if at all possible we are going to suggest to the Standing Finance Committee that the levy on Local Civil Service salaries, which amounts I believe to somewhere about £4,000, might be withdrawn. In all, these suggested remissions amount to some £45,000 to £50,000.

Your Excellency, in your address from the Chair, and the Hon. the Colonial Secretary this morning, inferred that any such proposal would leave us with an unbalanced budget. This point has been taken up by the Noble Lord, the hon. member for Rift Valley. We cannot subscribe to this contention, and in spite of the remarks of the Hon. the Colonial Secretary this morning, and I generally accept his assurance that the most careful examination has been made of the recommendations of the Economy Committee, we still feel that if Government really are convinced that it is necessary to find these economies they could still implement the recommendations of the Committee which sat last year and find the necessary economies to allow reductions in taxation. They could do so without taking into immediate account the more long range recommendations with regard to such matters as Loan Conversion, drastic reorganization of the Government machine, salary scales, etc., all of which major subjects no doubt will be further explored by Sir Alan Pim. I feel I must point out that the Report of the Economy Committee has never yet been debated in his House, and in view of the history of the last Budget session, I do not think you can expect Elected Members on this side of the House to be satisfied with a reduction of £33,000 when last year they demanded a reduction of £100,000.

Running through various Heads of Expenditure, I propose shortly to enumerate the items in which we consider further reductions might be made.

Under Head 2, "Administration", the position has been complicated by the transfer to this Head of Expenditure of the "Native Registration and Finger Print Sections". These were formerly shown under the Statistical Department. The total vote, however, shows an increase of £7,248 but the amount transferred is £10,448, so that there is evidently some saving achieved.

We note, however, that eleven new cadets are coming out and that certain specific reductions recommended by the Economy Committee have not been implemented. In view of the reduction I do not really feel strongly about this. I appreciate that everything depends on the Administration and any recommendations for economy which might affect its efficiency must be carefully considered. I do, however, feel that our recommendations with regard to the reorganization of that part of what was the Statistical Department which is now transferred to this vote might have been implemented. As it is, out of recommendations amounting to a reduction of £2,170 on the full year only £190 has been accepted.

Taking everything into consideration, I do not think it would be unreasonable to suggest in view of our Report that under Heads 1 and 2 of Expenditure it would be possible to find further savings amounting to £1,000.

I now turn to Head 3, Agricultural Department. The recommendations which we made regarding this Department have already been alluded to. The total which it is estimated will be expended by this department in 1936 is £123,643 as against the £110,000 recommended by the Select Committee on Economy. I also feel very strongly on this subject. We took tremendous trouble to go into the whole question of Agricultural expenditure with responsible officers of the Department and it was with their help, knowledge and agreement that we limited expenditure under this head to £110,000 for 1936. I believe, Sir, that the scheme submitted by the Director of Agriculture and referred to in the Memorandum on the Estimates, was not only feasible but would have actually increased the efficiency of his Department. As far as I can see, what has happened now, if anything, they are entirely in opposition to the principles which we suggested, and the whole cut seems to have been made on the veterinary side and in stock inspectors. The Hon. and Noble Member for the Rift Valley has quite rightly caustically commented on what subsequently occurred, and I maintain quite definitely that we on this side have a right to demand that expenditure under this head should be reduced to £110,000, which was the figure contemplated this time last year. This would provide further savings amounting to £13,000.

Under Head 4, Audit Department, there is a decrease of £246 only as against £1,000 suggested by the Economy Committee. I cannot help feeling that savings of another £500 would not be found impracticable if the will was there. I trust that Sir Alan Pin will not be quite so terrified of the Director of Colonial Audits as apparently we have always been in the past.

Under Head 5, Government Coast Agency, I should only like to say that when we took evidence as to what did happen during the absence on leave of the Assistant Coast Agent, we were told what appeared in our Report. I can only say that either the evidence we were given was misleading, or there must have been some change in procedure since the Economy Committee sat. I still feel that some small reduction in this vote would not be out of the question.

Under Head 7, Customs, we made recommendations for a reduction of £4,000. I notice that the Hon. the Commissioner of Customs has practically achieved that reduction,

which in the case of his Department as at present constituted cannot have been easy for we had very great difficulty in making that recommendation.

Under Head 8, Education Department, there is a decrease of only £536, as against the sum of £9,691 which we recommended. Again, I would like to stress that we did base our conclusions on suggestions made by the hon. the Director of Education himself, who during the deliberations of the Economy Committee was most helpful. As most members on this side of the House are well aware, convincing reasons are always advanced as to why suggested economies cannot be implemented. Objections will always be raised to any individual suggested economy both by officials and non-officials alike. When one is unfortunately in the position of having to cut down expenditure such arguments must within reason be discounted, and I still think, however, that considerable reductions under this head could be implemented. I cannot believe that of the reductions of £9,691 which we, after meticulous inquiries, felt was reasonable, only £536 were in fact possible. I suggest that a further saving of some £7,000 is at any rate one further saving that might be looked into by the Standing Finance Committee.

Under Head 9, Forest Department, in this connection we have had a case put up by the Hon. the Colonial Secretary this morning, and I would like simply to say that in Tanganyika the vote for this activity for 1935 was £17,342, in Uganda £14,928, and in Southern Rhodesia £11,759. I see that it is suggested that Kenya cannot deal with its forests during 1936 at a figure below £30,217. Frankly I do not believe it, and I think our sense of proportion is perhaps a little warped. A reduction of a further £3,000 under this Head is by no means incapable.

Under Head 10, Game Department, we made certain specific recommendations which have not been accepted on a plea that they might lead to an increase in poaching and a reduction in the Revenue from licence fees. I am at a loss to understand how the presence of the Assistant Game Warden out in the blue is likely to affect licence fees to any appreciable extent. I think District Officers are usually well aware when there is a shooting safari in their neighbourhood. I consider that our recommendations under this Head could have been implemented which would give a further £700 saving.

Under Head 15, Local Government, Lands and Settlement, our recommendations amounted to £3,917, of which sum £2,568 have been adopted. It is evident that a genuine effort has been made to reduce expenditure, so that I do not propose to say very much about this.

With regard to Head 16, Local Government Contributions, I was very pleased—and everybody on this side of the House felt it inevitable—that Government turned down the incredible suggestion that we should do away with local government in this country. I believe it will be found, by means of an amalgamation of certain District Councils, which I hope will be coupled with the adoption of local government by other areas, and coupled also with a general extension of local government activities throughout the Colony and the taking over of roads now administered by the Public Works Department that there will be a very large saving in this vote, and a still very much larger saving in that of the Public Works Department. I do not propose to speak at length on this. Our Report is available for anybody to read, and there is a good deal about this complicated question in that Report, but I believe, and I am still convinced, that by such reorganization as I have suggested, accompanied by good will on both sides, that you could find reductions in a joint department of at least £15,000, and that is not merely a vague figure.

Before leaving this head of expenditure I think it well to associate Elected Members with the remarks of the Hon. the Colonial Secretary in regard to action taken by the Nakuru and Eldoret municipalities, in their anxiety to assist in finding economies, in themselves agreeing to reductions amounting to £500 and £300 respectively.

The Select Committee on Economy recommended that expenditure under Head 17, Medical Department, should be limited during 1936 to £194,000. The estimated expenditure for 1936 amounts to £195,000, but it is explained in the Memorandum on the Estimates, and by the Colonial Secretary this morning, that the reduction on last year's estimates of £4,745 represents really a genuine recurrent saving, being due to the fact that it was necessary to purchase during 1935 extra medical stores and equipment to the value of £5,000 which would in the ordinary way have been paid for this year. During our deliberations the hon. the Director of Medical Services was extremely helpful, and I still adhere to the opinion we expressed in paragraph 104, that provided he were given power to exercise his own discretion he would still be able and I still believe he would still be prepared to effect a genuine reduction of at least a further £2,000 on this year's estimates. The Medical Department is one particularly to deal with, if you adopt the argument that every sick person in the country must receive attention. I think we have got to do everything humanly possible, but obviously there are limits as to how far we can go.

With regard to Head 18, the Military Vote, I consider that in normal times, or on a return to normal times, the recommendations made by the Select Committee should be

carefully considered but as we pointed out in paragraph 115, the existing situation in Abyssinia naturally precludes any reduction in expenditure under this Head at the present moment. As things are, it is probably a matter for congratulation that so small an increase in this vote is envisaged in the estimates which are before us. While dealing with this subject I would like to take the opportunity of asking Government whether they are in a position to inform us what contribution, if any, the Imperial Government is going to make towards defraying the abnormal expenditure which is going to be caused by the war which is taking place so close to our frontier.

Under Head 20, Miscellaneous Services, there appears at first sight to be a decrease of £5,000. I think, however, and no doubt the Treasury will explain, that this merely represents a new accounting arrangement in that what was a book entry made through this particular account is now dealt with in some other way. In dealing with this head of expenditure I contend that as suggested by the Hon. and Noble Member for the Rift Valley the time has come when the question of Government's guarantees in respect of railway branch lines should again be discussed. This subject is dealt with in the Memorandum on the Estimates, but from the arguments put forward in those paragraphs one really would be led to conclude that Government in dealing with the Kenya and Uganda Railway (which incidentally is the State Railway on which the prosperity and development of this Colony depends), are dealing an unfriendly foreign power! The arguments to my mind are based on entirely wrong ideas, and I would point out that not so long ago we were told that any question of abolition of branch line rates was out of the scheme of practical politics until there was a very big tonnage; yet this has been achieved and I believe it would be quite equitable and that we could achieve some arrangement regarding Government's guarantees on these branch lines.

Regarding Head 21, Pensions and Gratuities, I do not propose to stress the recommendations by the Select Committee in regard to that proportion of pensions which is paid to Railway servants by Government. It is a matter that possibly Sir Alan Pim may find time to go into as part and parcel of this Colony's pensions commitments.

Under Head 24, Printing and Stationery, we note that from the decrease of £1,000 recommended by the Economy Committee there is an increase of £780. I feel the Select Committee's recommendations could have been implemented or at any rate can be implemented during the course of this year. It was not easy for us to investigate the expenditure

incurred by this Department owing to the fact that we had some difficulty in making the inquiries we wished as our inquiries were somewhat resented.

Under Head 25, Prisons, of expenditure there is a decrease of £3,305, and I think my colleagues on the Economy Committee would congratulate the Commissioner of Prisons on achieving that. I have met him several times under the very unpleasant circumstances attendant on these Committees (laughter) and he has always done everything he possibly could to meet us. Before passing on from the subject of this Department, I sincerely trust that this is the last occasion on which we shall hear of the proposal to start a prison camp in the vicinity of Ngong. (Hear, hear.)

I do not propose to say very much about the Public Works Department, Head 28, beyond expressing my wholehearted agreement with the Hon. and Noble Member for the Rift Valley when he said that he was quite convinced that a drastic reorganization of this Department and its activities is long overdue. When we were dealing with Head 16, "Local Government Contributions", I said that if a reorganization of the Department is undertaken, coupled with an extension of the functions of District Councils, genuine economies could be effected under the combined Heads amounting to between £15,000 and £20,000 and I still maintain that is the case.

Lastly, I would deal with Head 23, that of the Trade and Information Office. I do not believe that any genuine saving cannot be effected under this Head, but I do wish to stress that I equally do not believe that at the present moment we are getting our money's worth in respect of the contribution the Colony makes. A proper inquiry into the working of the Central Office and as to the position of the Kenya Agent *vis-à-vis* the Commissioner in London is badly needed. I consider that it is essential that the Kenya Agent should be made directly responsible to the Kenya Advisory Committee, that is the Government Committee in Kenya, and not to an individual in London who has very sketchy first-hand knowledge of this country. I sincerely trust this subject will receive careful consideration during 1936.

Your Excellency, I have run through—I am afraid at great length—various heads of expenditure in which the recommendations made by the Economy Committee have not been accepted by Government. I have not been able to go into details as obviously this is not the time or the place to deal with these recommendations in that way. I would, however, point out that the sum total of the figures I have specifically mentioned amount to no less than £65,054 and that there are other possible minor savings to which I have

not alluded. Sir, I think that I have said enough to substantiate our contention that were adequate steps taken to enforce possible economies, the relief we ask for in taxation could be given without necessarily imperilling budgetary equilibrium or necessarily leaving us with an unbalanced budget.

In addition to the recommendations which I have just run through, there still remain the major recommendations, such as a really determined attempt to achieve some suitable loan conversion scheme, and the reorganization of the whole machine of Government on more up to date, more efficient and more economical lines. These are subjects which will be dealt with no doubt by Sir Alan Pim, and should very material further savings accrue out of Sir Alan Pim's recommendations we should be able to finally restore the cash position and tackle the long overdue programme of reconstruction and development, on which the early recovery of this Colony and its inhabitants must depend. We cannot afford in the future to use a large proportion of our total revenue purely on administration and administrative expenses. A larger proportion must in future be spent on more directly productive channels. (Hear, hear.)

In conclusion, Your Excellency, I support the motion before the House, which is to refer the Estimates to the Standing Finance Committee, but I support it in the not very sanguine hope that that Committee will so fundamentally change the Estimates both of revenue and expenditure which are now before the House as to make it possible for the Elected Members to at least discuss them; otherwise the European Elected Members will not only oppose the budget but will dissociate themselves from it entirely.

The debate was adjourned.

BILLS.

NOTICE OF SECOND READINGS.

The Hon. the Attorney General gave notice that at a subsequent stage of this session he would move the second readings of the following Bills:—

Architects and Quantity Surveyors (Amendment) Bill.

Arms (Traffic with Abyssinia) (Amendment) Bill.

Council adjourned till 10 a.m. on Thursday,
28th November, 1935.

THURSDAY, 28th NOVEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Thursday, the 28th November, 1935, His EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

MINUTES.

The Minutes of the Meeting of the 27th November, 1935, were confirmed.

ORAL ANSWERS TO QUESTIONS.

MTWAPA AND KILIFI FERRIES, YEARLY UPKEEP.

No. 72.—LT.-COL. THE HON. J. G. KIRKWOOD asked :

“(1) Will Government please state the cost of yearly upkeep of the Mtwapa and Kilifi Ferries?

(2) The amount of revenue received per annum from said ferries?”

THE HON. THE DIRECTOR OF PUBLIC WORKS :

(1) The estimated expenditure for 1935 and 1936 is £450, which does not include supervision and provision for renewals.

(2) The estimated revenue for 1935 and 1936 is £450.

LT.-COL. THE HON. J. G. KIRKWOOD : Arising out of that answer, do I understand the upkeep is £450 and the revenue is £450?

THE HON. THE DIRECTOR OF PUBLIC WORKS : That is correct, Sir.

LT.-COL. THE HON. LORD FRANCIS SCOTT : Arising out of that, has the hon. the Director of Public Works estimated what will be required in the way of renewals and replacements, and whether these ferries are likely to be in good order for some time to come, or if replacements will be necessary in the near future?

THE HON. THE DIRECTOR OF PUBLIC WORKS: Estimates have been made for renewals, but I am not in a position to state the figure at the moment. If the hon. member submits a question I shall have much pleasure in answering it.

MOTION.

DRAFT ESTIMATES, 1936.

THE HON. THE COLONIAL SECRETARY having moved:

"That the Draft Estimates of Revenue and Expenditure for 1936 be referred to the Standing Finance Committee for consideration and report."

The Hon. the Treasurer having seconded.

The debate having been adjourned.

The debate continued.

THE HON. CONWAY HARVEY: Your Excellency, the European elected members' views on the main features of the budget have been so well and truly stated by the Noble Lord and the hon. member for Nairobi North that it seems to me it remains only for the rest of us to comment on such specific points as we consider should be emphasized. I propose to lay a draft on the patience of hon. members to the extent only of a few remarks on the question of the organization of the Agricultural Department and farm rents.

I propose joining in the myth game introduced by the hon. mover in respect of the first item on which I wish to comment. Two hon. members, Sir, as you are aware, have already alluded to inaccurate and misleading statements on pages 10 and 11 of the Memorandum of the Provisional Draft Estimates for 1936. I feel that the hon. mover, whose honesty and sincerity are never challenged by anyone who knows him, was labouring under a very grave misapprehension when this paragraph was incorporated in the Memorandum. The paragraph to which I take exception, Sir, reads as follows:—

"The Director in due course submitted his scheme to Government and, after preliminary examination, it was decided to consult the Board of Agriculture on the proposals. A meeting of the Board was specially convened, and it was evident that very sharp differences of opinion regarding the merits of the scheme prevailed. As at that time it was known that Sir Alan Pim and Mr. Miligan were shortly visiting the Colony, it was decided that the present organization should remain pending consideration of their Report. The proposals for a reduction in expenditure to £110,000 have therefore not been incorporated in the provisional Draft Estimates."

Speaking as a member of the Board of Agriculture, and one very intimately connected with agricultural development in the Colony, I must, on behalf of the Board and farmers generally, take very great exception to a paragraph of such misleading character. The impression left on the mind of anyone reading that paragraph would be that there was a very clear cut division of opinion among the members of the Board of Agriculture in respect to this proposal. As I shall show in a moment, such was not the case. The opponents of the proposal were in a positively insignificant minority. Secondly, I cannot remember Sir Alan Pim's name being mentioned throughout the whole of the discussions during that day. That statement is clearly contradicted by the facts which I shall mention.

The members of the Board, consisting almost entirely of very experienced agriculturists of long residence in Kenya, would not for one moment shirk their responsibility and suggest that Sir Alan Pim and a cotton expert who is associated with him—for both of these gentlemen I have the profoundest admiration—but it will not be suggested for one moment by any responsible person that they are in a position to express opinions of equal value to those of the experienced farmers who constitute the Board of Agriculture.

What actually happened was this.

There were five official members and thirteen unofficial members present at this meeting of the Board, held on the 7th of October. Fortunately, the five officials all belong to this House and can, and I hope they will, take advantage of the opportunity to express their views on this important question. Of the thirteen unofficial members, at least ten were enthusiastic supporters of the admirable scheme put up by the hon. the Director of Agriculture, and I can only remember one person, one unofficial member, out of the thirteen, who expressed views in any way hostile to the hon. member's proposals. It is true that in order that the Board might be fully informed the Director of Agriculture very kindly invited certain members of his staff to appear and express their views. They took such advantage of that privilege to such an extent that the whole day's proceedings resolved themselves almost into a bullfight between the Director and one member of his staff on one side and three or four subordinate members of the Department who were called in to express their points of view on the other side.

Anyhow, the Board of Agriculture, after considerable discussion—in which the point was brought up as to whether the Board as such would be wise to support the proposals for economy in a Department which they regarded as one

of a lot in which economies should be effected—after several hours' discussion this resolution was carried by twelve votes, no vote voting against, and four members abstaining from voting.

"That the Board is of the opinion that agriculture being the basic industry of the Colony, the Agricultural vote should under normal conditions be the last to be reduced. But in view of the dire need of the country for reduction in Government expenditure, the Board of Agriculture are prepared to face a substantial reduction in the Departmental vote next year to the amount subsequently recommended by a later resolution of the Board of Agriculture."

Let me repeat, this was carried by twelve votes, there were none against, and only four abstained from voting.

The Director's proposals to me, as a practical agriculturist, appealed very strongly indeed. Not only did they mean a reduction of over 49,000 in the Departmental estimates but, as the hon. member himself stated, and the overwhelming majority of us agreed, they would lead to much greater efficiency.

Broadly, the reorganization took this form. The Department was to be divided into four main sections of activity. No. 1, the veterinary division, was to be based on the Veterinary Research Laboratory, a suggestion which I think was recommended some considerable time ago by the Economy Committee after very intensive consideration. No. 2, agricultural and scientific investigational advisory service, was to be centred in one division of the Agricultural Department. No. 3, agricultural development, investigational and educational service in native reserves, were to be the subject of intensive consideration by the penultimate division of this Department. Lastly, provision was made for grading and inspectional services to form the fourth main branch of the Agricultural Department.

That commended itself very strongly indeed to practically every member of the Board, as it will commend itself to the overwhelming majority of the people of the country who, incidentally, foot the bill.

We do feel it is utter nonsense that an experienced veterinary surgeon, costing something like £1,000 a year, perhaps a bit more, should spend his time teaching natives to read and write in the reserves. That, Sir, is ridiculous. Another point which is not always fully appreciated is the fact that agricultural officers as such embrace in their training a very considerable study of animal husbandry, and I suggest, with considerable knowledge of what goes on in native

reserves—and I never miss an opportunity of visiting the experimental farms, hide drying, etc., in the reserves—I say unhesitatingly that the average agricultural officer with a good knowledge of animal husbandry would be a far better man to do such work as is required in native reserves at the present stage of development. (Hear, hear.) Another point, in my humble opinion, is that there is far too great a disparity between the amount of money allocated to the plant and to animal husbandry side of the agricultural vote. I notice in the Estimates before us now that the plant side gets £48,724 and animal husbandry £59,349, but in the former is included £5,465 for grading and inspectional services at the Port, a service which pays for itself. Of course, we have noticed that there is a saving of £2,900, mostly at the expense of the unfortunate stock inspectors, who are not very vocal, and many of us hold the view very strongly that in this particular connection economies might very well be effected much nearer the top of the ladder. (Hear, hear.) In any case, I shall make it my business to go pretty carefully into this aspect of the agricultural vote as a member of the Standing Finance Committee.

So far as the general structure of the budget is concerned, in respect of the agricultural vote, I notice under "Administrative and General" a very substantial sum of money, which aggregates something like £6,000, which is made of such items as "Contribution to Amani Institute, £2,000; grant to sisal industry, £1,000; grant to Imperial Bureau of Entomology, £300; contribution to Imperial Agricultural Bureaux, £525," and a lot of other minor items. I suggest that that gives us a very imperfect appreciation of exactly what the Agricultural Department is costing, and I would suggest for your consideration that we might very well follow the admirable example set by the Tanganyika Government in this regard. On page 59 of the 1935 Estimates of the Tanganyika Government you will notice an item called "Subventions", which embraces such items as I have enumerated not only in respect of the Agricultural Department but all other departments. It does give you and me and the public generally a much better opportunity of appreciating precisely what departmental expenditure amounts to, which is rather obscured by the form in which the Estimates are now presented.

I do welcome most cordially the acceptance of at least one of the hon. the Director's admirable proposals. On page 11 of the Memorandum, Item 50, dealing with the agricultural vote, it is announced—although I notice there is no change in the title of his post—that the Senior Plant Breeder and Experimentalist is to "be employed largely in the general

of a lot in which economies should be effected—after several hours' discussion this resolution was carried by twelve votes, no one voting against, and four members abstaining from voting:—

"That the Board is of the opinion that agriculture being the basic industry of the Colony, the Agricultural vote should under normal conditions be the last to be reduced. But in view of the dire need of the country for reduction in Government expenditure, the Board of Agriculture are prepared to face a substantial reduction in the Departmental vote next year to the amount subsequently recommended by a later resolution of the Board of Agriculture."

Let me repeat, this was carried by twelve votes, there were none against, and only four abstained from voting.

The Director's proposals to me, as a practical agriculturist, appealed very strongly indeed. Not only did they mean a reduction of over £9,000 in the Departmental estimates but, as the hon. member himself stated, and the overwhelming majority of us agreed, they would lead to much greater efficiency.

Broadly, the reorganization took this form. The Department was to be divided into four main sections of activity. No. 1, the veterinary division, was to be based on the Veterinary Research Laboratory, a suggestion which I think was recommended some considerable time ago by the Economy Committee after very intensive consideration. No. 2, agricultural and scientific investigational advisory service, was to be centred in one division of the Agricultural Department. No. 3, agricultural development, investigational and educational service in native reserves, were to be the subject of intensive consideration by the penultimate division of this Department. Lastly, provision was made for grading and inspectional services to form the fourth main branch of the Agricultural Department.

That commended itself very strongly indeed to practically every member of the Board, as it will commend itself to the overwhelming majority of the people of the country who, incidentally, foot the bill.

We do feel it is utter nonsense that an experienced veterinary surgeon costing something like £1,000 a year, perhaps a bit more, should spend his time teaching natives to read and write in the reserves. That, Sir, is ridiculous. Another point which is not always fully appreciated is the fact that agricultural officers as such embrace in their training a very considerable study of animal husbandry, and I suggest, with considerable knowledge of what goes on in native

reserves—and I never miss an opportunity of visiting the experimental farms, hide drying, etc., in the reserves—I say unhesitatingly that the average agricultural officer with a good knowledge of animal husbandry would be a far better man to do such work as is required in native reserves at the present stage of development. (Hear, hear.) Another point, in my humble opinion, is that there is far too great a disparity between the amount of money allocated to the plant and to animal husbandry side of the agricultural vote. I notice in the Estimates before us now that the plant side gets £48,724 and animal husbandry £59,349, but in the former is included £5,465 for grading and inspectional services at the Port, a service which pays for itself. Of course, we have noticed that there is a saving of £2,900, mostly at the expense of the unfortunate stock inspectors, who are not very vocal, and many of us hold the view very strongly that in this particular connection economies might very well be effected much nearer the top of the ladder. (Hear, hear.) In any case, I shall make it my business to go pretty carefully into this aspect of the agricultural vote as a member of the Standing Finance Committee.

So far as the general structure of the budget is concerned, in respect of the agricultural vote, I notice under "Administrative and General" a very substantial sum of money, which aggregates something like £6,000, which is made of such items as "Contribution to Amani Institute, £2,000; grant to sisal industry, £1,000; grant to Imperial Bureau of Entomology, £300; contribution to Imperial Agricultural Bureaux, £525," and a lot of other minor items. I suggest that that gives us a very imperfect appreciation of exactly what the Agricultural Department is costing, and I would suggest for your consideration that we might very well follow the admirable example set by the Tanganyika Government in this regard. On page 59 of the 1935 Estimates of the Tanganyika Government you will notice an item called "Subventions," which embraces such items as I have enumerated not only in respect of the Agricultural Department but all other departments. It does give you and me and the public generally a much better opportunity of appreciating precisely what departmental expenditure amounts to, which is rather obscured by the form in which the Estimates are now presented.

I do welcome most cordially the acceptance of at least one of the hon. the Director's admirable proposals. On page 11 of the Memorandum, Item 50, dealing with the agricultural vote, it is announced—although I notice there is no change in the title of his post—that the Senior Plant Breeder and Experimentalist is to "be employed largely in the general

co-ordination of agricultural research'. As one who is very intimately connected with this essential and important work of agricultural research, I think some stress should be laid on what represents a very, very great improvement on the present slipshod methods. It must be obvious to everyone that the mycologist, soil chemist, entomologist and so on, who may all be doing work on a subject such as the investigation of the coffee berry diseases or mealybug, should have their efforts carefully directed and co-ordinated by some senior officer in order to get the best results. (Hear, hear.)

Now, Sir, on the subject of farm rents: Your Excellency in your opening address stated that the question of farm rents was one which you are asking the Board of Economic Development to consider. I am not at all sure that that is necessarily the very best body to do this. As we all know, the Land Board has gone very carefully into this question, and that Board is composed very largely of people who may be regarded as fairly expert on land and farm rents questions. But I do, Sir, appreciate the importance of any efforts of this nature being carried out in harmony with any other proposals which may be introduced from an important body such as the Board of Economic Development which has the complete confidence of the country. It will interest you to know that on this question I have this morning received a letter from a well-known farmer at Songhor, one paragraph of which is in these terms:—

"It appears from His Excellency's budget speech that it is the intention of Government to help keep farmers who are not duds on the land. As I know that we can eventually pull round here given the opportunity, I am pinning my faith on His Excellency and the Government implementing the above resolve."

My reply to that is, knowing Your Excellency as I do, there can be no question whatever of any change of policy or any betrayal of farmers' interests in this connection. But, Sir, what is very important indeed from the point of view of the hundreds, if not thousands, of people all over the country, is that in this matter of farm rents, which bears so heavily on many people, its consideration and modification should be expedited and immediate action should be taken. I suggest that action in this connection should have been taken long ago. I know quite well that representations, supported by cogent arguments and sound reasoning, were sent in to Your Excellency's Government many, many weeks ago, and that there has been a regular shoal of representations from all over the country in this matter. In view of the importance of the case put up, I consider that action should have been taken

weeks ago, definite action, if Government was sincerely desirous of affording relief to necessitous farmers without unduly dislocating the budget.

Farm rents, as most people know, are not really based on anything, except possibly the voracious appetite of the Treasury to provide funds for the little bill of personal emoluments which amounts to something over a million a year! Least of all are they based on the productivity of the land. They are just arbitrary figures. Titles vary, as you know, from freehold to an annual charge per acre of 24 cents per year. That does not sound very much until you examine its incidence. If my arithmetic is correct, that means that a 5,000-acre farm will pay a little matter of Sh. 1,200 a year, which is a very great burden and may make all the difference between sinking and swimming to quite a number of farmers in my district, where many of these farms, carrying a rent of 24 cents an acre, have less than 10 per cent of arable land, which means Sh. 2/40 an acre being paid in annual rent. This, if capitalized, greatly exceeds the capital value of the land itself under the present conditions that alone constitutes an argument which does justify immediate attention to this pressing problem.

But there is another argument. People who were here fifteen years ago know quite well that farm rents were arbitrarily increased by the currency manipulation, when land which carried a rental of 10 (Rs.) cents per acre was suddenly put up to 20 (Sh.) cents after the change of currency, and, in some cases, that was increased to 24 cents. I will not weary Your Excellency with details, but that is the bare position.

It may be said that people acquired land holdings with their eyes open, knowing exactly what their obligations were, and they could take it or leave it. Apart from the last argument, which I think is a serious one in regard to currency manipulation, it is perfectly true that people knew what they were doing, but I suggest that when they came here with large sums of money at the invitation of Government they did at least expect to make a living, and I believe it to be entirely in the interests of Government and everyone concerned with the permanent welfare of Kenya to do everything humanly possible to keep these people on the land. (Applause.)

THE HON. A. B. PATEL: Your Excellency, as this budget has already been described as provisional, I do not propose to enter into details at any length. Before touching actually the Estimates I desire to refer briefly to the remarks made by the hon. the Colonial Secretary while exploding what he called myths. Everyone will welcome the anxiety on the part

of Government to have the co-operation of the unofficial community, but I hope that the Government while inviting co-operation from the unofficials will always include in such operation all the communities residing in this country. I understood the hon. the Colonial Secretary to say that in this country there are people who outnumber the others in criticizing the Government for doing too much for one section of the population in this country. I may say that it is the general feeling among the non-European communities in this country that the Government is doing too much for one section of the population and many times at the cost of other sections of the population. While appreciating the attitude of Government to obtain the views of the unofficials by appointing several committees, I must state that the primary duty of this Government as constituted at present is to try to hold the scales of justice evenly and not only to be anxious to have the views of one part of the population of this country, however important, influential, or vocal it may be. It has been always laid down by the Imperial Government that at present and for a long time to come the duty of the Imperial Government as well as this Government will be to hold the scales of justice evenly, and with that view I must state that government by committees should not be stretched too far and, in any event, the Government cannot and should not in my submission allow the financial control of this country to pass out of its hands and must in my submission retain the last word in that respect.

There can be no two opinions that the expenditure of this country must still be reduced further, but in that connection I desire to take this opportunity to acknowledge that the Government, during the term of Your Excellency's administration, has made great and sincere efforts to reduce the expenditure and I have no doubt that when ways and means will be found, further reductions will be made. It is also the general opinion of the unofficial communities that the temporary taxes should go, and there also I do not think there is any division of opinion as far as the unofficial communities are concerned.

Coming to the expenditure I desire briefly to touch on Head III, the Agricultural Department. As an Indian member I approach this subject with a little hesitation because owing to the colour of their skins Indians have been debarred from lawfully engaging in agriculture in this country, but still being interested in the general welfare of the country I desire to make a few remarks on the proposal of the hon. the Director of Agriculture. In my opinion there is an honest difference of opinion existing as regards the scheme put forward by the hon. the Director of Agriculture. There are people

in this country who I know hold different views and who consider that the Veterinary Department in this country has done valuable and useful work, particularly in the native reserves. There are people who hold the view that under the guidance of the hon. the Chief Veterinary Officer (Major the hon. Brassey-Edwards) very useful and wonderful work has been done in the native reserves. However that may be, I can state with a certain amount of confidence that, as far as the Coast is concerned, there is a unanimous feeling that the present arrangement with regard to the Veterinary Services should not be disturbed. The Coast Development Association, of which body the hon. member for the Coast is the President, the Coast Advisory Committee on Agriculture on which all communities and officials also are represented, and the Indian Association in Mombasa are unanimous on this point. They are fully satisfied with the services rendered by the Veterinary Department and consider they should in no way be disturbed. Whilst I feel that there are no reasons shown why the arrangement made by the Hall Commission in 1928 should be disturbed without full, expert investigation in this matter.

While on this subject I cannot help drawing attention to the difference in the vote in regard to non-native services and native services under this head, which is very great, and in my opinion it is time that the Government should pay more attention to the native services in this department as it has been acknowledged by all that it is necessary for the progress of the country that the native production should be increasingly encouraged. In this connection I cannot help referring to a speech reported some time back in the *East African Standard*. A speaker, speaking at a meeting held I believe to explain the aims and objects of the Vigilance Committee, was reported to have said, what was the use of reserving the White Highlands when the natives may be encouraged to grow crops in competition with the white farmers? I do not believe that that is the general feeling of the white farmers in this country. As a matter of fact I know that there are white farmers in this country who are as equally anxious as the rest to encourage native production, but when one hears such remarks made openly in meetings one feels doubtful about government by committees, and I must say that Government has gone too far in the direction of rule by committees.

Referring to Head VIII, the Education Department, I must at the outset express the sincere thanks of the Indian community for the kind reference made by Your Excellency in your communication from the Chair last week. In that connection I may state here that the Indian community is

to-day shouldering a very great burden in financing Indian education by running private schools. It costs an average of £7 per student for the Government to run Indian education, while the private schools are receiving a grant-in-aid of £3 per student. It is clearly in my opinion a saving to the Government of £4 per student, and in my opinion the Indian community has been making great sacrifices to find money to run these private schools. I believe the Government should continue to consider more liberally the claims of the Indian community in regard to their demands for education. In this connection I would like to refer to the reply which was given to me by the hon. the Colonial Secretary in regard to Overseas Scholarships for Indian students. I was asked, as a matter of fact directed, to raise that question at the Standing Finance Committee, but when I saw the report of the Standing Finance Committee of last year on the 1935 Estimates, I found that the hon. the Colonial Secretary, as chairman of that committee, stated to my friend, the hon. Mr. Pandya, who had asked that a token vote of £50 be inserted in Estimates to provide for a scheme for Asians similar to that proposed for Europeans, that he was of opinion that this raised a new issue of policy which would require careful consideration by Government before any decision could be taken. I hope I shall not be given a similar reply this year.

In my opinion the Indian claim for getting a larger vote for education has great justification. There are three great departments rendering direct services to all the communities: the Agricultural, the Medical and the Educational, and as will be observed by hon. Members the Indian community gets very little service worth mentioning as far as the Agricultural and Medical Departments are concerned. The only service of importance which the Indian community is directly receiving is the Education and in my opinion the Education Department should view the claims of the Indian community more liberally.

I am aware that the present hon. the Director of Education has always considered the claims of the Indian sympathetically and I am also aware that his position is very difficult in that from one side he has been pestered with many demands say for compulsory education and other such matters, and at the same time asked to reduce his vote by a considerable amount.

Coming to Head XVI—Local Government—I desire to make a few comments on items 21 and 23, Basic Road Grants to District Councils and Vehicle Licence Fees. It is regretted that the Government could not see its way to accept the recommendations of the majority of the Select

Committee on Economy. The reasons given by the Government for not abolishing District Councils are not convincing. The idea of local self-government, particularly in regard to District Councils, appears to me to be self-government by one section of the population only. In my opinion, when the Government is anxious to introduce and extend local self-government it should see that such government should be by all communities residing in this country, but I would point out with great regret that Government has not so far seen its way to appoint Indian members on five District Councils. I understand that Government had the intention to appoint Indian members on these Councils but I have not so far learned the reasons why that intention has not been put into practice. Probably the Vigilance Committee may be responsible for that! But in any event when these expenses for District Councils are provided from the general revenue, in my submission, Your Excellency, the Indian community has an equal claim with others to have representation on these District Councils. I understood the hon. the Colonial Secretary to say that it is the intention of Government to extend the activities of these District Councils, but I oppose it until the claims of the Indian community are recognized in regard to their representation.

Coming to Head XVII—Medical Department—I must, Sir, again point out that there are no adequate medical facilities for the Indian community in this country. In particular there are no facilities at all for the nursing of Indian patients. I know about Mombasa and Nairobi, and also for Kisumu, where separate wards have been provided for Indian patients, that ward boys are looking after the patients in the Native Civil Hospitals, and the Indian patients are most unwilling to go to these hospitals unless owing to circumstances they are compelled to do so. In this connection I would refer to the Report of the Standing Finance Committee last year when the hon. member, Dr. de Sousa, while giving evidence before the Committee, demanded facilities for the nursing of Indian patients. In paragraph 84 it states:—

"Dr. de Sousa, in evidence, and Mr. Pandya, informed the Committee that a grievance existed amongst the Indian community in that operations on Indian women were performed in the presence of adult male Africans. The Director of Medical Services explained that if this were to be rectified immediately it would be necessary to increase the staff of Nursing Sisters by one. However, there were a number of African women in training and they would in due course become available to assist at operations. The Committee, whilst sympathizing with the wish of the Indian community, felt that the present

state of the Colony's finances did not permit of an increase in the staff of Nursing Sisters. Mr. Pandya considered that the appointment should be made. A proposal by Mr. Pandya that £100 should be provided for temporary assistance at such operations was investigated by the Director of Medical Services and reported by him to be impracticable."

In this country there are now Indian nurses available who can be engaged on a reasonable remuneration, and I fail to see why so far the Medical Department has not done anything to meet the just grievances of the Indian community.

I personally feel that the Medical Department requires reorganization. I understood the hon. the Colonial Secretary to say yesterday that it is not possible to reduce the Medical Vote without risk to the public health generally, but as at present constituted the Medical Department, I believe, will not be able to extend services which are very essential. Unless something is done to reduce the expenditure by reorganization of the department, I suppose no necessary economy will be effected, and it will therefore not be possible to extend the services rendered at present. The expenditure of this department is very high because a large number of very highly qualified and highly paid medical officers are engaged and it will be interesting I suppose to compare the figures of highly qualified and highly paid medical officers in India and in the Sudan with the Assistant Surgeons and Sub-Assistant Surgeons engaged in the Medical Department in those countries. One can compare the Indian Medical Service Officers in India with the Medical Officers in this country and the ratio in India between I.M.S. officers and Assistant and Sub-Assistant Surgeons is 1 to 4, while in this country roughly the ratio between Medical Officers and Assistant and Sub-Assistant Surgeons comes to 2 to 1. If we take the figures from these Estimates in the Medical Administration section there are three senior medical officers but no European Assistant Surgeons, and no Asian Assistant or Sub-Assistant Surgeons. In the Medical Division there are fourteen Medical Officers plus District Surgeons with one European Assistant Surgeon, no Asian Assistant Surgeons and only nine Sub-Assistant Surgeons. In the Laboratory Division there are seven Medical Officers, no European Assistant Surgeons, and no Asian Assistant or Sub-Assistant Surgeons. Under Native Services we find thirty Medical Officers with only two Asian Assistant Surgeons, nineteen Sub-Assistant Surgeons and one European Assistant Surgeon, making a total of fifty-four Senior or other Medical Officers and only thirty-two Assistant and Sub-Assistant Surgeons.

One can see that if these highly paid and highly qualified officers are partly replaced by Assistant Surgeons and Sub-Assistant Surgeons and the work of the department is carried on as it is in India and Sudan by Assistant and Sub-Assistant Surgeons under the supervision of a few highly qualified and highly paid Medical Officers, the expenditure of this department can be reduced considerably and that is the only way by which economy can be effected and also money can be spared to extend further services.

While referring to this department one also notices that the dispensers, laboratory assistants and wardmasters are generally paid more than what they should be for the type of work they are called upon to do and I would point out, Your Excellency, that a few years back there were compounders who were replaced on account of a policy then pursued by European dispensers and thus the cost was increased roughly from £150 per one employee to over £300.

In regard to Sanitary Inspectors in this Department I may also state that it is necessary in the interest of economy to engage a few Indian and African Sanitary Inspectors. I may point out that the Mombasa Municipal Board has tried this experiment successfully and there is one Indian Sanitary Inspector engaged by the Board about whom the Medical Officer there says he has done the work as successfully as other inspectors. While on this point I desire in support of my contention to refer to the remarks made by Sir Alan Pim in his Report on Zanzibar. Under the head of Medical Department on page 39 of that Report, in discussing the question of reduction of expenditure in the Medical Department in Zanzibar and after suggesting that the local people there should be trained to work as Assistant and Sub-Assistant Surgeons, the last remark made in that paragraph is:—

"It would be very undesirable to introduce further racial complications into Zanzibar, and the natural intermediate stage would be an extension of the employment of Indian Assistant Surgeons or Sub-Assistant Surgeons."

Coming to Head XVIII of the Estimates, the Military Vote, I desire to emphasize, Your Excellency, that the Indian community in this country is very anxious to take a share in the responsibility in the defence of this country which they have adopted as their homeland, and it is very unfortunate that the Government has not been able to see its way to accede to the just an equitable demand. The Government may not still perhaps see its way to throw open the recruitment of Indians in the Defence Force or the Kenya Royal Naval Volunteer Reserve, but I hope that the Government in any event will operate the amendment accepted last week to the K.R.N.V.R. Ordinance in its true spirit.

I will now take Head XXXIII of the Expenditure Estimates, Item 24-23, Central Revenue Office.

In my opinion, the expenditure on the Central Revenue Office is out of proportion to the taxes which that office has to collect, and the reasons for that I shall presently allude to when speaking on the Indian Civil Service. If Government, and the unofficial members also, really desire to effect economy in expenditure, I think that Government has got to follow the policy which was followed in regard to employment of Civil Servants before 1920. I can assure this House that I am not discussing or raising this question from a racial point of view, but purely from the economic point of view. One would clearly notice that after 1920, under pressure from the unofficial side, Government had to engage Europeans in the junior and clerical posts, and such employment led to an increased expenditure which was out of proportion to the means of this country. In support of what I submit, I desire to read a small paragraph from the Memorandum which the Indian Congress submitted to Government last year:—

"In the Legislative Council which took place in 1921 the late Mr. Kemp, the then Treasurer, is reported to have said that from his own experience he had clerks with many years' experience who were certainly more useful and more competent than European clerks who would be on a higher rate of pay. If senior paid clerks retired, as suggested, it would result in disorganization and his own department would be thrown into confusion if Europeans were substituted. Colonel Nottley, the then Colonial Secretary, was even more definite than the Treasurer. On the strength of the figures compiled with great care by him he asserted that the Asian allowances were smaller than those of Europeans and that on the basis of same qualifications a European in the first ten years would cost Government £4,023 as against £2,246 for an Asian."

In spite of this warning at that time from the Government side, pressure from the non-official side was continuously brought to bear and junior posts and clerical posts were increasingly filled by Europeans. This necessarily increased the expenditure of this country. To make my point clear, I will give one illustration. Assuming, Your Excellency, that Government took it into its head to substitute the African constables of the Police Department by Indians. The cost of that vote would be increased tremendously. At present, African constables are paid £24 a year; instead of that, Government would have to provide at the rate of nearly £120 a year for each Indian. That would mean the expenditure of that vote would be increased five times. In the same way,

Government was called upon to increase expenditure year after year during the time when it was alleged Government was carried on by agreement.

I shall not take up the time of the House by referring to too many items, but I should like to refer to one item just to explain my point further. Taking Head VII, Customs, under Item 9 there are seven examining officers. About this I can speak with some confidence, and I say it is absolutely unnecessary to have these seven highly paid examining officers when the work could be carried on with equal efficiency by having one or two of these officers only with Indians working under them at the Coast. With one or two supervising officers and five or six Indians working under them, the work would be carried on with the same amount of efficiency. If each Department is scrutinized in the same way, I am sure it will be found that economies can be effected in each of them. The Indian Congress has claimed, and I also claim, that long range economy can be effected by pursuing this policy, a policy which was followed before 1920, and over one hundred thousand pounds can be saved in salaries alone, apart from hidden emoluments. Taking the analogy often referred to during last year's debates, of the cloth and the coat, Government was asked, in what it had to do after 1920, to find a bigger piece of cloth to suit the fat persons who were to take the place of the thin persons. (Laughter.)

As regards the efficiency of the Indian employees, I may state, Your Excellency, that high officials in this House during many years past have publicly acknowledged that that efficiency was in no way inferior to the work of any other employees, whose substitution in several cases, in my submission, is the reason why the expenditure of Government in personal emoluments is more than it should be.

I shall now refer to the Revenue side. I take first Item 11, Native Hut and Poll Tax, under II—Licences, Duties, Taxes, etc. There is a general feeling among many persons who know something about natives reserves that in the collection of this tax undue harshness is sometimes used. There are many instances, it is stated, of cases where the whole live stock of a native has been sold in order to collect the tax. Only last week or, as a matter of fact, yesterday, we passed an amendment to the Civil Procedure Ordinance to give relief to the agricultural community by raising the limit of exemption from attachments on live stock and agricultural implements to the value of £500. Have we considered also the interests of the native community? I think in fairness also they should be considered, and in any event their live stock up to a certain minimum should not be sold

in order to collect this tax. Government should always see that they at least retain a few cattle which will be necessary for them to make their living.

With regard to Item 12, Non-Native Poll Tax, I support the unanimous demand for the repeal of that tax. At the same time I will add that if Government find it necessary to raise more revenue some better and more equitable form of tax should be imposed. I hope, in this connection, that Sir Alan Pim will either recommend the abolition of this tax or recommend the substitution of a better and more scientific tax.

Coming to Item 20, Levy on Official Salaries, my opinion is that in any event the levy should be withdrawn in the case of officials who are drawing less than £500.

Coming to Head V of Revenue, Item 4, Mombasa Water Supply, I desire to draw the attention of Government to the fact that progress in the Port town, if not retarded, will be greatly hindered by Government not handing over to the Municipal Board the water supply as demanded heretofore. Mombasa water-rate payers are paying 50 per cent more than Nairobi people for their water, and it is only fair that when Government have introduced local self-government the just demand of the Municipal Board to have control of the water supply should be agreed to. The Mombasa Municipal Board has made representations that unless the water supply is brought under their control they will be unable to make further progress with the development of the town. I am aware that Government is paying part of the interest charges, but the position is very humiliating as far as the Mombasa Municipal Board is concerned. Moreover, whenever the Board may put forward any proposal to increase expenditure for further development of the town it will be open to Government to question them, and ask them to withhold such development until the interest charges were paid. The only way the Board can get out of this humiliating position is by having control of its water supply. I hope that Government in due course will accept this very reasonable proposal.

Under the same head, Item 19, Coast Ferries, I must also here voice the feelings of the Coast: that they desire that the services of Coast ferries shall be free. The Coast ferries should be treated as part of the highways, and no charges should be made. It is an acknowledged fact that in the past the development of the Coast was neglected by Government, and it only received partial consideration after the arrival of Your Excellency in this country. I am aware that Your Excellency has been taking keen interest in the development of the Coast, and to induce and encourage the

natives to bring more and more of their produce into Mombasa it is necessary that these ferries should be made free. By that means, in my opinion, Government will be taking the just step to compensate the Coast for the neglect which has been shown it in the past.

Under Head XII, Land Sales, Item 1, Stand Premia for Farms, I cannot help drawing the attention of this House to one fact: that by debarring Indians arbitrarily from agricultural pursuits great harm is done to the development of this country, and also to the revenues of Government. If we look at the returns of land grants which are laid on the table of this House, from the 1st July to 30th September, 1935, Indian farmers at Kilos who purchased land have paid very great prices compared to prices paid by other farmers. The price was twenty or thirty times more than has been paid by other farmers, and the figures speak for themselves, that the country generally loses and the Government revenues also suffer.

On the question of loans, Sir, I associate myself completely with what has been said by the Noble Lord, the member for Rift Valley, and the hon. member for Nairobi North.

Council adjourned for the usual interval.

On resuming.

VEN. ARCHDEACON THE HON. G. BURNS: Your Excellency, before speaking to points in the budget to which I wish to make reference this morning, there is one matter I should like very much to mention, and I do so with a sense of gratitude. That is, the work which has been done by the Senior Veterinary Officer in the native reserves, especially in the Nyanza Province. I do that because of the reference made this morning to the fact that he is spending time, energies and intelligence in teaching Africans to read and write. But no one who has any knowledge of the facts can doubt for a moment the splendid work that has been done throughout the whole of Nyanza Province and the Masai Reserve also, and I am convinced that the hon. the Director of Agriculture himself would be the first to acknowledge that activity and to acknowledge all that has been done by the Veterinary Officer. I would like very much indeed to emphasize that, because it has been a great source of encouragement to those of us who are interested in the natives' welfare throughout the whole of this Colony and in their future welfare.

I now turn, Your Excellency, for a moment to the matters which we have before us to-day.

First of all I should like to congratulate the hon. the Colonial Secretary on the splendid way in which he has brought forward this motion. It is very easy to criticize, but perhaps it is not quite so easy to do things better than the things we criticize.

With regard to the collection of the native hut and poll tax, the first thing that I want to mention is that it is an accepted idiom throughout the whole of the House, an accepted fact, that the natives should have returned to them in the, more particularly, four major services, half the amount that they pay in their hut and poll tax. This year, Your Excellency, we see, it may be explained otherwise, but as far as we have it given to us in connection with education, medical activities in the Colony, agriculture, and the Public Works Department, there is a difference, a shortfall, of £24,505 as compared to the accepted idiom that half the rate should be returned to the natives in these services. Perhaps the hon. member will be able to give an explanation as to why that has taken place and why it should be allowed. Lord Moyne in his Report emphasized this fact, Sir, very emphatically. A committee, of which I had the honour of being a member, sat for some time to go into ways and means of implementing this recommendation made by Lord Moyne. Although two years or more have passed away since the Committee sat, nothing has yet taken place with regard to implementing Lord Moyne's recommendations.

First of all, Your Excellency, I turn to the heading of Education. I am not going to criticize this, because I see that although the vote is less by over £3,600, the Waa School will account for that and more and because I am convinced, Your Excellency, with all the knowledge I have been able to acquire in making inquiries with regard to education, that the hon. the Director of Education is out to do the very best he can for all sections of the community in Eastern Africa. (Hear, hear.) Therefore I am not going to criticize what he has said. There is just one small point, and I hope he will forgive me for mentioning it: the Waa School being closed, a certain number of boys heretofore have been receiving shall we say free education at that school; whether they remain or not I do not know. They have come from distant areas such as the Rebai, Giryuma, and even the Nduruma country. Whether they will be prepared to remain on under a new regime remains a matter to be seen afterwards, but should they not wish to remain on will the hon. the Director of Education make any provision whereby these boys, who have hitherto received free education, can be enabled to continue

their education at some other centre where the charges are met for them? I do not want to say any more in regard to the Education Department.

I come now, Sir, to the Medical Department. This is to me a very sore burden indeed; to think that the Medical Department has to try and meet the needs of the Africans scattered throughout this vast territory and to have their money cut by £4,196. It is to me a very serious matter indeed. I have not words to express my admiration of the work that is being done both by the medical officers in charge of the various hospitals and the various centres, and also of the nursing sisters under their charge who are working among the Africans in this country.

But there is one thing, Your Excellency, which I do want to emphasize very, very much, and I know that the Medical Department is perfectly alive to the fact. That is, the spread of leprosy throughout the coastal area and throughout other places in the Colony, but more particularly throughout the coastal area. When you turn to the budget you find that £100 has been cut off, and the infectious diseases hospital and leper establishments have the paltry sum of £1,200 to meet the needs of these poor afflicted people scattered up and down the country. I am speaking not for a missionary society, I am speaking for the people who are suffering. Leprosy is a most horrible, loathsome disease—I have seen it and know something about it. There is a leper establishment at Kaloleni, about thirty miles outside Mombasa, and the society that heretofore has been carrying on that establishment trying to alleviate the sufferings of these poor people, have come to the conclusion that the lady who has devoted her life during the past three years to that work will have to be sent home to England and that the leper camp will have to be closed down.

If I had any means by which I could plead with the elected members, I would plead with all my whole heart that that be not allowed to happen. There are at the present moment something like thirty-six lepers in that camp. I know them individually, and if this thing is to happen for the lack of support, for the lack of means to carry it on, these thirty-six people will be sent out into their villages to spread that loathsome disease and multiply the number of those suffering from it. I am not a member of the Standing Finance Committee, I am glad to say I am not, but my colleague here is, and I do earnestly plead with that committee that in giving consideration to the medical vote that they would give consideration to the idea of paying per capita so much for each person who is being attended to and treated,

and their life made a little bit more tolerable than it otherwise would be if they had no such people to attend to them and to care for them.

Then, Your Excellency, with regard to the dispensaries connected with the Medical Department. I know I am going to say a thing or to suggest a thing that even my friends may get at me for, but I do not mind. I have felt it for a considerable time now. In those dispensaries throughout the country, numbering I understand something like 130 or perhaps a little more, some of them connected with the Local Native Councils, medicines are served to the population free of all charge. Now, Sir, the African loves medicine. The other day I was in a dispensary in the Teita country where a hard-hearted lady filled a spoon to overflowing with castor oil and gave it to a little boy not only to drink but to lick the spoon after it was finished. That was given but the person had to pay for it. With regard to those dispensaries, Your Excellency, I may be overstepping the bounds of propriety but I would honestly and sincerely suggest that in every single dispensary a small charge be made for the medicines that are served out to the Africans throughout the length and breadth of the whole Colony and Protectorate. The African is a person that appreciates more what he has to pay for even though it be only a small payment. I know that in some of those dispensaries the friends of the dispenser whenever they may be come in by the dozen and very often medicines are served out to them, expensive medicines, without perhaps understanding really what the supposed disease that some of those people are suffering from. I do ask, Your Excellency, that when the Standing Finance Committee is considering this—I hope the hon. the Director of Medical Services will not get on my track for saying that—but I do hope that when they are considering this, the thought of some small charge for the medicines supplied throughout those 130 hospitals may be given serious consideration.

I now come, Your Excellency, to the thing which I want more particularly to speak about, and that is to the collection of the hut and poll tax. We are told that the difference between last year and this year amounts to something like £22,000. I should like to ask the hon. mover of this motion whether the £31,000 collected at the beginning of last year as due in 1934 is included in the total sum or not? That is, whether the actual amount that these people are going to be expected to contribute this year is to be larger than it was last year by £31,000? If that is so, that is the figures as they are given here: 1936—£540,000, 1935—£652,979, but the

arrears of 1934 that were collected in the payment of this year must come in somewhere and I do not just exactly know where.

Your Excellency, the hon. the Colonial Secretary expressed—and I have the greatest possible sympathy with him—the difficulty that is being experienced in the collection of those taxes and he has given various reasons for those difficulties. First of all, he has spoken about the old men, that they have not as many wives as they used to have. That may be true, I do not know. And therefore in the old days they came without a murmur, paid the tax for the number of huts they had where their wives lived, and went off. Now it is not so. There is a difficulty in connection with that. Then he says that another difficulty, to his mind, is the individualistic aspect of the people as they are at the present time, that this is causing some difficulty. Well, Sir, if we come into a country like this and we open schools and we teach people and train people along certain lines, we cannot imagine them remaining tied to the skins, or whatever you like to call them, of the old men all their lives. They must become individualistic; they must live their own lives in their own individual way. This is a difficulty but at the same time I think that if we look upon it from another angle, from another point of view, we will see that instead of being a hindrance to taxation or to bringing in taxes into the country, it must be a help, because these people have changed their manner of life entirely. People that I myself knew thirty years ago who were perfectly content with their meagre porridge and with a little bit of *kitooeo* or something of the kind are to-day having their bread and butter and tea and all that sort of thing and they have been encouraged to do that. So it is good for trade and if that is so the money accruing from this to the Customs must be a very considerable sum indeed. It is not always taken into account the amount of money that the natives contribute not only in direct taxation but in indirect taxation and all this from changes that are coming over the country, but if I may be permitted, Your Excellency, and if the hon. the mover will allow me to say so, I think there is another reason for the difficulties that the officers in the districts have in collecting this tax, and they have my whole-hearted sympathy. First of all, we remember that in 1931 when the Europeans were beginning to look round them as to where they could find money to carry on with, whether they must reduce overhead charges if they were to continue working their farms, naturally, I suppose, the very first thought that came to them was that they must reduce the wages of their employees, and at that time, to my knowledge, many of the employees were

reduced by 25 per cent of the wages they had been heretofore receiving. The purchasing power of that man who was working for a wage 25 per cent less than he was receiving in 1929 must of necessity be very much less indeed. Then, on the other hand, the slump in the price of produce has affected the native just as much as it has affected the European who is working on his farm and so when he comes to have his wages cut by 25 per cent and he brings the produce that he is able to get out of his little shamba or garden to be sold and finds that instead of receiving Sh. 3 or Sh. 4 as he received for them heretofore he can now only receive one or two at the most, naturally he finds a difficulty in securing for the Government the necessary money to pay his taxes with. That, I think, Sir, is a factor that must be taken into account by the Government when they are dealing with native taxation. The native to-day is not in a position, because of those matters that I have just mentioned, to pay the taxes that he would gladly and willingly have paid in 1929 and 1930. I suppose it is perfectly true that there are some natives who do not want to pay taxes. There are some Europeans, too, just as well as the natives, but I think, on the whole, the African is prepared to pay his just dues to the Government when he recognizes all that the Government has done for him.

If I may be allowed here to stress one point, I should like to do so very, very much indeed, and that is that the methods of collection of native hut and poll tax in the reserves is not all that could be desired. When I say that I am not saying one single word against the Administrative Officers, who have burdens upon their shoulders almost too heavy to be borne. All I am saying and I have no hesitation about saying it is that those men who are put over their fellows to collect that hut and poll tax do it to their own advantage every time and to the disadvantage of the native who has to pay. And one aspect of the thing that I do urge most solemnly is that women be not touched, be not taken or arrested by the order of any chief or any sub-chief and held in custody until her husband or brother comes to pay the poll tax for her and so set her free. I do urge that. I may be questioned, but I know, Sir, that I am speaking facts that I am perfectly aware of and I do say that in the collection of taxes, while the men folk may have all authority brought to bear upon them to pay tax in a lawful way, that the women of their families and their villages should not be touched and should not be forced to be a bait whereby the men folk are drawn to pay their taxes in the villages.

I do not think, Sir, that there is very much else that I want to say this morning. I have put a question on the

paper with regard to the youths of the Colony—the ages of the number of youths that are in detention camps—which I hope will be brought to the notice of this hon. House before this session closes. But I do, Sir, most earnestly urge that in connection with these taxes that every consideration be given to the people who have passed through a grilling time during the last three years with drought, locusts, etc. In some places where they had not even food, I have seen them myself lying on the side of the road dying from the want of food, and now they have crops and I am very glad their crops are so much better, I know that in 1936 the payment of taxes by these natives will be an easier matter than it has been heretofore.

The matter that I do stress and emphasize very much is that the Medical Department which has done such splendid work be not hampered in the work amongst the natives, for you cannot have an industrious people if you have a people full of disease, a people who are unable to crawl out of their villages and work. I do ask for that. But I do plead very much with the members of the Standing Finance Committee that they would in their mercy—I do not like using the word—on behalf of those poor leprous people, that they would grant a certain amount per capita—I was going to say £10 but perhaps it would be thought I am asking too much and I think I had better say £5 per head, so that those people will not have to be sent away out into the villages and those looking after them will be able to do so and so relieve the horrible monotony and sadness of their poor afflicted lives.

There is nothing more I wish to say this morning.

DR. THE HON. C. J. WILSON: Your Excellency, in rising to speak to this motion I wish to say that I do not intend to discuss in detail the estimates of revenue or expenditure. All I wish to do, if I may, is to offer a few remarks on certain general principles which I hope will not be out of order at this stage of the budget debate.

First, I should like, if I may, to congratulate the hon. the Colonial Secretary on the speech with which he opened this debate. There were two features of that speech which seemed to me particularly pleasing. The first was the thorough and convincing manner in which he disposed of these myths—I am sorry to take a part in this myth game myself—about Government's attitude towards the European community. As he said, it was almost incredible that those myths could have been believed, but one heard them repeated so often that one must suppose that some people professed to believe them. I hope that they have now been exploded beyond all chance of reascitation for one gets very very tired of hearing and reading

day after day that Government did not know, Government did not care, Government would not act, and that something must be done.

The other noteworthy feature of the hon. mover's speech was his remarkable restraint in showing no sign of satisfaction or triumph at the vindication of his last year's budget. I have forgotten the adjectives which were used to describe that budget—it was rather a formidable list—and they are better forgotten. There must have been a great temptation to recall the incidents of last year's battle over the budget, but the hon. the Colonial Secretary has shown a more excellent way of dealing with one's opponents.

I think the fairest thing that can be said about this budget is that it is the best that could have been done in very difficult circumstances. That, I believe, represents the opinion of the majority of reasonable and fair-minded critics. The difficulties of the circumstances are too obvious to need any comment. If they were not obvious before, they have become obvious during this debate.

I do not know whether the presence of Sir Alan Pim in the country should be considered as a difficulty or as a help. Critics may say he has helped the Government in that proposals can be put forward with a convenient saving clause: "We intend to do so and so, provided we do not change our minds later, on Sir Alan Pim's advice" and so hostile criticism is rather handicapped. On the other hand, this figure in the background, benevolent or sinister according to the point of view, has rather overshadowed the rest of the picture and blurred the details of the outlines of Government's programme. It must be unsatisfactory to those who prepared this budget, that the estimates cannot be presented clear-cut and sharply defined and it is certainly unsatisfactory to critics in that the objects to be attacked are so indefinite. In fact the provisional nature of this budget has seriously detracted, in my opinion, from the practical value of this debate.

For my part I was rather apprehensive about the form this budget would take. I was afraid Government might be unduly influenced by the volume of invective directed against it by a certain section of the community and that in response to the persistent demands for more and yet more economy, there might have been proposals for cutting down supplies to a point at which efficiency would no longer be possible. As it is, Sir, services have been cut to a limit of safety, but at least there is a hope that services essential to the order and welfare of society will be able to carry on at a reasonable standard of efficiency.

There has been so great an outcry about the extravagance of the present system of Government and such forceful

demands, not without a suggestion of threat, for still further reduction in expenditure on Government services, that there is perhaps a danger that this point of view may be taken as the only and right way of looking at the present position of Kenya. Actually one knows that there are many who hold quite other views, but it happens that most of them are either unwilling or unable to publish their opinions, and so the better-advised subversive opinions have had the field to themselves.

My business, of course, is to look at the question of Government expenditure from the point of view of the natives, and what do I see? So far from seeing any need for reducing expenditure, I see a very imperative demand for an increase in expenditure. So far from seeing any case for the reduction of Government services, I see a most urgent need to extend and improve them. The native reserves are at that stage of development where expenditure is absolutely essential, even though it is not immediately remunerative. To starve development by cutting down supplies at this stage would be to do irreparable harm to native interests. The natives themselves see the matter so clearly that over and above the taxation imposed by Government, which is generally recognized to be relatively heavy, they voluntarily tax themselves still further to provide their Local Native Council with additional funds for what they consider essential services.

The European community may be prepared to sacrifice some of the benefits received from Government in the hope that thereby they may be spared some share of their present taxation. It is difficult to discover just what sacrifice they are prepared to make. It would appear that the most acceptable would be a vicarious sacrifice of officials' salaries. But even by that sacrifice it would mean an eventual loss to the community, for in the long run the standard of Government would inevitably decline. You could not reduce the level of the Kenya Civil Service much below the general level of the Colonial Service without a corresponding loss in efficiency. It is easy to say that one could get all the men one wanted for less money and that those men would be good enough for Kenya—but would they? I am not prepared to answer that question, but as regards the natives of Kenya I may say that the men appointed by Government to carry out the duties of trusteeship in this Colony must be the best men obtainable and to try to economise by engaging cheaper men would be the worst form of false economy.

An hon. Indian member this morning suggested that possibly we could replace European medical doctors by Asiatic assistant or sub-assistant surgeons. I am sorry I cannot agree with him. With a fairly long experience of Asian assistant surgeons I would not be prepared to agree that they can carry out the work in the native reserves that the European medical

officers are doing to-day. I maintain that as regards social and other services in the native reserves any reduction in quantity or quality of the personnel is wrong—wrong both morally and economically. The need is all for expansion and improvement and by some means or another that need must be met.

From my conviction that more money rather than less must be expended on Government services in the native reserves, it follows, unfortunately, that I cannot bring myself to agree that native taxation can be reduced. I am sincerely sorry but I am compelled to take this attitude and all the more so because I am afraid I find myself in disagreement with my colleague. But to my mind there is no alternative, no practical alternative.

I am not prepared to admit that there is serious waste of the money at present provided by the hut and poll tax. I think it is spent to the best advantage. So that at least that much money must continue to be forthcoming from somewhere, and where else can we find it? I gather the non-native community would not be willing to tax themselves a little more in relief of native taxation and I do not suppose the suggestion of an Imperial grant-in-aid for this purpose would be likely to receive much favour. For better or worse this Colony has got to that point in its history when it claims to be able to fend for itself and live on its own resources, though certain recent demands for financial assistance from the Imperial Government rather seem to invalidate that claim. However, I have not heard any suggestion that the Imperial Government should be asked to undertake the financing of the development of our native reserves, and I am afraid I have not the temerity to put forward that proposal myself. Therefore, as there is no prospect of obtaining elsewhere the money necessary for essential services, I fear the financial burden must continue to be borne by the Africans themselves.

In justification of my attitude I wish to explain that in my opinion the financial burden of the hut and poll tax is not in itself heavier than is just and reasonable. I am not prepared to admit that the amount collected in tax from the individual Kenya native is more than that individual should be called upon to pay for the benefits which he receives from a civilized government. Taking Sh. 12 as the common rate of tax, I refuse to admit that this is putting too high a price on what the native receives in return. What is more, I think that no native with any self-respect can claim that he ought not to subscribe at least that amount towards the cost of Government.

The trouble at present is that the native's earning power is so low. It is not the absolute sum to be paid that is too heavy, but the ratio between money paid and money earned.

The point is not that the tax is too high but that the earning capacity is too low. With regard to the average wage at which Africans are employed, I shall be told that any increase of the standard of wages at the present time is unthinkable. I think that contention might be disputed. I do not believe that whatever the depth of the financial depression a wage of only Sh. 8 a month for able-bodied men is justifiable, even with the princely addition of 2 lb. of mealie meal a day.

At the risk of wandering rather far from the budget, I must say there seems to me to be something radically wrong with an economic system which depends on the employment of labour under such conditions as those common in Kenya to-day. It is obviously wrong from the point of view of the native employee, who is unable to exist above the bare level of keeping himself alive, with very little hope of keeping himself reasonably fit and healthy. It is probably wrong from the point of view of the employer, for I believe that such cheap labour is not an unmixed blessing. How often has it been said that cheap labour is often the most expensive? It has also been said, and I believe with truth, that an industry seldom suffers from raising the wage level.

But what is more to the point for the purposes of this debate is that this low wage level is the worst thing possible for the prosperity of the country. The one thing needed to improve the economic condition of Kenya is to raise the standard of living, starting from the bottom. The country cannot expect to enjoy any lasting financial success so long as 90 per cent and more of its population is allowed to live at the very lowest level of human existence. Only when the three million natives of Kenya rise to a state where their economic output and intake is much greater than at present can this country hope to carry on with any assurance of steady prosperity.

It has been said recently, over and over again, that agriculture is the sole basis of this country's wealth, and that in the export of agricultural produce is our only hope of salvation. I wonder whether I am quite wrong in thinking there may be a danger in concentrating too exclusively and intensively on our export trade, and that we may be neglecting the possibilities of internal industrial development? We have had a bitter experience of the uncertainty of overseas markets, and a crop which pays to-day may be almost a dead loss to-morrow. There is one appalling possibility, which it is not safe to forget, and that is the possibility of another world war. We know, unfortunately, that it is by no means an impossibility, and it is no exaggeration to say that the end result of another world war might be the complete collapse of the overseas market. And where would our exports be then? It seems to me that while encouraging our export industries, so long as they show

any reasonable hope of being profitable, we must not lose sight of the need for creating and developing internal industries. It seems to me that in our economic and fiscal policy we should always keep in mind the paramount importance of an industrious and progressive, and eventually prosperous, native population.

I am not saying this because I conceive it to be my business to press the claim of the African against other claims, but I say it because it is so fundamentally true. We do not want to forget that the budget we are considering is the budget of the country, the budget of Kenya, not of any one section of the population, and I can mention two outstanding reasons why Africans should receive special consideration in the framing of the budget. The first is, that the African is the only truly native inhabitant of the country; born here, living here, dying here, with no possible chance of an alternative home anywhere else in the world. The second is the African's enormous numerical superiority over the other races.

We have heard a great deal of the importance of maintaining the financial position of the European farmer and of keeping him on the land. I am sure that Government will never lose sight of the importance of improving the financial position of the African and ensuring for him his rightful share in the development of the land of his birth. When the economic position of the average African has been appreciably raised, taxation at the rate of Sh. 12 a head will no longer be a burden. In the meantime, the burden can be and is being relieved by reduction of the rate in those districts where production and wealth are even below the normal. I trust that these reduced rates of taxation will remain in force until such time as collection at the higher rate will no longer be a hardship. There is also the promise of assistance in the proposed method of tax collection by stamps. There is no doubt that it will go a long way towards alleviating the present hardship caused by the sudden demand for payment of the tax in full. This innovation is undoubtedly a step in the right direction, and will be a marked improvement on the old method of tax collection. I only hope that it may be followed by further steps in the direction of a more rational system of taxation by which the tax will be graduated in proportion to wealth. This reform in the system of taxation is long overdue. I know there are many difficulties in the way, but it should not be beyond the wit of Government to find a way round those difficulties. Since the result of such reform would be not only a more equitable adjustment in the incidence of taxation but also a substantial increase in the total amount collected, I am confident that Government will eventually find a way of surmounting the difficulties.

One other overdue measure connected with native taxation is the institution of the Native Betterment Fund as mentioned by my colleague. It has again been put off for what seems to Government good reasons. Sir, I accept the statement of the hon. the Colonial Secretary, the statement contained in the Memorandum on the Estimates, page 6, where it says that the principle of such a fund has been followed and that the amount to be returned to the native is in accordance with the principle of the fund. I am afraid that I did not quite follow the argument of my colleague on this point; but, without questioning the reasons for the postponement of the institution of the fund, all one wants to say is that the native population must be assured of the return of a fair proportion of their taxes in direct services without any chance of it being appropriated for other purposes. Whatever the merits of the scheme, either as originally proposed by Lord Moyne or later amended by a committee of this Council, the great thing is that the underlying principle should be kept in mind, and I think that has been done in framing the present budget.

Another general principle which should always be kept in mind in the adjustment of indirect taxation, in the form of Customs duties particularly, in such a way that as little as possible shall be added to the cost to the native of those articles which are essential for his advancement in the social scale. I know that Government is hard put to it to balance the budget, and I know that Customs duties offer a very easy way of raising money with little apparent damage to any one class, but I do urge Government not to lose sight of the desirability of reducing or removing as soon as possible the duty on such imported articles as are really essential for the African if he is to rise from a state of savagery to one of civilization. It is a generally accepted economic principle that a young and promising industry should not be hampered in its early stages by heavy taxation on materials required for that industry. The native population of Kenya may be regarded as a very promising industrial concern if we see to it that it is allowed and encouraged to acquire the materials necessary for its social advancement.

Your Excellency, it may be that after what I have said some hon. member on this side of the House may be provoked to repeat the remark that members representing native interests are opposed to the interests of European settlers, (European Elected Members: Hear, hear!) Speaking for myself, such an attitude would be absurd, not to say suicidal, because I am myself a settler. Of course, I am not opposed to the interests of the European settlers, neither do I admit that the interests of natives and settlers are opposed. If I held that opinion I could not honestly and honourably occupy this

seat in Council to which Your Excellency has nominated me. It is my belief that the interests of the two communities are interdependent, and the welfare of either will react on the other.

What I have to admit, however, is that I find myself in disagreement with many of the opinions and actions of the hon. the European Elected Members, who, to my mind, have often acted against the interests of the people they represent. I believe—and I am not alone in this belief (Lord Francis Scott: Very nearly!)—that the course recently adopted by the accredited leaders of European public opinion in this Colony has been definitely to the detriment of the Colony. I make that statement in all sincerity and with regret, and it is by no means irrelevant to the debate; for what is the position? At this critical period we are in urgent need of sympathetic assistance by the Imperial Government in our financial affairs. We are desperately anxious to find some means of relief from the crushing burden of loan interest, and it seems difficult to see how this can be done by our unaided efforts. More funds are being asked for for the Land Bank; more money from the Colonial Development Fund would be most helpful. Yet this critical period has been chosen for every sort of demonstration of ill-feeling towards this Government and the Imperial Government, and there has been a continuous exhibition of dislike and distrust.

I fail to see how anything but harm can have resulted from deliberately antagonizing those who have the means to help us, and who I sincerely believe would willingly help, if only Kenya would give them cause for confidence, instead of arousing suspicion and distrust. There is this further consideration. If it is the case that this country would benefit by attracting more European settlers—and I believe that to be the case; as was well said the other day in another place, what is wanted at the moment is not less expenditure for the settlers but more settlers for the expenditure—if the country needs more settlers, instead of trying to attract them, why repel them by all this public advertisement of distrust, hostility, and hate? The Government of the Colony is not perfect. We all know its defects, and by all I include hon. members opposite as well as on this side of the House; but the Government we have, with all its defects, is infinitely to be preferred to the nightmare prospect of government by public agitation and secret committees!

Sir, I hope I am not wrong in supposing that the two speeches on this side of the House which we heard yesterday are an indication that a better spirit is going to prevail in the future. Both speakers welcomed the changed attitude on the part of Government. Whether that change of attitude is an

objective or subjective phenomenon. I hope there may be a corresponding change of heart on this side of the House, and I sincerely trust that we have seen the end of the era of hate, and may look forward to a period of mutual help. Sir, what Kenya needs to-day is not only a balanced budget but a balanced and level-headed public opinion, so that all races and all classes may willingly co-operate with Government in the difficult task of achieving financial stability. (Applause.)

THE HON. E. H. WRIGHT: Your Excellency, having listened most attentively and with great interest to the speeches both yesterday and to-day, I feel compelled to make reference to one point in respect of which the last speaker gave me an inspiration, for I am not at all concerned with myths, but merely dealing with hard facts as they are.

When my hon. friend makes reference to incidents happening a year ago and the position of mistrust and doubt between one section and another of the House, I began to reflect that his case must have been very difficult for him, especially as he assumed the role of special advocate for Government; he must find his seat perhaps not rightly placed in this House, and conceivably his proximity to common or garden members here is embarrassing for himself!

However, I want to say this. Yesterday, when I heard the Noble Lord, the hon. member for Rift Valley, speaking on our behalf, state that in reintroducing the taxes, the emergency taxes, Government had once again broken faith with the people of the country, I was glad, because it represents the unanimous view of the eleven European Elected Members on this side of the House. And when my hon. friend the member representing native interests asks me, in common with the rest, to recall the budget incidents of last year, I feel constrained deliberately to accept the challenge, and that not with the object of creating bad feeling; on the contrary, because I appreciate the generous spirit in which the hon. mover put the case for this budget, but with an assurance that we think . . .

DR. THE HON. C. J. WILSON: On a point of explanation, Sir, I expressly said that the battle over last year's budget had better be forgotten. (A member: Why bring it up then?)

THE HON. E. H. WRIGHT: The point was he recalled the incidents of last year's budget. That is the theme of the challenge I accept.

Now, Sir, I reflect that the Noble Lord whom I have quoted said much the same thing in this House a year ago and said it then so forcibly and well as to shatter the complacency of Government on that occasion. If my recollection

is not at fault, I think it fair to say that as a gesture from yourself when you granted an interview to elected members, your purpose was to seek genuinely to avoid points of difference and disagreement arising on either side of the House. As a result of that interview—and I do not want at any stage to refer to the fact that one or two of us may have differed with the decision, because co-operation is the watchword now—but as a direct result of that interview your own gesture of a bargain was struck, which took the form of the immediate appointment of the Economy Committee to find economies totalling not less than £100,000. That Committee sat, a delayed and prolonged affair, but they did their job so well as to find economies totalling £133,000. The Budget before us shows economies which you have found of £33,000, and from the evidence adduced by the hon. member for Nairobi North yesterday he made it clear beyond question that the balance would not present any very great difficulty to find, with the exception of the Military vote. But we find that when heads of departments have really done their best to effect the economies which we want to achieve, Government has rejected them.

When I am asked to recall the incidents of last year, I say that the reimposition of these taxes threatened for this next year in a budget, whether provisional or final, does not affect the issue. It is as clear to day that no matter what tears of sympathy are shed on behalf of the primary producers of Kenya, while these taxes are reimposed without logical reason for so doing, we have good cause for our mistrust of Government. If I may have the generosity, I should like in a word or two to refer to your own definition, Sir, of the meaning of temporary taxes. Temporary, you said, in that they expire at the end of each year and at the discretion of the Council can be either renewed, modified, or can be withdrawn. With all respect, Sir, I say that one very vital and basic factor has been omitted in that definition in respect to the taxes I have spoken of, for we speak of these taxes—the graduated commodity poll tax and the additional extortion from the traders and professions on the one and definite understanding that these taxes had a limited life and the period of their determination was stated.

So my feeling is to-day that we do not want to discuss the renewal of these taxes or even the modification of them. We demand, and have all the right to demand, their withdrawal. (Applause.)

THE HON. D. D. PUNI: Your Excellency, we have heard the European point of view, and this morning the hon. member Mr. Patel discussed the Indian point of view, so

that I thought there was nothing much left for me to say. But there is one point which I feel there is a necessity to mention, and that is about temporary taxes. It has been said on this side of the House that these taxes, more particularly the non-native poll tax and the trading licences, were only temporary. It appears that these temporary sort of taxes are, more or less, even if we give them the name of temporary, going to be permanent taxation. Last year, a Committee was appointed with the object of recommending a decrease of £100,000 in expenditure. That Committee has worked very hard and honestly, but when their Report was put on the table the reduction was not £100,000 but £133,000. Yet, according to the Memorandum on the 1936 Estimates, the expenditure is to be reduced by only £33,000.

For a very considerable time we have been watching this movement, the appointment of these committees and commissions and other sort of things. These people work and present their reports, but no heed is taken of them to reduce expenditure. Some hon. members on this side of the House may have a very big faith in the report of Sir Alan Pim. I say that he may go through the whole machinery of Government, yet personally I have no hope at all that any good will come out of that report. These budgets which are placed before us may be called provisional budgets, but to my mind I feel this one is more or less permanent, even after Sir Alan Pim has reported on it.

Your Excellency does not perhaps realize the circumstances which this country is facing. We have in this House a lot of officials, a lot of settlers, a lot of advocates, but we have very few commercial people who can give an opinion on things going on. There is no doubt that things to-day are better, but if Your Excellency goes into them you will find that the merchants feel that if they can keep their capital at the same amount as they had in 1929 after meeting expenses, interest and depreciation and making no profit, they think themselves very fortunate indeed. We feel that the spending power has gone to an extent which perhaps hon. members on the other side of the House do not realize, as they are in the fortunate position that at the end of the month they have an amount put to the credit of their bank accounts. This is not the case with us. We have to work very hard to eke out a bare living, not for ourselves but for our staffs and our families.

Therefore I feel it is time that Government made a sort of gesture, if not of wholly remitting these taxes at least by gradually remitting them. If that sort of gesture had been made, perhaps the honesty of purpose of Government would have been realized by this side of the House. But when we

see a budget like this placed before us there is nothing left for us but to say that no serious attempt is being made by Government to reduce expenditure. Hence when the budget goes to the Standing Finance Committee the members there will, I hope, make a point of seeing that something tangible is done with a view to reducing these taxes, and I say that I warn the Government here that those taxes if they are not reduced will have the effect of causing distress on the people who are paying. We are told that the farmers are hard hit and cannot pay, and the officials of course cannot be expected to pay more than what they are paying. Then who is paying all those taxes? Who is finding the money? It is the commercial community and I say that the commercial community is now at the last point and perhaps in a little while might break entirely.

The hon. the Colonial Secretary said yesterday in his speech that co-operation of the unofficial community was not only wanted, but craved for and taken, but I regret to say that he did not make it clear in his speech what was actually meant by unofficial community. The Indians are deliberately kept out and not allowed to take part in those committees. As a sort of "eye-wash" I know a member or so may have been appointed, but I should have thought, as an example the Agricultural Indebtedness Committee on which Government have not appointed a member but turned down the suggestion by the Indian Chambers, that in view of the vast interest of the Indian Community such a member should be appointed. Some of the hon. members on this side will think that it is not to the Indian interest. I think it is. All the Indians have vast commercial interests here and I submit, Sir, the genuineness and earnestness of the Indian to help the settlers is shown by the fact that when the Civil Procedure (Amendment) Bill was put before the House that the amount of protection from attachment of live stock and implements of agriculture should be raised from £25 to £500, we did not raise any objection. We thought, as the other side thought, those people ought to be helped, and this is a gesture from our side to prove that we do.

With regard to the indebtedness of those farmers we say that the Indian community will welcome any suggestion for any scheme by which the frozen money owing by them will be liquidated. This co-operation may not be refused, and perhaps the European community may agree with it, but it is the Government itself which refuses to take any sort of assistance from the Indian members, and I say that this is not the sort of co-operation Government may crave from the unofficial community. It is that the Indian members are not desired, and are deliberately kept out. If your Government is honest

about the co-operation of the unofficial community, I think it is high time that that co-operation was rightly and consistently sought for from all sections of the community.

The hon. Member for the Rift Valley yesterday asked whether any reply had been received from the Secretary of State about the Highlands question. Sir, I do not know whether your Government has put the Indian point of view before the Secretary of State, but I say this that if you have not I hope you will do so. In this way our friends in the British Empire are craving for a certain thing that within the Empire they are depriving a British subject of a right which is perhaps open to foreigners and our previous enemies, so therefore when you are putting this before the Secretary of State I hope you will make it clear how we Indians see this point of view and what repercussion it will have on the 350,000,000 citizens of India, that their brothers outside are given an inferior status and that they are being deprived of the right of a British subject in a British Colony.

Coming to the details of the Estimates, Sir, I would draw your attention to page 12, Item 1, Customs revenue on grain and flour, on which there is a reduction of £6,000 in the figure for 1936. I do not think that this reduction is due to the abolition of tariff rates on flour and wheat, but I think it is due to more food and grain and flour being produced locally than is imported. I believe I am right in supposing that the tariff duty on grain and flour is still maintained. This, Sir, is one point on which I feel that a great injustice is being done to one section of the community and that is this, that apart from retaining this exorbitant customs duty and a high railway freight there is in this country what is generally called a Wheat Pool whereby the free sale of wheat is prohibited and it must be sold through an agency. The result is, Your Excellency, that at least Sh. 5 a bag is put on the wheat and if there was no Wheat Pool and wheat was sold freely it is known that it would be sold for even Sh. 5 or Sh. 7 cheaper than it is being sold to-day. There are very good arguments on the other side too, but I say that while we feel that the European farmers ought to be assisted, I also ask how long are we going to spoon-feed them like this and give them something at the cost of other communities. In this connection I would quote from my Minority Report of the Economic Development Committee, paragraph 48:—

"While I fully appreciate and endorse the necessity of exploring all possible avenues of getting the fullest advantage of the agricultural land in the Colony by growing any and all economic produce which would reasonably justify the production even though the State or the Society

has to nourish it in the stages of infancy, I cannot, however, endorse the policy of spoon-feeding any industry for ever at a cost which no community would be prepared to bear owing to the reason of artificially high prices which they may be called upon to pay for a particular commodity as against the current market prices.

The idea of growing wheat was first mooted in the Colony some twelve years ago. It has been given all possible support by the State and the community at large have also willingly paid a much higher price for wheat flour than the actual price for which it could have been obtained in the ordinary world markets. I think it is admitted on all hands that the burden of this sacrifice has been borne by the majority of the Indian population of East Africa.

In other words the public has paid within the last twelve years a sum running into hundreds of thousands of pounds more for the wheat flour than its normal price to enable the wheat industry to stand on its feet."

We have done that. We have paid hundreds of thousands of pounds during the last twelve years, but how long are we going to continue in this way. I therefore request with all the earnestness that I command, that Your Excellency will either see your way of either doing away with the Wheat Pool or that you will take off the tariff duty and Customs duty on wheat.

Again, Sir, wheat flour is brought into this country not because certain people must have it. It is the quality. I can say with my own experience that more imported wheat flour is used by Europeans than Indians and therefore I say those people are paying so much extra on the wheat flour and therefore I hope Government will see its way, as I have suggested before, of either reducing the Customs duty or doing away with the Wheat Pool, whereby a considerable amount of money will be saved.

On page 13 of the Estimates, Item 3, revenue from Explosives, Gun and Ammunition Licences, £2,800. Again, here, Sir, I have to say that the use of effective firearms is being consistently refused to Indians. Knowing the position that we are situated in a vast population of natives, and that Indians have their businesses all over the country, perhaps very far from any district offices, I do not know how far it is right but I have been informed that even the use of a shot-gun has been in certain instances refused to Indians. I think, Sir, in looking ahead your Government will finally agree to allow Indians to carry firearms so that it will have two purposes, first, to protect their lives and property, and secondly, Government will have the revenue from the licences.

Coming to Item 15 I see there is a decrease of £15,000 in Traders and Professional Licences. As has been mentioned yesterday, this is not due to any reduction in the rates of the scheduled fees, but I understand that the amount of £50,000 originally provided for in the Estimates was far in excess and therefore the collection has been reduced to £35,000. I hope and I do request that Your Excellency will see your way that when the budget goes into committee perhaps something will be done with a view to reducing some of the taxation.

With regard to Item 20 on the same page, Levy on Official Salaries, Your Excellency mentioned in your address that while this levy was taken off in all parts of the British Empire, including Zanzibar, Uganda and Tanganyika, there was no justification in retaining it in Kenya. Sir, I feel there is a great justification to retain it here. With the amount of the salaries drawn by officials here I believe they can well afford to pay this when they see the other side of the House people have got to work hard to find money to get a living, but I do say, as my hon. friend Mr. Patel has pointed out, that this tax should be remitted for those officials drawing less than £500 per annum, and there are very good grounds for that because they are not in a position to pay it and therefore I hope your Government will give this consideration.

HIS EXCELLENCY: Is the hon. member going to speak at any length?

THE HON. D. D. PURI: I think so, Sir, as I have just started with my notes.

HIS EXCELLENCY: In that case Council will adjourn until to-morrow morning.

The debate was adjourned.

Council adjourned till 10 a.m. on Friday,
29th November, 1935.

FRIDAY, 29th NOVEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Friday, the 29th November, 1935, His Excellency THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 28th November, 1935, were confirmed.

NOTICE OF MOTION.

Notice of the following motion was given :

By LT.-COL. THE HON. J. G. KIRKWOOD :

Be it resolved that this Council sympathises with the agricultural producers in their protest against the increased price of power kerosene and urges Government to consider sympathetically the granting of a rebate on power kerosene used for transport of agricultural produce.

ORAL ANSWERS TO QUESTIONS.

Re AGRICULTURAL MORTGAGES RELIEF ORDINANCE, 1934.

No. 61.—THE HON. A. B. PATEL asked :

“Will Government inform this House of—

(a) the number of persons who were granted relief, and

(b) the number of cases in which orders granting relief were declared null and void

under Ordinance No. XXXV of 1934 during the years 1934 and 1935?”

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT : During 1934 no Court Orders granting relief were issued; one was issued in 1935 and has not been declared null and void.

Re CROWN LANDS ORDINANCE (CAP. 140).

No. 63.—THE HON. A. B. PATEL asked :

“Will Government inform this House of—

(a) the number of grants issued,

(b) the number of grants surrendered, and

(c) the total acreage involved in respect of (a) and (b) respectively

during the years 1931, 1932, 1933, 1934 and 1935 under the Crown Lands Ordinance (Chapter 140 of the Revised Edition)?”

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT: On the basis that the question relates to agricultural grants only the information desired is as follows:—

Year	GRANTS ISSUED		SURRENDERS	
	No.	Total Area Acres	No.	Total Area Acres
1931	21	24,547	9	47,015
1932	6	7,925	9	81,501
1933	7	10,621	8	15,390
1934	10	8,432	11	23,943
1935 (to 30-9-35)	18	11,262	0	13,004
	62	62,787	46	181,453

The excess of surrenders over grants is chiefly due to the surrender of large fibre concessions covering 76,981 acres in exchange for grants of smaller areas under ordinary conditions.

MOTIONS.

Re LICENSING ORDINANCE, 1934.

HIS EXCELLENCY: Before we continue the debate on the Estimates, I will call upon the hon. Member for Nairobi South.

CAPT. THE HON. H. E. SCHWARTZ: Your Excellency, I beg formally to move the motion standing in my name:—

"That a Select Committee of Council be appointed to recommend as to what amendments to the Licensing Ordinance, 1934, it may be found necessary and advisable to incorporate in such Licensing Ordinance as may be introduced in respect of 1936 and thereafter."

for the purpose of withdrawing it and am grateful to you, Sir, for bringing this forward on the Order paper before the debate in connection with the Estimates is resumed.

The reason I am withdrawing this with the permission of the hon. Member for Nairobi North who was to second it, is that as the result of consultations that I have had with the hon. the Colonial Secretary it has been intimated that Government has agreed that this question of such amendments and relief as is found possible in connection with the Trade Licensing Ordinance in 1936 should be left to a sub-committee of the Standing Finance Committee and an opportunity given

of giving evidence before that sub-committee. It was thought that probably would be a more expeditious and convenient way of dealing with the matter and on that understanding, with your permission and with the permission of the House, I beg to withdraw the motion.

HIS EXCELLENCY: I take it the House has no objection to the withdrawal of the motion.

The debate will now continue on the Estimates.

DRAFT ESTIMATES, 1936.

THE HON. THE COLONIAL SECRETARY having moved:

"That the Draft Estimates of Revenue and Expenditure for 1936 be referred to the Standing Finance Committee for consideration and report."

THE HON. THE TREASURER having seconded.

The debate having been adjourned.

The debate continued.

THE HON. D. D. PURI: Your Excellency, I was dealing with the revenue side of the Estimates.

On page 16, items 4 to 14, there are various amounts for Water Supplies, that is, the rates collected for the supply of water in various townships. I submit, Sir, that water supply should not be made a source of revenue for it is a bare necessity of life and should as much as possible be reduced to the extent that it pays Government for the maintenance of water supplies only.

Now, Sir, with regard to item 6 for the Machakos Water Supply, on page 107, item 71, is shown £75 for the operation expenses of this water supply, as against the revenue of £470, keeping in view the interest on the capital spent and depreciation charges which will be somewhere about £200, yet here Government is making double the profit on that water supply. I understand some representations have been made by the Machakos Township Committee on this subject that the rate should be reduced to Sh. 5, the minimum charge now being Sh. 10, and that the rate for water supplied which is Sh. 3 should be reduced to Sh. 2 per gallon, which is exactly the same as Nairobi. Perhaps it may be said that in Nairobi the Municipality makes a profit on it, but it is a sort of *quid pro quo*. In Nairobi although they may be making a profit they are rendering other services for which they do not charge anything. Therefore, Your Excellency, I urge that where there is a definite hardship and a case has been made out these water rates should be reduced.

Turning to the expenditure side, we see on page 38 under the Agricultural Department, £85,810 to be spent on Non-Native Services. I do not know, Sir, what amount out of this will be spent for the Indian agriculture, if any at all? Perhaps the hon. the Director of Agriculture, for whose person I have got the greatest respect and admiration, will be able to tell us if any attempt is being made to render any agricultural service to the Indian community? In connection with this I would refer to the Report of Lord Moyne, page 89, in which under Note No. 4—Agriculture—he says:—

"European Services.—In view of the impossibility of allocating this item between European and Asiatic Services, the Director of Agriculture included it in Non-Native Indivisible Services, but owing to the small number of Asiatic cultivators and the small benefit that could therefore be derived by Asiatics, the Commissioner considers it would, on the whole, be fairest to transfer the Non-Native Agricultural Service into the schedule of expenditure on European Services."

So even during his investigation in this country Lord Moyne found out this was entirely a misnomer to say that £85,000 were going to be spent for the Non-Native Services and I believe that the hon. the Director of Agriculture will be able to tell us what amount is intended to be spent on Indian agriculture.

Whilst on this subject I may say that even in the Agricultural Census which were taken every year the Indians are deprived of that privilege. It is once in a decade or so that an Indian agricultural census is taken. No mention is even made of those farmers who are working so laboriously in the Nyanza Province and even at Mombasa and the Coast, and I do hope that when the next agricultural census is taken, however little may be the Indian share, it will be included.

£10,055 for European Services and £19,204 for Native Services, altogether £29,259, are to be spent on the Animal Industry and for Veterinary Services. One is surprised to see such a colossal amount being spent on Veterinary Services on the one hand, and on the other hand this country's trouble is overstocking and one of the subjects that we had to deal with in the Economic Development Committee was how to deal with this overstocking; how best one could dispose of stocks in this country. On the one hand so much is spent to keep the animals alive and on the other hand we do not know what to do with them. It is quite right to spend money on Veterinary Services, but I think that such a huge amount is out of proportion and I do hope that when the budget goes

to the Standing Finance Committee this amount will be considerably reduced in order to have taxes reduced on the other side.

Coming to the Education Department, Sir, I was very glad, as we all are on this side of the House, to hear the eulogistic remarks made by Your Excellency in your opening address about Indian education. They are, Sir, feeling that they must help themselves if Government is not in a position to help them. Your Excellency pointed out that the increase in children of Europeans and Indians attending Government and Aided Schools since 1928 had been about 1 to 4, but I find that taking the figures of 1929 and 1934, although the number has considerably increased, the cost of European children's education is 83 per cent of the 1929 figure, while that of the Indians is 75 per cent although the increase in numbers has been so much and that in proportion to the increase in children there has not been any increase in the cost of education and sufficient money was not provided for them. One feels that in this country after paying a considerable amount in Education Cess, towards the tuition fees and towards consumption taxes, we cannot get sufficient help from Government. What should we do? What should the Indian community do? Here, Sir, we stand up and say that in this country we want equal rights with other communities and after asking that it becomes our duty to see that our children get the same education as any other community, the same sanitation, the same social amenities and everything on the same basis, and this is where we feel that although we may not get proper help from other quarters it is up to the community to see that our children do get proper education and this is what we feel that the Indian community have a bounden duty towards their children on this score.

There is one small point as to how our requests in this respect are neglected. I will read a few minutes of the Nairobi Indian Secondary School Committee. On the 14th September, 1933, they passed a resolution to this effect:—

"The Secretary reported that eighteen pupils of the school passed the Matriculation Examination of the University of London last June and the Committee recommended the introduction of Intermediate Classes in Arts and Science into the school as soon as practicable."

That, Sir, was submitted to the hon. the Director of Education, and at the next meeting of the Committee held on the 16th January, 1934, another resolution, was passed:

"Intermediate Classes.—Resolved that in the case of Indian students of proved merit Government be approached to provide scholarships to enable them to proceed overseas for higher study."

Again, Sir, on the 17th May, 1934, another resolution was passed by the same Committee:—

"The Secretary was instructed to bring up at the next meeting the question of scholarships for Indian students."

Now, Sir, again at the next meeting on the 13th September, 1934, a resolution was passed:—

"Resolved that the proposals contained in Letter No. 30/22, dated 5th Feb., 1934, from the Principal to the hon. the Director of Education be implemented and that at least one scholarship per annum be awarded."

Again, Sir, on the 17th January, 1935, a resolution was passed:—

"A letter from the Director of Education stating that the matter was still under consideration by Government was read."

Again, Sir, on the 30th May, 1935, a resolution was passed:—

"Resolved that in the matter of an overseas scholarship the hon. the Director of Education be requested to grant an interview to a deputation consisting of the Chairman (Major Sutcliffe), the hon. Mr. Shamsud-Deen and Mr. Puri."

Again, Sir, on the 24th June, a resolution was passed:—

"Resolved that the hon. the Director of Education be requested to press for an early decision in the matter of an overseas scholarship so that the necessary financial provision may be made in the draft Estimates for 1936."

And then, Sir, on the 5th September, 1935:—

"Overseas Scholarship.—A letter from the hon. the Director of Education was read stating that provision for an overseas scholarship had been made in the draft Estimates to be submitted to Government."

The Secretary was instructed to write expressing the thanks of the Committee to the Director of Education for his action in this matter."

Your Excellency, meetings of the Secondary School Committee are held once in every term, that is three meetings in every year, and for the last two and a half years, Sir, we have invariably in every committee meeting passed a resolution to this effect. At last we get a letter from the hon. the Director of Education that he is providing this in the 1936 budget. When my hon. friend Mr. Patel put that question last week as to what is happening about this, the reply given by the hon. the Colonial Secretary was a cruel shock to me and I say, Your Excellency, is this the sort of co-operation that

is required from unofficial members? We are asked to sit on these committees. We passed this resolution at every meeting until it comes to the Director of Education who agrees but the Government does not. Now, Sir, on this matter I feel that we have done so much that I cannot really express what I imagine on this matter and I do hope that when the Estimates go to the Standing Finance Committee, Government will see its way to agree and include in the budget what is a very paltry sum of £50.

Now, Sir, on the question of buildings for the Indian children, if you take the Colonial Loan Statement, on page 13 under Education Buildings, it shows for Europeans £224,998 have been spent and for the Indians £53,443, which works out at £197 per pupil for Europeans spent out of the Loan funds for providing buildings, and for the Indians it is only £19. That, Your Excellency, is out of the Loan funds. One has got no account of how much has been spent out of the Public Works funds for school purposes. Where the cost of Indian education is something like 7 to 2, the cost of buildings is 10 to 1. I do not know whether Your Excellency has ever had an opportunity of visiting the Indian Elementary School in Whitehouse Road; if you have, then perhaps you may have noticed that what used to be kitchens and bathrooms are used as class-rooms. In that school 700 young Indian boys are kept in those buildings which perhaps are not worthy, not of an Indian school, but I have got no name to give to them. I feel, Sir, that the Indian education is so neglected to be like this, that it comes to something like a criminal neglect of duty to say that we are being properly dealt with on this matter. I must say that when one enters that school he feels shocked to know that this is the place where we are going to bring up our future citizens of this country. It is a horrible and shocking state of affairs and one must congratulate Mr. Q. S. Desai, the principal of that school. He is doing such a tremendous amount of good work under such difficult conditions. The Secondary School which is perhaps the only place worthy of being called a school was actually meant for 468 children. To-day there are 657 children in that school. That is about 50 per cent more and yet according to the School Committee with the first term of the New Year we are going to have about 140 more and the question is where to accommodate them. This, I believe, is being dealt with by the hon. the Director of Education. I do hope that looking at this state of affairs your Government will make provision in order to give a fair share to the Indian community who are voluntarily doing so much, spending so much for a purpose which is more the State's duty than anything else and I hope that this question of school buildings will have the serious attention of Government.

Now, Sir, the hon. the Director of Education has recently circulated to the members of the Advisory Council on Indian Education certain qualifications required for the teachers to be engaged in Indian schools. Whilst we appreciate that the teachers of our children should be as much qualified as possible, we do not see the object of the scale of female teachers being about 20 per cent less than male teachers. In this country it is difficult enough to get proper female teachers for Indians, properly qualified, and therefore they deserve that they should be better treated than the males, and given better pay. On the other hand, their scale of salary is 20 per cent less, which is a great discouragement for the recruitment of properly qualified persons, and I do hope that your Government will see into this matter. We, Sir, here feel that we must voice the feeling of the Indian community in this country and that is that we should have some sort of intermediate classes. The Advisory Committee on Indian Education passed a resolution on the 12th October, 1933: "Mr. Shamsud-Deen submitted the following resolution:—

"This Council is definitely of the opinion that in view of the increasing number of Indian students of the Colony who have passed the Matriculation Examination of London University, the time has now arrived when arrangements should be made to open an Intermediate Class at Nairobi without delay."

It was unanimously passed, with the addition of the words 'and Mombasa' after Nairobi."

In this connection I may say that we have, in this Committee, advised the hon. the Director that if at any time this arrangement of intermediate classes is made it should be a combined college for Europeans and Indians because it will be in the interests of economy to have combined education when we go to higher education.

Coming to the Medical Department Estimates, page 69, our one trouble has been that in spite of all talks, in spite of so many resolutions, in spite of so many other things, until now no arrangements have been made for the provision of an Indian hospital, or some place where Indian patients can be properly treated. The arrangements existing in the native hospital for Indians are so unsatisfactory that no Indian man of any position would go to that hospital. I do think that after all these talks the Medical Department should offer some arrangements should be made for the Indian community, Item 69 under this vote is " upkeep of European hospitals, £2,750." We feel that it is but human that amount should be in the estimates, and we are not opposing it, but we also feel that the money to which we all contribute is being used

for one community, when by every rule of the game we are entitled to equal treatment. I therefore ask that Government will be kind enough to take an early step in the direction of providing a hospital for Indians.

With regard to the Military Vote, this need not be discussed on account of the present world situation but, on page 78, under that vote appear the estimates of the Kenya Defence Force. I feel, Sir, that it is about time that Indians were allowed to participate in the defence of the country of their adoption. No reasons can be adduced as to why our children who want to participate in the defence of Kenya should not be allowed to do so. We say that we are often blamed in that we do not and did not take any share in the defence scheme, but the reason is that no encouragement is given to Indians. We do want encouragement. The Defence Force receive a training of one or two weeks a year, so why not include Indians in it and let them also have some sort of training, so that if in the future anything unfortunate happens in this country we can also shoulder the responsibility of defence, together with other communities, and we hope that such a reasonable request will have the entire support of this House.

If your look at Item 153 of this Military vote, you will see that where there were two Asian clerks in 1935, in 1936 there is to be one clerk, Asian, and one clerk, European, learner grade, has been included. The reason given in the Memorandum is that "one of these posts has been filled by the appointment of a European learner." Although this may be a little thing, we feel that this sort of thing to exclude Asians is merely to find room for Europeans. Therefore, we are being deliberately turned down, and hope that Your Excellency will see that the original provision for two Asian clerks will be retained.

On page 82, is the vote for "Miscellaneous Services," which includes the item "Commissions of Inquiry, Committees, etc." I said yesterday that so far as co-operation is concerned Indians seek it, but that when it comes to commissions and committees they are cut out. I also mentioned yesterday that no Indian member had been appointed to the Committee on Agricultural Indebtedness, and for no valid reason that any person in this House can adduce, whereas in view of the considerable amount of economic and financial interests which we have in this country we ought to have an effective representative on every committee and on all commissions which are appointed. I do hope, Sir, that your Government will now see their way to including an Indian member on the Agricultural Indebtedness Committee. Again, Sir, there is the Co-ordination of Transport Services Committee.

"myth". The debate started with the explosion of about half a dozen of them and you can imagine my surprise when the hon. Member for Aberdare was making his very virile speech yesterday that there came to light two more. They would have been dealt with earlier by the hon. the Colonial Secretary had he not imagined that one of them was dead and buried while the other had never seen the light of day, although I do claim to have prophesied its possible birth about a year ago. Fortunately for me, the hon member's attack was not a frontal attack, as he seemed to be worried by a neutral on his left flank (Dr. the hon. C. J. Wilson) who apparently imposed sanctions too stringently and touched him on the raw, but two star shells flew over in this direction. I am referring to his remarks where he was referring to the Graduated Non-Native Poll Tax. He accused Government of breach of faith. That, Sir, is a very hard word and it reads even more hardly than it sounds. I am not complaining that the hon. member should have said what he did say because I have no doubt that he really feels it and I also say that it is far preferable that these opinions should be expressed in this House than that they should be whispered in secret conclave, thundered to country farmers or written about in the papers where as all of you know, no answer can be given.

Now I am not going to irritate the House by constant reference to what has happened in the past—what Gladstone said in 1870, or what MacGregor or Schwartze said in 1933—we will take that as read. But what I will ask you to consider for a moment is how this myth arose and it is not very difficult because I can say at once that all through the debate dealing with the original introduction of this Bill in this House the word "temporary" was used. Using the word and how little it means in an Ordinance. You know perfectly well that whether we put in the Ordinance that this Ordinance shall come to an end on the 31st December or whether we put that this Ordinance shall never be repealed, if the hon. members of this House wish it repealed, it will be repealed in a fortnight and if they wish it carried on by the usual procedure it will be carried on. So that the words "temporary" or "permanent" when used in this House can mean extremely little. But I will admit that there are other people to be considered in this matter and those are the general public. And what would the general public have thought it in the papers. As you know in ordinary parlance the word "temporary" varies with its use, whether you are talking about temporary employment of someone in an office, in Government, or of a shamba boy. Take, for example, the temporary employment in an office—it might be employment from

month to month or it might be from day to day. For instance, owing to the rains, in my garden there has been a lot of weeds and I have had to employ a shamba boy temporarily. He knows and I know that it will mean that he will remain until the rains stop and the weeds stop growing up, so that is one possible meaning to the word temporary. Therefore, in order to discover what the word temporary meant in 1933 I think it is only fair to refer to what was happening at that time. You will all remember that in 1933 I think it is fair to say that there was an economic blizzard in Kenya as a result of which the budget could not be balanced and it was necessary to find further taxation. Government proposed an income tax. The people did not wish an income tax and after various representations had been made it was agreed that certain alternative taxes should be introduced. Well now they were introduced in order to permit the budget to be balanced and I submit, gentlemen, that no matter what may have been the position then, the position is exactly the same to-day. This Ordinance will be re-introduced as a temporary measure in order to balance the budget this year, so that we can cut out whatever it meant in 1933 or 1934 and take it on its face value to-day, and you find that it will again be referred to by me as a temporary measure, because again it will be only for the duration of a year and, mark you, I hope those who do not agree with me will realize this—that that word is constantly found in relation to other Bills. The Mortgage Relief Bill was introduced as a temporary measure, and I hope I will not be accused of breach of faith if, at some future date, I ask the House to extend the duration of that Bill. I submit that the analogy is entirely on all fours. Quite apart from anything else, the thing that makes one on this side of the House astounded is that everyone must realize that those advisers of Government who advise the retention of this tax are probably, with a possible exception of the hon. members opposite, the group of people who would gain more by the taking off of this graduated non-native tax than anybody else in the whole community. We, however, realize that if you are going to balance the budget it is necessary that this tax should be put on. We are told on all sides that the farmers are distressed. We know from their returns that they cannot possibly have had to pay much of this tax. We know that the rentier class and ourselves possibly have to pay the bulk of it, and in spite of that we urge Your Excellency that in order to balance the budget it is necessary and I do urge hon. members to remember this that if when you go into the Standing Finance Committee you are able to find £50,000 savings in expenditure that you will think long before you recommend to this Government that the relief

which should be given as a result of that reduction in expenditure should be by means of the non-imposition of this graduated non-native poll tax.

There is just one other point that I would like to touch on, and this really is a matter of inference from the speech of the hon. Member for Aberdare; that was, in referring to the Report of the Select Committee on Economy which we have heard so much of in this debate, the suggestion appeared to me to be that Government had in a sense sold them a pup. That we had said "Have your committee and we won't do anything about it and it will keep you quiet for a moment." Look at the real facts in the case. You will remember that when we met here last year the position was that this Government said "We cannot reduce expenditure". You said we could. The position was at an impasse. Government said "We are perfectly willing, we are only too glad if you can find any reasonable reductions and we will appoint a committee to explore the possibilities." That committee was appointed and reported in due course. You know as a fact that as a result of that report roughly speaking 33 per cent of those recommendations—I think you asked for £100,000 and something like £33,000 has been accepted—actually in fact, though I do not want to refer in detail to that point, more than 33 per cent has been accepted, but there have been corresponding rises somewhere else, and so eventually expenditure has been reduced 33 per cent. Of the other recommendations, many speakers seem to think that they have just been turned down lock, stock and barrel, and Government would have nothing to do with them. Now you must, to be really serious and honest with yourselves, realize that a great many of those recommendations which have been postponed at the moment—I will refer to one, the Agricultural Vote—are most contentious and it is absolutely necessary that everybody interested in the country should be able to consider it. You also know that while we were considering this, an expert was appointed to go into these same matters and, surely, I do suggest that it is the most reasonable thing that Government should do in a contentious matter to say we are lucky, we hope to have someone who is an expert on this matter coming here within the next few weeks and with this particular reference he will deal in due course. That is the position with regard to another third of the economies. So that all that has been rejected is one-third and that for the reasons given in the paper before you and I feel sure that you must all realize and believe that Government is absolutely honest in their endeavours when they say that we do not think under existing circumstances we ought to reduce in this particular direction and give their reason.

If you will look at the human factor don't you realize—just take the advisers to Government here—what a happy position we would have been in if we could have said: "Yes, we accept all these recommendations" and we could have come to this House and said "There you are, there is a budget with £100,000 reduction, just as we promised and a corresponding reduction in all those alternatives taxes" and the people who would have gained the most would again have been ourselves because off would go the levy and off would go the non-native poll tax. So I do think it is a little hard to be accused of breach of faith when in fact we are acting against our own interests though naturally doing what we think to be right, and I do ask you hon. members in committee to remember that although it is awfully easy to be critical it is much more difficult to be correct. It is quite easy to knock a house down but it is difficult to put it up.

Your Excellency, I beg to move.

CAPT. THE HON. H. E. SCHWARTZ: On a point of order, Sir, I did not rise when the hon. gentleman was speaking because in a debate like this one does not wish to deprive him of his eloquence. But it is quite clear under Standing Rule No. 43 (v) he had not the right to address the House except on the question as to whether the hon. Member Dr. Wilson should be appointed to the Standing Finance Committee. That rule reads:—

"Every member shall confine his observations to the subject under consideration and, where more than one question has been proposed, as by way of amendment, the debate must be relevant to the last question so proposed until it has been disposed of."

I think the hon. member will agree that what he should have done was to have made his very interesting speech and at the end propose the amendment. I particularly did not interfere but it is very important for the future that this should be laid down and the question again reconsidered, if I might suggest it, to clarify the position as a person moving an amendment which is not really germane to the debate may become deprived of his right to speak after and I would ask Your Excellency to consider this.

HIS EXCELLENCY: You mean on the point as to whether the mover of an amendment can speak again to the original motion.

THE HON. SHAMSUD-DEES: Before His Excellency gives a ruling I want to draw the attention of Your Excellency to Rule 39 which says:—

"Amendments of a proposition shall be put before the original proposition. If amendments are moved to a

proposed amendment, the last amendment shall be dealt with as if it were the original question until all amendments of it have been disposed of."

Rule 32 says:—

"It shall be competent for any member to propose any question for debate in Council, and such question if seconded by any other member shall be debated and disposed of according to the Standing Rules and Orders"; and therefore the amendment that was moved by the last hon. member was to be treated as the original proposition and he was strictly to confine himself to the last amendment until disposed of.

HIS EXCELLENCY: I propose to adjourn for an interval.

THE HON. THE ATTORNEY GENERAL: Your Excellency, if you will allow me, I think I can clear the whole matter up if I just add the following words to my speech—For the reasons which I have given I now move that Dr. the hon. C. J. Wilson be appointed.

Unofficial Members: No! No!

HIS EXCELLENCY: I think we will adjourn for 10 minutes to discuss this matter.

Council adjourned for the usual interval.

On resuming.

THE HON. THE ATTORNEY GENERAL: Your Excellency, with regard to the point which arose immediately before the adjournment the position would appear to be one of some doubt and Your Excellency would no doubt like to consider giving a definite ruling on it at a later date, and therefore, in order to facilitate matters I would ask the leave of the House to withdraw the amendment and to treat the speech I made as a speech on the motion and to accept my notice of motion to move a substantive motion to that effect at the first convenient date.

HIS EXCELLENCY: With the leave of the House the amendment is withdrawn and the debate on the substantive motion will continue.

THE HON. THE CHIEF NATIVE COMMISSIONER: Your Excellency, there are one or two points in the debate I would like to reply to.

The Noble Lord, the hon. Member for Rift Valley, asked in his speech whether, if headmen are collecting native hut

and poll tax, it might be possible to reduce the number of administrative officers. My answer to that is that we hope it may be eventually, but at the present time it is not possible. The question of collection of tax by headmen is not so easy as it looks and we have to go slowly or there might be a loss of revenue. It is a fact that a great deal of money is being collected by headmen but there must be a lot of supervision by District Commissioners and also a lot of actual collections which we hope will be less and less each year. But one point must be urged and that is that as we give headmen more and more responsibility we shall certainly have to provide clerks and safes and possibly guards, which it is not convenient to do in every district at present. Another point on that which is I think rather important is that if and when district officers are relieved of much routine and very irksome business, they will be able to devote more time to the development of their districts.

The Ven. Archdeacon Burns asked if the arrears of tax for 1934 were going to be collected in addition to the £540,000 shown in the Estimates. Of course the answer is that the amount shown in the Estimates is the amount which we expect to collect during 1936. There may be arrears; there will be arrears—I cannot say how much will be for 1934. He also referred to the heavy burden of taxation on natives and I hope he has seen the notice in the last Official Gazette which continues the reduction in the rate of taxation among eighteen different tribes, and I can here give the assurance asked for by the hon. Dr. Wilson that these rates will not be again increased without full consideration and certainly not until the result of development work in certain native reserves has been fully realized.

Undoubtedly some natives find it hard to pay their tax but equally certainly others do not take much trouble to do so and in this connection I would like to quote from a letter I received from a District Commissioner yesterday who is in charge of a very fertile and go-ahead district. He wrote:—

"I still have real difficulty in getting in the full tax. I find that what may be called the half-way people are so difficult to deal with. Those either too young to exempt or too old to be of real use at work. There are thousands of such. These are the people who easily got their tax in past years by begging from their friends but in these days no one helps them and they will not get down to cultivation themselves."

The District Commissioners have very wide powers of exemption and use those powers to the full. The proportion of exemption is very high but we do not exempt those who could pay or those who have the money and will not pay.

The hon. and venerable member made a reference to alleged abuses by headmen with special reference to the arrest of women and I dare say he has seen the headlines in the paper this morning. He has appealed to Government to do something about it. I am going to say right away that I do not think he is fair to District Officers. These vague remarks do a lot of harm. Presumably he has some facts to go on. If he has, why did he not bring them to the notice of the Administration?

VEN. ARCHDEACON THE HON. G. BURNS: In explanation, Your Excellency, it never entered my mind to think that District Officers would tolerate such a thing, but the people who do this and are doing it are those very headmen that the hon. the Chief Native Commissioner has just been speaking about now. This is not one of the myths that we have been hearing about.

THE HON. THE CHIEF NATIVE COMMISSIONER: Well, Sir, he has said he does not blame the Administrative Officers, but I can assure him that the Administrative Officers are going to blame him. There are certain duties incumbent on him. If he knew about these abuses he should have told the District Commissioner. If the District Commissioner took no action, he should have appealed to Government, but if he did neither, then I say and I say rather frankly that it looks as though he has been guilty of playing to the gallery by mentioning the subject for the first time in this Council.

I know too much about natives to imagine for one moment that they are perfect and I know District Officers find abuses and I am quite certain they do their best to deal with them, but to make such a statement without trying to give the officers concerned a chance of redress is in my opinion quite wrong.

The hon. Mr. Patel referred to the undue harshness in the collection of taxes especially as regards distraint on cattle. I was going to say that all orders of distraint are made by courts—it cannot legally be done otherwise. Again I would say that we do not want to exempt those who can pay, but we never prosecute those who prove they are unable to pay. (Applause.)

MAJOR THE HON. SIR ROBERT SHAW: Your Excellency, in rising to support the substantive motion before the House I will not keep you long nor will I move any amendment which will involve Your Excellency in further complicated rulings. I would like to begin by referring briefly to the remarks made by the hon. mover about these myths and the whole question of co-operation between Government and ourselves.

I should like to say that, knowing how sincerely he holds the belief that our sense of frustration, lack of sympathy and co-operation on the part of Government is based on unsubstantial grounds, I can only say how sincerely I wish I could share his belief. If that is in fact the attitude of Government, it is another proof of the old adage that where the spirit is willing the flesh is most lamentably weak. Many examples could be given in the last four or five years of attempts at co-operation on our part which have broken down in futile misunderstandings. I am not going into them at length, and will only refer to one or two of the latest ones.

The one I naturally have considerable personal interest in is the Report of the Select Committee on Economy. Even there I am not going into any detail. That has already been done carefully and accurately by the hon. member for Nairobi North. I am quite sure that the hon. the Colonial Secretary has made careful note of the facts that the hon. member has put forward. But, Sir, I cannot refrain from referring generally to the failure of Government to implement some of our recommendations, as regards the Agricultural Department in particular, and others more generally.

I would just like here to put in one remark caused by the speech of the hon. and learned Attorney General, and that is to say that when we were considering in the utmost detail, with the greatest care, the proposals put forward by the hon. the Director of Agriculture to our committee, we had in mind, obviously in mind, the necessity of the services to be rendered to farmers endeavouring to change over to mixed farming, and we were quite satisfied that the scheme as we understood it would provide those services. (Hear, hear.)

I am afraid that this failure of Government to make use of all feasible economies, not the speculative or long-range nature ones which the hon. and learned Attorney General referred to, but the ones really feasible; which after weeks and weeks of apparently futile labour we really thought we had successfully evolved, can lead to no other conclusion than that the budget before us is another example of that weakness of the flesh to which I have referred.

What, Sir, was the cause of the appointment of that committee? What was the cause of the deadlock that led to its appointment? It was taxation, Sir, it was the taxation issue, and the failure of Government to carry out the bargain they made with us two years before in regard to these measures of extra taxation. It was a perfectly definite bargain between us. We accepted this taxation if Government in the next two years would put its house in order so that the taxes should lapse at the end of the period for which they

had been imposed. I am afraid that no ingenuity on the part of our learned friend opposite can possibly alter the nature of that bargain—(Hear, hear)—or the fact that Government did not fulfil its share.

Now, Sir, I am also aware that at the time the committee was appointed or rather, I should say, Government must have been aware at the time the committee was appointed, that our almost sole object in accepting that committee was to devise means whereby this taxation burden could be lightened. And I may say that that was the only reason by which we could justify ourselves in the eyes of our constituents in accepting that committee. That being the case, I submit that it was the duty of Government, when that report was submitted, to make every possible use of everything possible in it for the purpose of acceding to our wishes and enabling us to achieve what they knew perfectly well was our object: to get the burden of taxation lightened. If that had been done it would have been true co-operation, it would have been that bilateral co-operation to which the Noble Lord, the member for Rift Valley, referred in his speech. But what actually has happened? Not only has a mere miserable £33,000 odd of what we recommended actually been accepted, but even that has not been used for the purpose for which we designed it, and a number of feasible economies, as has been already pointed out, have been entirely omitted. Is that co-operation, Sir? It is. It is co-operation of the unilateral nature, if I may quote the Noble Lord again, of which there have been only too many examples on our part in the last few years.

There is one other matter in this budget and the memorandum to which I should like to refer, and it is the very strange statement in the memorandum under the head of "Pensions". As we all know, our pensions bill is one of the major millstones around our necks, and a solution of the problem at the present moment appears as far off as ever, except for the fact that the establishment of the Local Civil Service will to a certain extent improve matters as years go by. It was obvious that the Select Committee on Economy could not propose a solution of the problem, and having discussed it at some length we did suggest that the whole thing should be made the subject of an inquiry. We went so far as to indicate the broad lines on which such inquiry might take place. Government has turned down the suggestions for an inquiry in a few paragraphs which I find unconvincing. I will only refer to the one paragraph in which occurs this strange statement, in which they say: "It is not understood to what the committee was referring when it mentioned 'the proportion of pensionable officers employed'." one of the

things which we suggested might be inquired into. It would appear to me that the meaning was so obvious that no explanation was necessary, but as a member of the committee and a signatory of the report I feel that perhaps some small explanation of my point of view is necessary.

When we come to consider the question of paying pensions to officers of the Colonial Service, broadly and impartially, in my view, it falls into two different categories: the administrative side and the technical branches. On the administrative side we ask young men who must of necessity have had a very expensive education to enter as young men without any professional qualifications to spend the whole of their useful working lives in the Service and to retire at an age when their lack of professional qualifications of any kind precludes the possibility of earning a living in some other way. It is therefore perfectly obvious that such officers from the outset must have fair pay, fair terms, and a guarantee of a substantial pension at the end of their service, and I am quite certain that nobody begrudges that position. Turning to the technical side, the position is entirely different. The technical officers in many cases—veterinary officers, doctors, engineers, and so on—have technical professional qualifications which enable them to earn a living in many walks of life. If they choose the Colonial Service, well and good, and we require the services of many such, but that all should be pensionable as are administrative officers from the date of enlistment is a perfectly absurd conception of the whole matter, and it is this attitude which has caused these heavy pension commitments to be built up. I am aware, Sir, that in the senior grades of technical service we must have permanent and experienced men, and expect such men to spend their useful working lives in the service of the colonies, and obviously they must be pensionable. The answer is that when technical officers have served for a certain time and who have had promotion by merit, they should come on the pension list; others, if they fail, or do not like the Service, can make use of their qualifications elsewhere.

If some such system was accepted by Government, we should have some control over the pension commitments. I submit that is a case for a very careful inquiry. I know the answer will be given that unless we can offer these magnificent terms we shall not get the men but that, I think, is another myth, if I may be pardoned. Those who think so fail to realize two things: first, that the amenities of the Colonial Service now are a very different thing to what they were twenty-five or thirty years ago; and, furthermore, owing to the immenso social changes which have taken place at home in the last half-century or so the ranks of the professional

classes at home are so recruited now from both ends of the social scale that I am sure I am right in saying that already the supply outruns the demand. I am quite certain that if we had a reasonable system of arranging the matter of pensions in the Colonial Service, there would be no difficulty whatever in getting all the good men we want.

That is my explanation which I wish to give, because I do not wish anybody to think that as a signatory to the report I wrote down a thing blindly so that it could not be understood by anybody and without having any definite meaning behind it.

While I am on my feet, Sir, I cannot help referring to a few remarks made in the course of debate, more particularly by my friend on my left, the hon. and venerable member representing native interests. I am not going for a moment to enter into the little controversy which has arisen between him and the hon. the Chief Native Commissioner on the rights and wrongs of the facts adduced and discussed, but I am going to say that, generally speaking, I cannot help associating myself on general lines, not specific statements, with what the hon. and venerable gentleman said about the hardship which is inevitable in the collection of taxation now from the natives. The hon. the Chief Native Commissioner has told us how difficult it is to make some people, who ought to be paying their taxes, pay them, and I am quite sure that district officers sometimes have to be rather more peremptory with these people than perhaps they altogether like to be. However that may be, it is no use our complaining of these matters or asking for them to be put right unless we get to the root of the evil, and the root of the evil is, of course, this insensate treasure hunt by Government to find sufficient revenue to bolster up a huge, obsolete administration. Unless we get down to that, we shall never get matters right or stop such petty controversies.

That brings me, Sir, to another point which occurred in the speech of the hon. member Dr. Wilson, where he seemed to find a strange anomaly between continued demands for economy and reduction in expenditure from elected members and the fact which appears to him so clear, that increased expenditure is required in so many directions. Up to a point I entirely agree with him, but it has never seemed to occur to him that our whole object is to endeavour to cut down and reduce the overhead expenditure of Government and reorganize and cheapen the machine by which those services are administered. If we do that, we shall have money, particularly when better times return, to spend as he is so anxious to spend it.

Another thing in the hon. member's speech to which I take very great exception is the picture he painted of the labour position of this country. I think that is entirely wrong and unfair. I am not going to try and quote his words, and I hope if I misquote him he will correct me, but he gave me the impression that he thought the labour position in this country lamentable, which is neither fair to us, to Government, or to the native. It is not. A native's rate of pay at our standard of high western civilization may be small, but from the native standard it is substantial and remember, it is only forty years ago or so that we took over the administration of a country of warring barbarians, and it is not for us to complain of our failure to raise them to the same high cultural level far beyond their intelligence and therefore extremely harmful, but to consider what has been achieved in that time. We have brought most useful employment to these people, the opportunity of earning fair wages from their point of view, wages which in the aggregate, as pointed out in this House before now, amount in normal times to three times their normal taxation which they have to pay. They come forward willingly, there is no compulsion, and conditions cannot be so bad if they do come forward willingly, and regularly, for work. Finally, we should remember what I consider the admirable and unostentatious way in which the interests of the native labourer are safeguarded by that section of Government whose duty it is to do so. Taken all round, I think we have every reason for satisfaction with the position of native labour in this country.

Further to that I cannot fail to refer to the little lecture which the hon. gentleman saw fit to deliver to the elected members on this side of the House, a lecture which I can only describe by the term "gratuitous". He seemed to forget that in fact we are elected members, and that we represent here the views and wishes of the small but determined body of men and women known as the white settlers of Kenya. It is their views and their wishes and their needs that we represent here. I do not wish to be presumptuous, but I would just venture to suggest that possibly we are the best interpreters of what the views and wishes of our constituents are and are probably very much better judges in the matter than the hon. gentleman can hope to be. (Hear, hear). I would venture a little further, and I will say that I regard it as consistent with the dignity of Government to dispense with the hon. gentleman's eulogies as easily as we can dispense with his strictures! It is hardly surprising then, if I add that that portion of his speech to which I have referred is regarded by us as not only ill-judged but singularly out of place.

One other point only which I wish to bring forward, to reinforce the point already mentioned by the Noble Lord the member for Rift Valley, in his speech about the method of showing native expenditure, more particularly with reference to the Agricultural Department, in our budget. In round figures, of this total of £123,000 in that Department about £85,000 is spent on so-called non-native services, and £37,000 on native services. One can imagine an uninitiated outsider taking up this budget and saying: "Let us see what they spend on native agriculture in Kenya", and he would be horrified by the figures. Every member knows perfectly well that these figures are misleading as they are on paper and do not present a true picture. If that were not the case, I assure you that first and foremost a vigorous protest would come from the elected members, although I do not think you need that assurance. We are accustomed in this country, I am sorry to say, people and Government alike, to endless misrepresentations, particularly at home, by interested, ignorant busybodies, from both Press, platform and pulpit, and while we have to put up with that I think it is deplorable that we should give such another glorious opportunity for misrepresentation in so important a document as our budget. I know the recommendations which have led to this form of showing our accounts, and before now I have commented on the futility of them, an opinion shared to some extent perhaps on the other side of the House, but I do hope that in future budgets it may be possible to find means of painting that picture a little more truly, because it is extremely important.

Finally, I will say that I am supporting the motion. This is not the budget we hoped for, it is not the kind we asked for, it is not the kind of budget we worked so hard this year to try and make possible. It is going to the Standing Finance Committee, and I submit it is still possible to bring it back from that Committee in such form that elected members on this side could, and in that case would gladly, vote for it. It can be done, Sir, and it worth doing, believe me. (Applause.)

LT.-COL. THE HON. LORD FRANCIS SCOTT: On a point of order, Sir, I should like to get the matter quite clear about the amendment which was proposed by the hon. and learned Attorney General and then withdrawn and notice of motion given. Is he under Standing Rules and Orders giving definite notice of motion, under Rule 26, which will enable that motion to be disposed of the next time the House meets?

THE HON. THE ATTORNEY GENERAL: I agree with the Noble Lord that that is so.

HIS EXCELLENCY: Notice has been given by you?

THE HON. THE ATTORNEY GENERAL: I am going to give notice before the House adjourns.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Thank you.

THE HON. SHAMSUD-DEEN: Your Excellency, I have been cogitating in my mind as to whether I should speak at all during this session or not, especially after the able speeches of my colleagues, who have dealt with most of the points in the budget. But as a member of the Economy Committee, at any rate for part of the time, I think it my duty to give my impressions of that Committee as I found them for the time being, before I went to India.

I know that most members probably on the unofficial side of the House must be feeling rather bored because we have taken a long time, and they may find our accents peculiar and pronunciations wrong, and sentences rather disjointed; but, after all, it is the only privilege we enjoy in the House and the budget session comes but once a year, and one wants to get rid of the nervousness an Indian member feels before he finishes his speech!

I feel that I ought to begin by congratulating the official and unofficial Europeans on their complete reconciliation, or re-union. I almost thought that a re-union service was justified in the circumstances!

We have been talking about myths. As a matter of fact, there is no myth or misunderstanding at all as far as this corner of the House is concerned. My simple-minded hon. friends have been talking about the unofficial community and have included in that all unofficial members, Indians and Europeans. There are certain terminologies used in unofficial and official European quarters. When unofficial Europeans talk, for instance, about lack of co-operation or lack of desire for co-operation by the unofficial community, that word "co-operation" simply means lack of opportunities for dictation by the unofficial Europeans to the Government benches. That, to my mind, is what it means. This friendly re-union is not likely to last long unless Government submits to the dictation of the unofficial European side. (Hear, hear, and laughter.)

Another example of the terminology used by the unofficial side is that they often talk about the unofficial community, which misleads my hon. friends here into thinking that they are also included in that. The fact is, as the last hon. member said when speaking about pictures, this corner of the House is not in the picture at all! (Laughter.) I think that if a

photograph were taken of this House only the two sides—European officials and unofficials—would come into the picture, and this corner not at all.

As regards the hon. members representing native interests—I had almost called them native representatives, because I have been told by quite an authority and no longer than yesterday that the expression "native representative" was quite correct English, but I will call them representatives for native interests—I think we all noticed the apologetic manner in which the hon. and venerable member addressed the House, but the moment he makes a frank expression in the interests of the natives he at once disturbs the peace of the unofficial European beehive and everybody is after them! (Laughter.)

As regards the remarks of the hon. the Chief Native Commissioner concerning the hon. and reverend member Archdeacon Burns not having brought this matter, the oppressive methods of collecting taxes from natives, to the notice of the District Commissioners, I really do not think that is not the most effective way of bringing to the notice of Your Excellency's Government such happenings for, after all, the hon. member cannot act as a detective and look in all the districts to bring these matters to the notice of the various District Commissioners. This House is the proper place where such instances and information can be given as a warning to the whole country and the whole of the administrative staff, and I think it is the most effective way of removing a wrong, if there is any wrong to remedy. Having known the hon. and venerable member for the last thirty years, I know that he is cautious enough before he makes such statements.

Before I come back to the Economy Committee, I should also say that I was rather amazed when I heard the hon. member Dr. Wilson make the statement yesterday that, in his opinion, native taxation was quite fair and not heavy enough. I wondered in my own mind whether an articulate native, if he was to take the hon. member's place, would have said the same thing? The two statements of the two hon. members representing native interests evidently conflict with each other. If there is any truth in the statement that great hardship is suffered by natives in having to pay taxes, evidently native taxation is very heavy. Take the case of non-Europeans, for instance. A man who has an income of £100 per annum only pays approximately Sh. 50, which is one-fortieth of his income. A native who, according to the hon. member, Dr. Wilson, gets about Sh. 8 a month—I thought it was Sh. 12—has to pay one-eighth of his total income or, if it is Sh. 12, one-twelfth. The non-native pays

only one-fortieth. I wonder if the hon. member were called on to pay one-twelfth of his income in a year he would consider it to be fair taxation?

Your Excellency, when this Economy Committee was appointed I also had the same suspicion which the hon. and learned Attorney General has expressed this morning, which existed in the minds of unofficials, that Government were simply taking the unofficial members at their own game and telling them: "All right, if you want an Economy Committee you shall have it; you have had so many but you can have another one," but that they had made up their minds to frustrate the efforts of that committee. But I must honestly say that my personal experience of that committee at once removed all such suspicions, and I must admit the truth of what the hon. mover said, that on that committee there was no discrimination between officials and unofficials. As a matter of fact, I think that if an unofficial had been the chairman, I do not believe he could have shown more willingness than did the official chairman of the committee during the sittings.

I have also no grouse with Government in turning down most of the recommendations of that committee because in my own opinion most of them were not practicable; especially as regards the Military Expenses and the Agricultural Department proposition, although there were one or two exceptions to which I will allude later on, namely, the Public Works Department suggestion. But I do think that in spite of the willingness of the chairman of that committee there was a complete determination on the part of most of the heads of departments who came before that committee not to help. They came up having fully made up their minds to make out a case for justification of estimates as prepared by them. Of course the explanation of their attitude is readily understood. Before they sent in their estimates for the last year, evidently they had instructions from Your Excellency to bring down their estimates absolutely to rock bottom and to cut down expenditure in every possible manner. They were now placed in an awkward position. If they came before the committee and notwithstanding the instructions of Your Excellency to reduce expenditure to the minimum, they agreed to reduce further, then at once they would be dropped on by Your Excellency and called on for an explanation as to why they did not carry out your instructions. The only exception was the hon. the Director of Education. He was the only head of department who came with practical and concrete suggestions for reduction of expenditure. The next practical suggestion that came was from the hon. the Director of Public Works. That unfortunately has been turned down by the Government

and I may be wrong, Sir, but I think it is a very wrong thing that the Government have done. One of the witnesses before that committee was very loud and full of praise for self-government, but could not tell me of an instance anywhere in the world where people without contributing any money to the funds by local rating were allowed to control the finances contributed by others. He frankly admitted the fact but could not give any reason. Yet here we also talk about self-government and financial control. I am a great advocate of an opportunity being given to the community to control finances to which they contribute, but by no stretch of imagination can any community control finances contributed by others. I say if you can find ways and means by which the unofficial European community—which expression wherever it is used practically means the European farmers, for it hardly includes the commercial community, or the European community at the Coast and other places—could separate the finances to which they contribute exclusively and that section of the European community (though very small in number are very articulate in agitation) asked for the control of such finances, I should be the first person to support it. But that is not the case. Their one goal is, they want control of the finances of the whole country and, in other words, self-government by a handful of farmers to control the money contributed by others, and until they achieve that object there can be no possibility of removing continuous quarrels and misunderstandings between official quarters and the European farmers.

Your Excellency, we have also heard about taxation being temporary and Government having broken faith in perpetuating these temporary taxes. I know that my community suffers under the burden of these—you may call them temporary taxes or alternative taxes—and I should like to see them repealed at the earliest possible opportunity. But, Sir, we cannot be blind to the facts. What are the facts? The facts are that the Government not only made up their minds to introduce income tax, but also made preparations for the operation of all the machinery needed in the country for the introduction of that Ordinance. The unofficial community or the farmers for a second time intimidated the Government—as a matter of fact for the third time in the last thirteen years; the intelligentsia of the Vigilance Committee stampeded the Government into a state of submission—that was the second time when the income tax bill was introduced—and they successfully said to the Government: "We do not want this tax, but we will show you some other way of getting the equivalent sum of money which this tax is expected to bring in." Therefore, these were known as "alternative" taxes. Of course they were temporary and still

are, because the intention of Government was to give the farmers the opportunity of proving that there was no need for income tax and that there would be an alternative for income tax in accordance with our own choice who paid these taxes. The unanimous opinion of all communities, that is to say, farmers, commercial people and the Indian community, is that we have come to know and are convinced that these alternative taxes are operating very harshly on all sections of the community, and we want them removed. Of course, we have to come back to the *status quo*, and if you want them to be removed you will have to consent to income tax being reintroduced. (European Elected Members: "No, not at all.") However, that is certainly and decidedly the feeling of the Indian community, and that is the history of those temporary taxes.

I said, Your Excellency, I did not propose to go into the figures of the Estimates. To be candid, I have not bothered myself to study them carefully, I have just made a cursory glance at the Memorandum, because for the last thirteen years I have been breaking my head against a stone wall and it does not make a difference of one iota. So many figures have been quoted and repeated during the debate that I could hardly keep my eyes open with the monotony of these repetitions of quotations of figures, especially as there is no prospect of any result being achieved by these wranglings with figures.

As regards native taxation, I think instead of spending large sums of money in collecting the taxes at the present moment and spending them on a very expensive medical staff, employing thirty-nine medical officers and so many white nurses and giving them such an expensive service, I think it would be much better to have a less expensive staff and to give relief to the natives as far as taxation is concerned. There is no doubt about it that the native taxation is really heavy, and it does seem strange, as one hon. member has mentioned, that the Press and the public and platforms in England should untidely and without any justification think that the taxation in Kenya is heavy. They have no grouse against the country and I think it goes to show that they are honest in their opinions, whether a man is European or African, they support what is right.

This year has been marked as a remarkable one which will go down in the history of this Colony as a year of committees and commissions. I do not know how many really. While there is consideration on the one side for economy, every committee or commission costs this country money. I was disgusted with the attitude of the Heads of Departments who came before the Economy Committee. I

and I may be wrong, Sir, but I think it is a very wrong thing that the Government have done. One of the witnesses before that committee was very loud and full of praise for self-government, but could not tell me of an instance anywhere in the world where people without contributing any money to the funds by local rating were allowed to control the finances contributed by others. He frankly admitted the fact but could not give any reason. Yet here we also talk about self-government and financial control. I am a great advocate of an opportunity being given to the community to control finances to which they contribute, but by no stretch of imagination can any community control finances contributed by others. I say if you can find ways and means by which the unofficial European community—which expression wherever it is used practically means the European farmers, for it hardly includes the commercial community, or the European community at the Coast and other places—could separate the finances to which they contribute exclusively and that section of the European community (though very small in number are very articulate in agitation) asked for the control of such finances, I should be the first person to support it. But that is not the case. Their one goal is, they want control of the finances of the whole country and, in other words, self-government by a handful of farmers to control the money contributed by others, and until they achieve that object there can be no possibility of removing continuous quarrels and misunderstandings between official quarters and the European farmers.

Your Excellency, we have also heard about taxation being temporary and Government having broken faith in perpetuating these temporary taxes. I know that my community suffers under the burden of these—you may call them temporary taxes or alternative taxes—and I should like to see them repealed at the earliest possible opportunity. But, Sir, we cannot be blind to the facts. What are the facts? The facts are that the Government not only made up their minds to introduce income tax, but also made preparations for the operation of all the machinery needed in the country for the introduction of that Ordinance. The unofficial community or the farmers for a second time intimidated the Government—as a matter of fact for the third time in the last thirteen years; the intelligentsia of the Vigilance Committee stampeded the Government into a state of submission—that was the second time when the income tax bill was introduced—and they successfully said to the Government: "We do not want this tax, but we will show you some other way of getting the equivalent sum of money which this tax is expected to bring in." Therefore, these were known as "alternative" taxes. Of course they were temporary and still

are, because the intention of Government was to give the farmers the opportunity of proving that there was no need for income tax and that there would be an alternative for income tax in accordance with our own choice who paid these taxes. The unanimous opinion of all communities, that is to say, farmers, commercial people and the Indian community, is that we have come to know and are convinced that these alternative taxes are operating very harshly on all sections of the community, and we want them removed. Of course, we have to come back to the *status quo*, and if you want them to be removed you will have to consent to income tax being reintroduced. (European Elected Members: "No, not at all.") However, that is certainly and decidedly the feeling of the Indian community, and that is the history of those temporary taxes.

I said, Your Excellency, I did not propose to go into the figures of the Estimates. To be candid, I have not bothered myself to study them carefully, I have just made a cursory glance at the Memorandum, because for the last thirteen years I have been breaking my head against a stone wall and it does not make a difference of one iota. So many figures have been quoted and repeated during the debate that I could hardly keep my eyes open with the monotony of these repetitions of quotations of figures, especially as there is no prospect of any result being achieved by these wranglings with figures.

As regards native taxation, I think instead of spending large sums of money in collecting the taxes at the present moment and spending them on a very expensive medical staff, employing thirty-nine medical officers and so many white nurses and giving them such an expensive service, I think it would be much better to have a less expensive staff and to give relief to the natives as far as taxation is concerned. There is no doubt about it that the native taxation is really heavy, and it does seem strange, as one hon. member has mentioned, that the Press and the public and platform in England should unthinkingly and without any justification think that the taxation in Kenya is heavy. They have no ground against the country and I think it goes to show that they are honest in their opinions, whether a man is European or African, they support what is right.

This year has been marked as a remarkable one which will go down in the history of this Colony, as a year of committees and commissions. I do not know how many really. While there is consideration on the one side for economy, every committee or commission costs this country money. I was disgusted with the attitude of the Heads of Departments who came before the Economy Committee. I

remember that on more than one occasion I said to the chairman that we would be effecting a practical economy and save all the money which was being spent on the deliberation of this futile committee if we stopped this committee altogether. This was after the experience of the work on the Economy Committee for a week or a fortnight, and I would even go to the extent of saying that the one suggestion for economy left is that we should also try to scrap this Legislative Council for three years! I am sure there would be a lot of economy. The real trouble in this Colony is that we give too much importance to artificial agitation, and there is too much of politics in this country, and that is really the cause of the financial embarrassment of the Colony. We talk about inconsistency of the Government. There are responsible European members sitting now on the unofficial side of this Council who are in reality responsible for all that unbridled extravagance and the unwelcome legacy inherited by Your Excellency when you assumed the reins of the Colony. I have had experience of that. Who asked for a first class Colonial Service with a first class highly-paid Governor and everything first class, including a first class Government House, and so on?

Now we come to what was one of the points on which I disagreed with the chairman of the Economy Committee when he said that, in order to keep pace with the adjoining territories, the Colony's Civil Service must be on a level with what the adjoining territories have. That sort of mentality is exactly the cause of so many bankruptcies in this country and elsewhere. At one time we could afford to have everything first class, but that is not possible to-day. The adjoining territories are in a happier position than we are. Uganda has a record cotton crop; they can afford to have first class Government servants. Even Zanzibar has not got a debt, but we have debts on our head. I think the sooner we realize that and come back to the level of our economic position, the better for us. Individual mentality, also based on false pride of the past days, has been the financial ruin of so many people who at one time had first class motor cars, first class houses to live in, first class domestic establishments, and everything of the tip-top order. To-day, although they have fallen on evil times, they continue to live up to the old standard of prosperity, and this false position leads to the inevitable ruin and bankruptcy.

The second thing which really lost all my enthusiasm on that committee, was when the chairman told us—I hope I did not misunderstand him because I am always accused of misunderstanding people—that we could not touch the pensionable officers, whose services could not be dispensed with until

they had done something wrong to justify their services being terminated or until they had reached the stage when, according to regulations, they could be pensioned. If that is the case then, if all pensionable hands are a permanent fixture in the Colony, it is absolutely a waste of time to have any Economy Committees. Another answer was that whatever salaries were paid to the Service here were part and parcel of the Colonial scheme and notwithstanding our financial difficulties we have to pay the same grades of salaries according to Colonial Office rules.

I was suggesting that probably the suspension of this Council would result in economy. Look what is happening on the left-hand side of this House—we have twenty Heads of Departments drawing at an average £5 a day, and while they are here the work of their offices is suffering. On this side there are twenty unofficial members drawing £2 or more a day. All this could be saved. One of my hon. friends suggested that the allowance to Unofficial Members should be reduced to £1. I should strongly advocate that, on one condition, that the official side should also show their patriotism and consent to receive only £1 per day while they attend this Council. Would they do that? I doubt it very much!

I do not know whether there is any usual limitation to the pause in the speech of a member which disqualifies him from continuing his speech, because I am not in the habit of writing or typing my speech and reading it as some hon. members do in this House (laughter), and have therefore to pause for longer intervals than others in order to read my notes.

It has been suggested by some of the hon. members in their public speeches outside this House, the account of which speeches I read in the Press some time ago, that it was a breach of faith on the part of Government that Sir Alan Pim should be allowed to deal with our present budget. I am glad to notice that this blame has not been attached to the Government in any of the speeches in this House. I thought that it was rather the other way, that it was a proof of the earnestness of the Government to get on with the job, and instead of waiting for the report for three or six months to let Sir Alan begin his job straight away by dealing with the present budget before we are committed to it. I am glad that that objection has not been raised in this House, although I have a very good recollection that that point was made in one of the numerous speeches by the Elected Members in their various constituencies.

It is true, as one hon. member said, that it is really an insult to the intelligence of this Colony that one single man should come from outside and teach us our job. But who is responsible for that? Have we not asked for the appointment of Sir Alan Pim? We ourselves are responsible. I personally have every hope that Sir Alan Pim will be able to overhaul the machinery of this Colony in a better manner than the Economy Committee have been able to do, for the simple reason that he knows the official tricks of the trade which we do not and he will not be obstructed in the way in which we were. In the case of one Head of Department when he came before the Economy Committee and the question was put to him if he could cut down his estimates by £5,000. He said "No". He was asked if he could reduce it by £2,000 and again he said "No", and (I hope I am right in my recollection) when asked what he would do in case the committee asked him to reduce his estimate, he replied that he would simply have to resign his position. That is the time when I said to the Head of Department that it was not the spirit in which to come before the committee and that his attitude was one of determined defiance. The moment I said that, the unofficial members dropped on me and said it was an unjustifiable attack on a head of a department. I am also told that during my absence from the committee one particular Head of Department actually insulted the acting chairman and the matter had to be reported to the Governor. If that is the attitude of Heads of Departments you cannot expect them to cut down any expenses. Our only disqualification is that not being part and parcel of the Civil Service we do not understand the routine secrets and cannot meet the Heads of Departments on equal ground. Sir Alan Pim having been a Civil Servant himself, I am quite certain that he will be able to do what we have failed to do.

I am satisfied that most of the recommendations of the Economy Committee which have not been adapted by Government were of such a nature that they could not be put into practice. Mostly these recommendations were such that, instead of trying to find out each and every individual redundant and superfluous office in the Government machinery, some of the unofficial members of the committee suggested revolutionising schemes which would change the whole machinery of the service of the Government, and that could not possibly be done. That is the reason why most of the recommendations have not been put into practice.

Some hon. members have been talking about the levy on official salaries. I think that the continuance of the levy has really put this Colony under a somewhat peculiar position in that in Your Excellency's address from the Chair you stated

that the levy has been removed in practically the whole Empire. I am going to refer to that part of the levy which has been imposed with a vengeance. Some of my honourable friends have suggested the removal of the levy from people receiving under £500 per annum, but I am sure that hon. members will be surprised to hear that that levy has actually been deducted from the wages paid to workmen employed on an hourly basis in the Public Works Department. I found that out and brought it to the notice of the hon. the Director of Public Works; and he said that it had been ruled that even *fundis* (artisans) employed not only on daily wages but hourly wages should be subject to the levy. I personally think that is nothing short of legal misappropriation of money from these poor wretched artisans. I do hope we may be in a better position next year at any rate, if not this year, to remove the levy and improve their position.

While on this subject may I also refer to the fact that the Public Works Department is the only department where these artisans have been employed for five, ten and fifteen years on this very basis of an hourly wage—the same as one hire's a taxi-cab or a rickshaw—and still they remain on that hourly basis. They have no *locus standi* and they are not even on the temporary staff. They are exactly in the same position as a hired motor car or a taxi; or, as the hon. the Attorney General gave an instance, when he engaged a shamba boy although employed monthly he may be there for a year but he would still be on a temporary basis. I wish there was some trade union in this Colony to take up such matters of hardship, but in the absence of that I hope something will be done to alleviate the hardships of these poor people.

I wanted to refer to the guarantees on Branch Lines. That again is one of the things that unofficial members asked for, and at one time were so strong on it that they said the whole country was lacking in progress because Government did not do all in its power to help local industries. To-day those very gentlemen come back and say: "Let us have a revision or rather a repudiation of responsibility and do something to avoid the contractual liability the Government have incurred at our request." As a matter of fact, it is worse than asking for a composition scheme for debts. Having asked for a thing they now say we must find out ways and means of repudiating the responsibility.—I do not see how it can be done. This £21,000 to be paid by the Government is a thing for which the farming community is solely responsible.

As regards the proposal for the reorganization of the Agricultural Department having been turned down, Sir, I do not mind if I repeat this for the tenth time, but my feeling

is that the Agricultural Department is a department which has had continued and unchecked extension for the last few years, and if you allow them their choice there will be no limit to that extension. I know that the veterinary services to-day are considered to be redundant or probably unnecessary. They were the first to be started when there was no Agricultural Department in this country. I remember when Dr. Sturdy, in the early part of this century, started the whole veterinary service which gave invaluable help to the farmers. The department has been responsible for eradicating some of the most devastating animal diseases and when we talk about mixed farming, I think the veterinary services are most essential to the welfare of the Colony and indispensable to a mixed farming community, and any attempt to subordinate them in a laboratory or research department I think would be a very wrong step to take.

As I say, I have not really gone through the proposals because in the Economy Committee we went through every item, and I found that the tendency of the Agricultural Department clearly was to eliminate the veterinary services or to reduce them to a very unimportant position. The ambition of the department appeared to be to establish in this Colony a sort of research institution as an example to the whole world. There were all sorts of research works undertaken, some highly paid officials being employed to devote the whole of their time after flies, mosquitoes and other insects. There were others who investigated the nature of various soils and plants. These may be very valuable and interesting investigations and researches, but not such as this Colony could afford to have, especially at this juncture. There were two parallel laboratories maintained by the Medical Department and the Agricultural Department. The justification for the agricultural laboratory was that they made serum which was used in the Colony and sold to other countries. It would be much more economical if we bought just what we wanted and did not aspire to establishing a supply depot for the whole of Africa and the rest of the world.

Then again, I know personally that they have rendered very great service as far as the ghee industry is concerned. That is one of the industries which, because it is of no interest to the European community, is considered to be a very unimportant thing. But the fact is that to-day this Colony, which used to import a large quantity from India, is making as good ghee as it formerly got from that country, and that is entirely due to the Veterinary Department. I was really shocked when I heard the hon. member for Nyanza state that the function of the Veterinary Department was simply to teach natives how to read and write; at least, that is what

I understood the hon. member to say. That certainly cannot be a fact. It sounds like a very great exaggeration, because that should be part and parcel of the work of the Education Department rather than of the Veterinary Department. I hope that the hon. the Chief Veterinary Officer will be able to give some sort of answer to that when his turn comes.

Well, Your Excellency, I do not wish to take up more of the time of the House, but I wish to say this much, that in my opinion, along with the reunion of the unofficial and official sides of the House, it would be a very good resolution for the New Year—one which does not need a seconder, or even acceptance or rejection by the official side—that we should make up our minds—Government, unofficial organizations, natives and Indians—all to put our heads together and try and pull together. That is the only way in which the European unofficial community can speak on behalf of the whole of the communities. If they take into their confidence the native community and the Indian community, then they can come to the House or go to the Colonial Office and say: "We are speaking on behalf of the unofficial community". Until that happens they can only be speaking on behalf of a very limited section of the community.

I was accused in one session by the hon. member for Nairobi North in these words: "We cannot help losing our temper with people who change their coat so frequently." I must admit that I have changed my coat since I spoke last in this House. I was to join the unofficial Europeans in order to form a united opposition in this House with a view to persuading Government to come to a democratic frame of mind, but my mind was soon disabused after the session when the Economy Committee was appointed. Soon after that, I was a member of the Economy Committee, I read in the papers the announcement of a public meeting called in the Theatre Royal to discuss economies. Naturally, being a member of the committee, I went to that meeting. There was plenty of room in the theatre, but the moment I entered I was told that it was not open to the Indians, although it was called a public meeting; it was a sort of "private" public meeting of Europeans only. If that is the mentality of the European unofficials, if that is their intolerance for other communities, I do not see how they can speak on behalf of the unofficial communities residing in this Colony.

Finally Your Excellency, last year we heard so much reference made to the necessity of our coats being cut according to our cloth. I think that only one member has this year made such a reference to the proverbial coat and cloth, and

the time has now come when, instead of cutting the coat according to the cloth, we ought to take our coats off and work together.

THE HON. CONSERVATOR OF FORESTS: Your Excellency, during the course of the debate a comparison has been made of the Forest Department costs as compared with neighbouring territories, and the inference has been drawn that the costs of the department in this country are unduly high. The hon. member who has made the comparison gave us no details as to the areas of the forests in these neighbouring countries or of the extent to which those forests were utilized, or replanted, or of the adequacy with which they were being protected. Therefore I think it must be considered that the comparison is valueless without such detail. In this connection I can give a certain amount of information.

The hon. member referred to Southern Rhodesia. I would first remind this House that in this country we have about 5,400 square miles of demarcated forest reserves and are spending about £30,000 annually. In Southern Rhodesia the Forest Department is managing, according to their official publications, about 1,210 square miles of forest reserves. I do not know where the figures of expenditure came from that are published in the Economy Committee's Report, but, according to official publications which I have, for the three years ending 1933 their annual expenditure was £25,000. It is also stated in these publications that the whole of their soft wood requirements are imported, that no adequate steps have been taken to grow them locally. It is also officially estimated that 21-million cubic feet more timber are being cut or destroyed annually than are being grown, so that it would appear that a comparatively small proportion of their forests will survive in the not distant future.

In Tanganyika the forest area is about 4,100 square miles, considerably less than we have here, and the expenditure is about £17,500. But it is officially stated that their staff is entirely inadequate to maintain the work done in previous years or to develop their forests, or even to protect them. The revenue collected is under £8,000, whereas in this country we actually exploit a large number of our forests, a considerable portion of the department's staff is engaged in supplying forest produce to the public, and even in these poor years we collect a matter of £28,000 in revenue.

In Uganda, the expenditure is £16,500, but their forests reserves are only 1,850 square miles, of which only 290 are surveyed and demarcated. Obviously, if we in Kenya leave our forests undemarcated and unsurveyed we can reduce our

expenditure; but surely that is not a desirable position. I think that in Uganda with their wetter climate and perhaps less destructive population, they may be able to postpone that work, but in this country, with its tendency to drought and erosion, every single one of our forests should be demarcated at the earliest possible moment and should be adequately protected.

There are two aspects of forestry. There is the preservation of the whole of the forests for their beneficial influence on climate and water conservation, and the development of the forests as an economic aspect. I think that in Kenya it is well worth the Colony's while to spend the whole £30,000 on the preservation of the forests from a climatic point of view alone. If we can by maintaining them so develop them for and obtain revenue sufficient to cover the cost; I should say that we are on a good wicket and would not have very much to complain about. In the last five years we have reduced our expenditure from £39,000 to £30,000, although in that period we have demarcated and surveyed 900 square miles of forests which we must take steps to protect. There are still several hundred miles undemarcated. The Economy Committee stated that it was absolutely essential to protect our forests and maintain our existing assets. Instead of advising the expenditure of more money to protect additional forests, we are asked to reduce still further by £3,000, and I do not see how we are to maintain our assets if that is to be insisted on. The Committee suggested that we are spending more than is necessary, but actually, in the last five years, we have reduced annually our planting programme from 4,750 acres to 2,900 acres. As we are taking £28,000 worth of produce annually from our forests, any further reduction of the planting programme will certainly not be maintaining our assets.

The insinuation that the department is an extravagant one is not warranted by the facts. Our expenditure is now approximately the same as in 1920, but we are actually controlling and administering double the area of forests we were then, we are selling at least 50 per cent more forest produce, we are planting nearly three times the acreage, and are maintaining 47,000 acres of plantations now as compared with 7,000 acres then.

I should like to say, Your Excellency, that the figures given in the Economy Committee's Report were not recommended by the Acting Conservator of Forests. They were put up by him at the bidding of the committee and he strongly disagreed with them, and I most strongly support the statement in the Memorandum on the Estimates that

complete acceptance of the Economy Committee's recommendations would not only jeopardize the preservation of the existing forests but would not permit of adequate reafforestation or normal development.

There are many other aspects to be considered, such as the desirability of the developing the very valuable economic asset in the shape of our forests instead of merely maintaining it. There are also, Your Excellency, the aspects I have referred to of climatic and water conservation and prevention of erosion. I should say that the desirability of a very greatly increased anti-erosion afforestation campaign must be considered in the fairly near future.

The debate was adjourned.

NOTICE OF MOTION.

APPOINTMENT TO STANDING FINANCE COMMITTEE.

Notice of the following motion was given.

BY THE HON. THE ATTORNEY GENERAL:—

"That Dr. the Hon. C. J. Wilson be appointed a member of the Standing Finance Committee in place of R. W. Hemsted, Esq., who has resigned his seat on this Council.

*Council adjourned till 10.30 a.m. on Tuesday, the
3rd December, 1935.*

TUESDAY, 3rd DECEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10.30 a.m. on Tuesday, the 3rd December, 1935, His EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

RULING.

Re RULES OF DEBATE.

His EXCELLENCY: Before proceeding to the business on the Order paper, I wish to give a ruling on a point of order which arose last Friday. Hon. members will remember that, on that day, the Attorney General moved an amendment to the Estimates motion, and, during his speech, dealt with matters appertaining to the substantive motion. The Hon. Member for Nairobi South suggested that the Attorney General was out of order and I undertook to consider the matter and give a ruling.

The relevant Standing Rule and Order is No. 43 (v) which reads as follows:—

"Every member shall confine his observations to the subject under consideration and, where more than one question has been proposed, as by way of amendment, the debate must be relevant to the last question so proposed until it has been disposed of."

It is clear that the point at issue depends on the interpretation of the word "proposed". If the amendment had been "proposed" when the Attorney General spoke, then he would have been out of order in speaking to the substantive motion. The word "proposed" is not, however, defined in our Standing Rules and Orders, and, therefore under Rule 1, the rules, forms, usages and practices of the House of Commons apply.

It is clear from May's *Parliamentary Practice* that the word "proposed" means "proposed from the Chair"—*vide* page 287. At the time the Attorney General's speech was made, the amendment had not been so proposed, and I therefore rule that he was in order in speaking to the substantive motion.

MINUTES.

The minutes of the meeting of the 29th November, 1935, were confirmed.

ORAL ANSWERS TO QUESTIONS.

INCREASED SISAL AND MAIZE SHIPPING FREIGHTS.

No. 55.—THE HON. CONWAY HARVEY asked :

"Has Government secured confirmation of Press statements to the effect that the Shipping Conference has decided to increase freights in respect of maize and sisal exported from Kenya in Conference ships from 1st January, 1936?"

THE HON. THE COLONIAL SECRETARY: Government has ascertained from the Secretaries of the East African Conference Lines that the rates of freight on sisal to European Berth Ports will be increased as follows as from the 1st of January, 1936:—

	PER BILL OF LADING MEASURE- MENT TON	
	Present Rate	New Rate
	Sh.	Sh.
Sisal	32/0	37/6
Sisal tow	30/-	35/-
Sisal waste and clippings ..	25/-	30/-

The rates of freight to American destinations as from 1-1-36 are still under consideration.

With regard to maize, the rate for specific bookings will be increased as follows:—

	PER BILL OF LADING TON OF 20 CWTs.	
	Present Rate	New Rate
	Sh.	Sh.
Without options	17/0	20/-
With option	22/6	25/-

I may add that this Government has communicated with the Secretary of State, who has replied to the effect that he is taking up the question with the Board of Trade and will communicate further as soon as possible.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Arising out of that answer, Sir, can we have the assurance that Government will leave no stone unturned to try and get these iniquitous increases in rates reduced?

THE HON. THE COLONIAL SECRETARY: Certainly. Government will do everything it can, but it has done as much as it probably can do. The telegram from the Secretary of State came on the 20th November and reads:—

"Your telegram No. 267. I am taking up the question actively with the Board of Trade and will communicate with you further as soon as possible."

That is a fortnight ago.

VACANT K.U.R. & H. HOUSES.

No. 73.—LT.-COL. THE HON. J. G. KIRKWOOD asked :

"1. Will the hon. the General Manager of the K.U.R. & H. state the number of K.U.R. & H. houses now vacant?

2. The number of houses (above) let to unofficials?

3. The amount of rent charged to unofficials per annum?"

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: The replies to this question are:— (1) There are 69 of the Administration's staff quarters vacant (European, Asian and African) including partially closed depots.

2. There are 222 quarters leased to persons other than members of the Administration's staff.

3. The annual rental collected on the quarters leased is £4,500.

LT.-COL. THE HON. J. G. KIRKWOOD: Further to that answer, Your Excellency, I do not think that (2) has been answered: "The number of houses (above) let to unofficials."

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: I was not quite sure what the meaning of that question was, but I assumed it to be members of the public who were not members of the Railway staff.

LT.-COL. THE HON. J. G. KIRKWOOD: That is the correct interpretation.

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: My answer, therefore, is that 222 quarters are leased to persons other than members of the Administration staff.

LT.-COL. THE HON. J. G. KIRKWOOD: Is it also correct to say that one house at Nakuru is let at Sh. 30, and does the hon. the General Manager consider it fair and reasonable that these expensive buildings which, now that they are empty, should be in competition with unofficial properties?

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: I can answer that, Sir, briefly in this way. With a reduction in staff, of course a number of houses became vacant. Furthermore, there are a number of houses, particularly in Nakuru, which have been condemned by the local authorities. We have had representations from the Nakuru local authority asking us not to close down these houses, and I have agreed to do so if the authorities consider it still is in the interests of the public that that should be done. The reason for this is that these houses are now very old and have been condemned, but they provided housing for certain individuals who cannot afford to pay a high rent, and the Nakuru local authority have asked me to delay taking any action for the present.

THE HON. CONWAY HARVEY: Arising out of that, Sir, what principle governs the fixation of rents? Are they based on a percentage of the capital cost or capital value of the buildings, or something else?

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: Usually the fixation of basis of rent is on the capital value of the building. In some cases that is departed from, but not as a rule. When we have representations from a local authority we try to meet them in every way possible.

MOTION.

DRAFT ESTIMATES, 1936.

THE HON. THE COLONIAL SECRETARY having moved:

"That the Draft Estimates of Revenue and Expenditure for 1936 be referred to the Standing Finance Committee for consideration and report."

THE HON. THE TREASURER having seconded.

The debate having been adjourned.

The debate continued.

THE HON. A. C. HOEY: Your Excellency, when the hon. the Colonial Secretary was speaking to the motion before the House he described this budget as an unimaginative budget. Sir, I entirely agree with him, and I do not propose to take the time of the House in dealing with it in detail, as many of the important points in this budget have already been dealt with in speeches from this side of the House.

As regards myself, I particularly wish to associate myself with the speech which was made by the Noble Lord, the hon. Member for Rift Valley, because I think that that speech

was a careful survey of the budget as seen from this side of the House. I especially wish to associate myself with his remarks on two very important questions, namely, the general question of taxation with definite relationship to the temporary taxes and the high cost of administration. But these two questions are now the subject of an inquiry by a Special Commissioner, Sir Alan Pim, who, I understand, is very busy investigating it. Therefore I think it would only be beating the air to go on discussing it in greater detail at the present moment.

Turning to this annual budget session, I cannot help thinking that it becomes more and more an occasion which brings to light the definite existence of a considerable conflict of opinion between the Government and the people of this country, and at times that feeling is apt to be one of great tension. I think, Sir, even you will agree that this was so when we look back to the last budget session. Now, in your address from the Chair, you expressed a desire for co-operation on this side of the House, and that desire was also expressed in the most ample manner by the hon. the Colonial Secretary when he moved the motion now before the House. As far as I see the position, it is this: that every real citizen of this country and every true lover of Kenya desires that co-operation. (Hear, hear.) It might be well to ask, if that is so, what is the real reason that stands in the way of it? I believe the answer is a plain and simple one, and it is this: that until the bureaucratic form of control which governs this country undergoes a drastic alteration that unsatisfactory position is bound to continue. I believe the time is over-ripe when there should be an examination and readjustment of the Colonial Office form of control *vis-à-vis* with the legislature of this Colony, and I repeat the words used in a previous debate, namely: "Give to the people a greater share in their own affairs, a greater share in the financial control of the Colony." That is bound to happen; it will happen some day, and when it does I believe you will meet with a ready and generous response from the unofficial community in this country to come forward and shoulder this responsibility, and right nobly too.

To imagine that the present position can carry on indefinitely is, in my mind, a complete failure to grasp the facts as they face us to-day. We sit here as elected members. Many of us travel very great distances to attend these sessions. Often when the session is over, one asks one's self "Has one been able to do any good?" and nine times out of ten the answer is in the negative. And why? It is because, I believe, we do not hold any real measure of responsibility as regards the government of this country. I have said before in this House, that I consider it is waste of time for us to

come and sit under the form of control at present exercised by the Government of this Colony, and my mind is unaltered on that, and if we are to go on in the same old way I, for one, do not intend to continue to waste my time or the country's money in adopting the attitude indefinitely which we are forced to adopt on this side of the House.

In the speech of the hon. the Colonial Secretary he said that Government had done everything that it was possible to do to meet the wishes of the community during this past year. In fact, the Government had appointed committee after committee and really, as far as I could understand, it was government by committee. I maintain that that is a complete vindication of the plea I am putting forward, namely, that Government have no alternative but to take the people of this country into their confidence when bringing in any measures for the real government of this country, and I believe that is amply justified that we are entitled definitely now to claim a far greater share in the responsible government of this country. I would remind Your Excellency of what the Premier of Southern Rhodesia recently said in London, I believe it was at the last East African dinner. Talking of constitutional advance, in effect he said: "It will be far better to give graciously now instead of waiting and waiting and then having to give, because you will have no alternative but to accede to the demand."

I am a great believer in this Colony and its future. Nothing stands still, and I believe, Sir, that if we were to be given that measure of sympathy and assistance to which we are entitled there is no question whatever that this Colony will never go back. There are many of us here who have made our homes in this Colony; and we are determined that whatever happens we will stick to this Colony and see it through. But I would not like to be misunderstood on this. I am not at this moment ready to urge self-government or anything like it, although I definitely believe that that must be the goal and mission of every true settler. But that is a matter of the distant future which for the moment can take care of itself.

Now, Sir, let us look at this budget session. We have a Standing Finance Committee, and that Committee, I believe, was appointed a year or a little more ago. I believe that that Committee functions in a very incomplete manner, and if they had any real share in the financial control the unofficial members of that Standing Finance Committee would not be here attacking and criticising the budget; they would be here defending it and so short-circuit the enormous amount of controversial discussion that goes on in this House, with a considerable saving of time and money to this Colony.

I believe myself that there is a real desire on the part of the authorities in Downing Street to do something to help us, and I do appeal to them to meet our demands in a generous and sympathetic way, in order that they can play their part in helping to overcome the very difficult position that we are faced with in this country to-day. We can go on talking co-operation as much as we like, but you will never get true co-operation until you get a real sharing of responsibility.

I have endeavoured, Sir, to point to the root of the trouble which exists in the relationship of Government and the people of this country, and I only hope that what I have said will not fall on deaf ears, either in this country or in Downing Street. (Hear, hear.)

I should like now, Sir, to refer to what I consider is the outstanding feature of this budget session. That is, I think, the announcement made by you in your address from the Chair, which dealt with the question of reductions in rail freights. That is a very big measure, indeed, which will go a long way towards helping the producing community, and I for one would like to pay tribute to those Kenya members of the Railway Council who have fought so hard for us and who fought so successfully. (Hear, hear.) I would also like, secondly, to express our deep appreciation to those Uganda members of the Railway Council who must have so sympathetically supported the demands put up by our own people. (Hear, hear.)

Whilst being so appreciative of that measure of relief which the primary producer will get from the railway reductions, we have all been worried and exercised in our minds as to how far this was going to be set off by a rise in freights, and it is with the deepest regret that I heard this morning the details of the additional freight charges which the primary producers both of this country and Uganda will have to pay. I do hope that Government will continue to press this matter with the utmost vigour, and I hope also that when it comes to the question of charter against the Conference lines that this Government will do everything possible to encourage charter, even by going as far as to give a substantial rebate of port and harbour charges, because I think it is a most impossible position that we, the producing community of Kenya and Uganda, should be at the mercy of a commercial combine.

I am reluctantly compelled to refer to the provocative speech made by the gallant and hon. member representing native affairs. As a primary producer, I resented intensely his remarks on the question of raising the native wage level. There are so many of us here who have the interests of the native just as much at heart as he has, and I think it is

a constructive suggestion. It is quite obvious to them and to me that the Indian population in Kenya to-day is getting into a precarious position. There is not sufficient work, not sufficient occupations and not sufficient openings for them for the simple reason that it is due to the annual increase in the population and I suggest it would be a wise move and they would certainly get my backing if they made a move themselves to prevent the further increase of population from outside and I suggest that they should do that and safeguard themselves. But what did they do in the recent session of this Council. Some of them voted against a motion put up by the hon. and Noble Lord which had in principle the demanding of the right for Kenya-born children to have the first opportunity in the Administrative Service. Some of them voted against that. They are not logical. If they want equality they want education. If they want education they should demand the same rights for the Indian-born that the European-born has in this Colony. They also claim equality, equal rights in joining the Naval Volunteers. They want the Defence Force thrown open to them. I cannot honestly think that the hon. gentleman is sincere. Take the record of the last War when the brunt of that war in Kenya was taken by all the European settlers and the natives, the casualties of Asiatics killed by the enemy in action were nil; killed by climatic conditions, nil; executed for high treason, five. You cannot get equality on those lines. Equality must be based on equality of sacrifice apart from anything else.

I should like to touch on the item in the budget with reference to the ferries at Mombasa. I understood the hon. the Director of Public Works to state that the revenue from those was £450 and the expenditure £450. I do not know the whole of the details but I have no doubt the hon. the Director will reply to that later on, but I do know from my own experience this year that those ferries are let out to tender. They are run and operated by five to six natives on each ferry, say a maximum of twelve. The £450 revenue received by Government works out that those boys are paying £3 2s. 6d. a month each for the right to run the ferry. Of course it may mean that there is a contractor other than the natives. If that is so, it means that contractor is making considerably more, that he is collecting more than £450 on the ferries, as he has still to pay the natives. If the natives are paying £450 then the ferries must be a very lucrative concern for somebody and I do think it is a shame that the present state of affairs should exist on that coastal highway. It costs Sh. 2 for a return ticket to go over Nyali Bridge and if you do not return the same day you have to pay another Sh. 2 to get back the next morning. It costs Sh. 1/6 to cross the other two ferries each way so that if you go to Malindi and return the next day

it costs altogether Sh. 10. It is an iniquitous expense for the travelling public and bad enough for tourists but it must be a terrific handicap to the agriculturist, both European and native, at the Coast, and I do suggest that this matter could be gone into and I think relief could be given. The figures given by the hon. the Director of Public Works definitely show to me that if the native boys or the contractor can afford to pay £3 2s. 6d. per month or £450 per year, then the rates could be cut very much indeed, if the ferries were operated either by the community or the Public Works Department. I hope the hon. Member for the Coast will continue this matter later and carry it on to finality. I would not have brought it up only I had spoken to the late Major Robertson-Eustace and I suggested he should put in that question. Unfortunately he is not with us now and to ventilate the matter I put the question forward.

As regards the strictures passed on the European Elected Members as a whole and the views given by the hon. Member Dr. Wilson, I will not say very much. It has been covered by previous speakers, but I would suggest to him that if he has ever made a mistake as a medical officer—and we are all human—it is generally understood that those mistakes are buried, that is in below the ground, but if you make a mistake as he has made in this Council it will take a lot of burying.

I would like to compliment the hon. the Colonial Secretary. He made an admirable speech and as far as I can judge up to now we seem to be a very happy family and are going to work together ever afterwards. It was not a myth he laid. He has actually scotched the old Loch Ness monster! But I believe it has been photographed. Some people say it is a sea lion, others that it is a python. Yet time only will prove whether the ghost has been laid or not. I notice that it did considerably upset the hon. the Attorney General that in moving an amendment he made a budget speech and of course I bow to Your Excellency's ruling this morning, but it did upset the hon. the Attorney General. There was one point about it and that is it was a short one and it does prevent the hon. and learned member from replying and may save time on this side of the House.

The budget is a perfectly simple document but I do not think it is as simple as it looks and according to me it will have to alter very considerably in construction. It is also stated to be the best Government can do. I can only suggest it is a poor effort. It is also said to be unimaginative. I quite agree. Instances were given to explain that steps had been taken to appoint committees and boards to back up the argument of co-operation. I may say it is not true co-operation to appoint committees and boards and when those committees send in their findings to Government, Government

simply take out what they choose and the rest are put on the scrap heap. I do not think it helps at all and it does definitely mean that Government are delegating their authority to these committees and boards, but they do not do it in a co-operative spirit, as if they did they would accept recommendations when they were brought in.

It is also suggested that the budget suggests no new methods of taxation. I maintain, Sir, that it did suggest a new method, and I am referring to the breach of faith made by Government. Everybody is aware that at the last budget session we were not a happy family at all and I think the situation is very much more aggravated to-day than it was twelve months ago. I myself did not agree to accept the committee that was appointed by Your Excellency to find savings of £100,000. I was of the opinion and still am that it was Government's duty to appoint that body. It should have been official and should have had definite instructions to find savings of £100,000. What has happened? The Committee sat and after careful and long deliberations recommended savings of £133,000 of which £31,000 has been implemented, I understand, by Government. But none of them has been implemented for the purpose for which we asked that the Committee was to be formed, namely, the relief of taxation. I definitely maintain it was a breach of faith with the Elected Members. I cannot see that co-operation has been carried on.

Now, Sir, I would like to put up a constructive suggestion. I quite agree with the hon. Member for Uasin Gishu who has just spoken. It does seem to me to be futile, I think. We have twenty members sitting opposite this morning with probably more brains to the square inch than any other collection of men you could get in any other Council. Also on the question of prime condition I think they would go at 65 lb. to the bushel and they could pull their weight, but the trouble is Your Excellency that they have not got a vote and that very often brings about a misunderstanding in this Council and we members on this side when speaking of Government, that sort of Government, and we blame Government and criticize Government for certain reasons, it is invariably taken personally. It is never intended to be personal by me or any other hon. elected member. We criticize the Government which is part of a system and I maintain, as a pioneer and one who has made his home in this Colony, that the system is wrong and has outgrown its usefulness in this Colony. I am referring to the Crown Colony system of Government and one suggestion I want to make is that if those hon. gentlemen go on strike and join the Vigilance Committee and come over to this side we can get a vote and I am perfectly certain we would be much happier with a free conscience and free political vote

than simply sitting there and many of you would be better employed in your offices and if that is not true you had better find another job of work. I cannot see either why you should come here, at all and waste your time and the public very often get annoyed. You could wait until something in your department was being raised and then come down here and simply to note that the veto was applied. I suggest to Your Excellency that you put your hand in your pocket and pull out a white rabbit. I am definitely against Crown Colony government. Kenya cannot be governed from Downing Street. We are a very virile European population and a very vocal Asiatic population and three million natives who want the best we can all give to them and it cannot be done by air mail, by wireless or by cable, and I think it is also to be regretted that when we get down to things we find, as Your Excellency has found—this is not personal—that the Secretary of State insists on everything being referred to him of any importance whatever. Even our parochial matters must first be vetted by the Secretary of State. I maintain that system is out of date and it would be very much better indeed if they gave you full power and executive authority and then we can guarantee that you would have the full co-operation of everybody and I hope the Elected Members will succeed in the near future in getting things altered. It is interesting to note in passing that we have already had three Secretaries of State this year. How is it possible to carry on this Crown Colony Government? We are here for good and all, when the rulers at home are in and out of office like a jack in the box whenever an election occurs.

Now, Sir, I should like to suggest to Government and ask for the co-operation and assistance of the hon. the Director of Agriculture in appointing an officer as Secretary of Native Development. If his designation is altered it is immaterial. I see no reason why an officer in the Agricultural Department could not be Secretary. It would prevent the clashing of interests between the European and the native producers. It has already been done in Southern Rhodesia for that reason, to prevent the native producer from unnecessary uneconomic competition with the European producer and it would be very much to the advantage of the native. Had it been done we would not be in the position we are to-day. Take the maize produced by both European and native. The native has been encouraged to grow maize to such an extent that he has paralysed the European. He has also paralysed his own situation because we have heard it stated here and it is still true to-day that the native is getting for his 200 to 300 lb. bag of maize 50 cents to Sh. 1. They have no methods of exporting their crop, no methods of marketing and it amounts to me that Government has not done something to remedy the

situation. It was either the intention or it was a mistake. I do not think Government has deliberately tried to oust the European out of this Colony, but it was a colossal mistake and it has ruined scores of European maize farmers and what is going to be done I do not know. I think that is a point on which the earliest possible information should be given in this House as to what is Government's intention. For me to support this budget in whatever form it comes back from the Standing Finance Committee if it is not the first action of the Government to help the agricultural producer whether European, Asian or native, to tide over their present terrific difficulties. I would suggest as a constructive suggestion that there is a way out. The only way out I can see. The situation is a most deplorable one and whatever is done will not remedy past mistakes but will help to rectify the position in the future and I suggest Government should order the drawing up of a Sale of Maize Ordinance on the same lines as the Wheat Ordinance. That would help producers and if Government was not prepared to do that, which is really the best thing Government can do, leaving out the subsidy. If on the other hand you implement a Sale of Maize Ordinance plus Sh. 4/50 guarantee for export maize then that would still be better and would give some help to tide over the next twelve months. I am only suggesting the guarantee principle for twelve months but without the Ordinance it would be futile. I said a year ago it was more honest to tell them "We cannot help you. We know you were invited here in 1920 and 1921 by the Imperial Government and by the Government of Kenya." The soldier settlement scheme was circulated on the Western Front as a result of which I am here. I may mention that it is a fact that Government asked for settlers and they got them. What have they done? The situation is very deplorable and it is my suggestion that the Sale of Maize Ordinance plus the subsidy is the best possible thing one can do and I hope Government is not going to turn round and say "We have only a budget with a surplus of £9,000—what can we do?" If that is thrown out then the position will be absolutely hopeless. I suggest again at the risk of reiteration, we cannot wait for the report of Sir Alan Pim. If the Standing Finance Committee on the budget cannot bring it in to show a much bigger surplus to enable Government to give a subsidy, then definitely you are in honour bound to pass legislation controlling maize on the same lines as the Wheat Ordinance. It is not the only Ordinance we have, Sir; there is the Sale of Pyrethrum Ordinance to protect pyrethrum growers; you have appointed a Coffee Board on somewhat different lines, but it was to help the coffee industry and they are doing the best to help themselves. In the offing we have the Dairy Control Bill in whatever form it may come up in. We have a cess on butter and it has been the principle and is

getting more so every year in every agricultural producing part of the world to go in for co-operative and collective marketing. If the producers are given co-operation and collective marketing on reasonable grounds then I would say definitely if they cannot exist without assistance then they have got to find some other crop. It is not their fault they are in the position they are in now. It is not only due to the slump in world prices but also to the regrettable position which has occurred right through the reserves where maize is produced and it is not up to the native to grow. Without maize we would be in a precarious position. There have been two famines—the last one in 1928-29 in the Northern Frontier—and although the native grew maize the Government had to rely on the European producer to save the natives from starvation. I do not wish to reproach Government unnecessarily but Government stabilized the price of that maize against the producer. I think it was a maximum of Sh. 15, but it did go to Sh. 12/50. I have had some experience in South Africa. It is true that they have their mines and due to the price of gold the country has been very prosperous the last two or three years. We are not in that enviable position, but down there I have paid as much as £3 a bag. It is true at times I have bought it as low as Sh. 5 but its general price is Sh. 8 or Sh. 9. In this Colony I started the Plateau Maize Growers Association at Eldoret. I remember we paid at the rate of Sh. 14 per bag and I should say the average price was Sh. 9.

There is a point that I do not think Government will use and that is the difference of opinion existing in the Colony to-day and it is very regrettable. Against the maize producers you have the sisal industry and the coffee industry and I think it is most regrettable when the European has his back to the wall and we are fighting to get something we find even the producers, one fighting the other, and we have a Vigilance Committee and fighting in their own ranks. I suggest to both the coffee and the sisal people that unless they want a crisis in this Colony that they had better co-operate. I appeal for it outside and if we cannot save them all, to save those we can. I have no interest beyond that we all live on agriculture in this Colony. When agriculture is not prosperous, the Colony is not prosperous. If you only take a small item—native taxation—which is something over £500,000, that is only about a third of what the European producers pay in wages, so we are not only paying our own but supplying the native with the money to pay his taxes as well and that is where the prosperity of the Asiatic comes in—he gets a rake-off on the lot.

The Ottawa Conference, Your Excellency will remember, was out to raise the price level, but if the sisal and coffee people are against raising the price level of any commodity

on principle and take it as a personal matter because they are not getting their rake-off. I say that self-government where Europeans cannot pull together is going to be a farce, for we definitely must raise the price level. The Imperial Government are doing it and are losing four millions a year on the beet industry, they have a Milk Control Board of sorts, and subsidize the farmers; every country in the world is taking similar action, and it does not suggest anything peculiar or original to Kenya. It has been found necessary in every producing country in the world, so that we have a very good case on which to ask Government to do their utmost to improve the present situation by the methods I have suggested.

I cannot bind myself to any findings Sir Alan Pinn may bring in on the second of his terms of reference. I do not agree to it. I was not consulted, the elected members were not, but I am quite sure that the elected members will be quite prepared to discuss any matter with him. That, I think, makes the position perfectly clear. I would also make it clear before sitting down that I agree wholeheartedly with the speech made by the Noble Lord the Member for Rift Valley and also with the one made by the hon. Member for Nairobi North. They were speaking on behalf of the elected members. I have just touched on one or two matters which they had left open. I do hope, Sir, that Government will find ways and means of keeping the farmer on the land of doing something, and doing it quickly.

THE HON. W. G. LILLYWHITE: Your Excellency, I have no doubt that hon. members have already guessed one of the subjects on which I wish to say a few words. The hon. Member for Trans Nzoia introduced that subject both in the form of a question and also in his speech this morning.

I am greatly disappointed that no provision has been made in the Estimates for the freeing of the ferry services on the Coast. Practically all the speeches I have heard in this House during the last week have been around questions of reduction of taxation, but I may say that by the freeing of these ferries we should be reducing super-taxation. Last week, we heard the answer to a question as regards the revenue and expenditure on the two ferries only at Mombasa. The figures more or less balanced themselves. But there is one point I should like to mention, and that is that Government itself pays quite a considerable sum of money each year to enable its own officers to go about their daily business. This money has to come from Government and is paid to a contractor. The procedure is, I think, that Government ask for tenders to run a ferry. The man who offers most money is the man who generally gets it. What we should like to see,

Sir, is a reversal: we should like to see Government ask for tenders, and the man who offers to do the work at the lowest figure should get it and Government foot the bill.

I do not remember, Sir, anything on which all the people—and when I say all I mean official, unofficial, everybody—have been so unanimous as they are to-day on this question. It is our only road, unless you want to run yourself into difficulties and increase the distances and so on. The fact is that some £5,000 to £7,000 per annum comes in hard cash from the pockets of the people who use this road, and that is no myth. That sum does not represent the only loss: there is depreciation of vehicles; which is very rapid indeed; loss of time has also to be considered. The former, to some extent, could be obviated by the improvement of the ramps, particularly the one on the south side of Kilifi; the second one only needs improving by a certain amount of capital expenditure in putting on better forms of propulsion, etc. Just lately, the whole question has been made very much more difficult indeed, as the owners of the Nyali Bridge have seen fit to double the charges, particularly against the producing element at the Coast. The motor car has been more or less left alone, while the lorry charge has been doubled and to pay Sh. 4 each way for a motor lorry does seem somewhat iniquitous.

I sincerely hope that even now it is not too late to ask Government to find the money to free these ferries. It would not cost a tremendous lot, as the hon. the Director of Public Works would be able to point out. If Government, as a matter of fact, reduced their surplus from £9,000 to £8,000, I am quite certain that would cover the cost.

My hon. and venerable friend representing native interests mentioned last week the question of lepers and leprosy. I had an opportunity of going to Kaloleni some time ago, when I saw these people. From time to time Government have had leper camps in different parts of the country, but have always allowed them to fade away. To-day, it seems that the only people who take any trouble at all with the lepers are the missionaries. There was £100 taken off the infectious diseases vote, and I do think this money should be returned and used for this particular purpose. The real remedy seems to be to establish a leper colony, not a colony on the lines of the old camp, where Government fed and did practically everything for the lepers more or less turning them, I might say, into a company of grousers, but an established leper colony where the inmates could live, as nearly as possible, normal lives in the same way as if they were living among their own people in some other part of the reserve.

I should just like to mention the veterinary services instituted for the benefit of the Wagriama and the Wadurama. On the recommendation of the Daniel Hall Commission, a veterinary establishment was started at Mariakani. First of all, I am afraid that the natives could not believe that this sort of thing was being done for them by Government. After a time, they found that they could get good sales for their milk and ghee in Mombasa, and they really saw that it was not so bad after all, so that they became prepared to put in their own money and give land and to fence it to push forward the good work. It is now suggested that this service shall be taken away from them. I do hope, Sir, that this is not so. It is the only thing they have ever been given, and to take it away at the present time would immediately convince these people that there was a very nasty catch after all.

I have just been speaking about the question of the ferries, and that must lead me to the question of roads. The tracks along the Coast at the present time are in very fair condition. The weather has been very kind to us, for there have been no excessive rains, or excessive downpours, so that things are in good condition. But I am very sorry to hear that the sum of £600 has been disallowed for the improvement, or rather the completion, of the road between Malindi and Lamu. I for one a few years ago was not too much in favour of this road being pushed through to Lamu, until at least the road from Mombasa to Malindi was consolidated and put in safe condition, but the road has been pushed through and a considerable sum spent on the bridge over the Sabaki River, a ferry over the Tana, and to discontinue the work means money lying idle and a district not getting the benefit of communications which it should have if the agricultural produce is to be developed. I believe the idea is to grow a considerable amount of cotton in the Tana area, which it will be very awkward to do if it is found that the cotton cannot be brought to the market at reasonable cost. I do hope, Sir, that money will be again allowed so that that road can be completed.

Regarding the question of the collection of native hut and poll tax, referred to by the hon. and venerable Archdeacon Burns last week and again by the hon. Member Mr. Hoey this morning, we all know that it would be very insincere if we said this sort of thing never happened. Of course it happens. It is hardly reasonable to expect that in a few years one is going to change what has been the custom of these people for many years by means of which in many cases authority has been exerted, but I am perfectly certain that if any concrete cases were ever taken to a District Commissioner the offender would get no further opportunity of repeating his performance. (Hear, hear.) It is not easy, Your Excellency, to collect these taxes, and it has to be left very

largely to the chiefs, tribal retainers, and so on. It does not mean that they have particular difficulty in getting the tax, but very often it means they want to pay off an old score against someone. It is very hard to think a thing like that has got to be stopped, but in spite of what my hon. and venerable friend has said I still think one of the worst points about the whole matter has been the tremendous shouting from the house-tops by the Press. The Press is a purveyor of news, we know, but I do think it should be discreet news. The paper is read not only here but in practically every English-speaking country. There is probably someone in this country who sends a paper to Australia, Canada, and elsewhere, and I was very sorry to see the great headlines in the paper next morning dealing with the speech of the hon. member. No one wants this method of tax collecting carried on longer than can possibly be avoided.

I do not think, Your Excellency, that I have any more to say, as a good deal has been already said by the hon. Member Mr. Patel and the hon. Member for Trans Nzoia. I support the motion before the House.

THE HON. P. A. BEMISTER: Your Excellency, as stated this morning by my colleague, I come from a foreign region perhaps . . .

HIS EXCELLENCY: I am sorry to interrupt, but I propose to adjourn now for about ten minutes.

THE HON. P. A. BEMISTER: I would love it, Sir!

Council adjourned for the usual interval.

On resuming.

THE HON. P. A. BEMISTER: Your Excellency, as I was beginning to say when the adjournment was made, coming from the foreign dependency owned by this Kenya Colony, no doubt whatever my colleague and I say will not be enlarged on in the Press! In fact, it must be remembered that in the part we live the King himself cannot make an Englishman!

Before I start, I would like to mention one point on which I so heartily disagree with the Noble Lord, the Member for Rift Valley, in which he asked that all the quarrels between the official members and the unofficial members should not be taken into private life. I disagree entirely with that, Sir! (laughter) for it happens that it is only because of a dislike for a prominent official that I am here, because my friends found out that his name was on my opponent's paper and they voted for me, so that I do hope that quarrels will be continued to be carried into private life!

Now Sir, this session, I think you will agree, has been about the most mild and co-operative and brotherly love one that you have ever experienced. Maybe, the reason for that was the nearness to St. Andrew's Night, or something else, but I am asking you, Sir, not to place too much on the mildness of the views you have heard from this side. When I came up from Mombasa, I expected vigilants and all kinds of things, to see revolvers flying and bullets passing, and to have a really good time as I do sometimes at the pictures. But I find here nothing else but sucking doves. What you have done to them I do not know, Sir (laughter), but I am going to ask you again to ignore that, because this tone that you have heard in this budget does not reflect the budget.

I contend, and intend to point out to you the items, that the Government has lost its own self-respect, it has lost the respect of the people of the country, and by its adherence to the hoary-headed traditions of the Colonial Office government has sadly strained the sympathies of a set of settlers—and I speak of all races—with Britain and the British Empire.

Before going into details of the accusations which I have to make against Government, I want to try and find out for the Standing Finance Committee to investigate, some idea of the costs under the various heads in the annual balance sheet. It is said that I know something about accounts, having been forty years at the game, but I must honestly say I cannot get a real, true perspective when I look through these figures and see the way they are made up. It would seem that the Administration vote of £220,000 is devoted, or should be, to the administration of the Colony, but when I make inquiries I find that practically seven-tenths of that vote can be allocated to the cost of collection of native taxes. That would suggest that £160,000 brings in £510,000, whereas for the Treasury the Central Revenue Office have collected £400,000 for £29,000, but it must be admitted that most of that £400,000 is self-collected, so that I quite agree that the proportion does not look so big. At the same time, if it takes £160,000 to collect £510,000, there surely must be some cheaper method that could be organized, and in consequence the energies of the very highly paid and efficient district commissioners and provincial commissioners devoted to other industries for the betterment and development of the country more than is done at present.

I would suggest, Sir, a reference by the Finance Committee to the working of the old system that used to be in force. In 1901 to 1908, I think it was, the whole collection of the hut and poll tax—of which *inter alia*, the Sub-Collector was the inventor, in the time of Sir Arthur Hardinge—the whole of the tax from Vanga to Lamu and back to nearly

Samburu, was collected by one man, and that man not an Englishman. He had power of exemption, and I have never heard and have never read that there was any query of bad treatment or wrongful judgment in any of his dispensations. In fact, I have heard it from Provincial Commissioners of the old school that the system was as ideal as possible, that 90 per cent of the tax could be and was collected and found its way into the coffers of the Treasury. If, Sir, that system could have worked at a time when Government had not really got the country organized, it would seem to me quite possible that a similar system would be quite as efficacious to-day. It is true it will cause economy, and that may be its main objection, but if it has the effect of allowing high efficient officers to devote themselves to the development of the Colony, surely it is worth while going in for a little economy.

I would like also, Sir, to bring to the Standing Finance Committee's eyes the necessity or, if they like, a suggestion of reorganization of departments which are not to my mind exactly cheap. Some time ago I was looking around various offices, and I dropped in at the Attorney General's office. A friend of mine was working there. He was very busy, intensely busy indeed, and he had two clerks to assist him. When I asked him what he was doing he said he was discovering how often and how many items had been amended or repealed in the Indian Penal Code or one of those things, that he had got up to 1914, he had filled three pages of foolscap, and was still going on. That is the department which advises apparently on legislation and taxation. It is the department which advised and had brought in a meaningless Bill of 46 pages when we asked for three words to the Credit Trade with Native Act of 1904. That Act has never been altered, yet it only wants one or two words put in and it would mean untold relief to thousands and thousands of natives. This is the department, Sir, which has advised against money paid by Kenya people for alcohol on ships being collected by the Government of Kenya Colony, and I suggest that that department should either energize itself to assist the country or farm its work out.

A position which I have always been very interested in is that of the hon. the Chief Native Commissioner. The history of that appointment was while I was in the country and I understood at the time that it was prompted or invented by the late Mr. John Ainsworth, a wonderful man; but to-day, with a Colonial Secretary, a Deputy Colonial Secretary, an Assistant Colonial Secretary, five Provincial Commissioners, four Senior Commissioners and a hundred odd people, district commissioners, we still have to have one extra individual to look after, I presume, native interests. I say that that office

wholly redundant. I know quite well that even in suggesting there will not be any economy worked, that is suggested, because, when the Economy Committee reduced the number of Provincial Commissioners from nine to five, four Commissioners were invented who will in the ordinary course of time receive the same salary that the Provincial Commissioners who were done away with received. That is a scheme of economy under Colonial Office Regulations. I understand it, but at the same time I would like the names of anyone in position to be used not for a title to a post but for the use of the Colony.

The next item I have is a more serious one. It deals with the Commissioner of Lands Office, and this is a case in which all the members who have spoken about the speech of the Commissioner, the Chief Native Commissioner will be confounded, because it has been alleged that if the hon. and venerable Member for native interests had brought his complaint to a competent officer it would have been settled. I am going to deal with you of two complaints you know nothing at all about which have been brought to the head of the department, and correspondence exists with every detail, but nothing is done. I would ask you, Sir, to make a strong effort to believe that I am going to say (laughter) because actually every day I would say to whom I have mentioned it and put it before me and find that such a thing is absolutely impossible. Even the hon. Member for Nairobi North would not believe me until I have shown him the documents.

Now, Sir, some time ago the Government bought the freehold of 95/6 acres of land in Mombasa from the lessee who was then leasing at £5 per acre per annum for a period of 87/8 years to run. Subsequently the Railway Administration bought out the freehold of a certain portion of the land, after a lot of hard negotiations, and it left a certain portion of approximately 18 acres leased to the Government for the Government paid to the freeholder £5 per acre per annum in two instalments. The last payment was made on the 1st of August, 1935. That sounds quite simple. But you believe it that the Land Office have issued freehold titles to other people for the same land they are paying the same rent on. I know it is difficult to believe, Sir, but it is true. There are the dates. The plot numbers are 4750 and 4751. The freeholders have their new title and the Government freeholder is still receiving his £5 per acre per annum. That is one item.

Now, Sir, on the 25th September, 1919, an agreement was made between the Government and the holder of land in Mombasa. The holder of the land was asked to grant a piece of land of 18 acres for the purpose of a native cemetery—a place

to bury natives (Laughter). For that he was given a certain area of land—I do not remember, I think it was one acre—on Kilindini Road, the main road through the Island. That was in September, 1919. The agreement was drawn up and is signed by the Governor himself, Sir Edward Northey, and I will not read the whole thing, but one line which says: "said piece or parcel of land unto His Majesty for the purpose of a native cemetery." For the purpose of a native cemetery—so I mean it is written there—there is nothing to be misunderstood. In February or March, 1920, the Government made a deal with this land and gave it to the Church Missionary Society for the purpose of building a school in exchange for a piece of land somewhere in the neighbourhood of the Infectious Diseases Hospital. That is bad enough. But the land which was on the Kilindini Road fell under that great Act—the Town Planning—and the road was widened, for God knows why, but in the end the acre of land does not practically exist. It is thrown into the road without compensation. Now you will say at once why did not the freeholder (the transferor) go to the Government and mention the matter. Foolishly enough he believed the Government was honest. Not being English, of course he would have that opinion. It happened, however, that a month or so ago he was driving past the plot with me and he said "What are those buildings there?" I said "That is the new Buxton School. A fine place." Stopping the car he said: "We will go and look" and he found it was his land that he had been given an acre for, which was being built on. And mind, you might have made much better use of the land than a burial ground for Mombasa natives because they do not die in Mombasa, but that being the excuse the Government should have kept their word or gone to him and said "You have waked this to us, will you give us a change of user." There is no doubt or question about it with proper approach they would have got everything they wanted.

Now, Sir, those are two matters that I think call for direct and distinct investigation.

The only other matter which I have to speak of, Sir, is in connection with the question I asked which was answered a few days ago in connection with the growth of cotton on the Coast, and the reply given was 3,500 acres in the Digo Reserve and 3,500 by the other tribes on the northern side in the Kilifi district. But what I want to point out to you, Sir, and in this I am supporting the Coast Development Association's memorandum to Sir Alan Pim, is that whereas on the northern side they have been growing cotton for about 20 years, they have one agricultural officer or assistant—I do not know what he is—and about forty instructors, the Giriamu

and those interested and those who know, to really get down to a proper system. Again, they will not get down to a proper fair system of taxation. Taxation should be equitable. Everybody should pay. Everybody should be encouraged to pay. Here we have on one side it is said the natives are over-taxed, the next seat to it, it is said the natives are under-taxed. We see big companies getting away with their big profits and paying big dividends. We see shipping companies making big profits out of this country without a penny tax on it and yet an auctioneer who tries to earn a few pounds has to pay Sh. 1,000. Nothing is right in your whole system of taxation. Why not put up a committee on taxation—not the people who want to make the other fellow pay, but men who have studied the question, who have to answer to the people they represent, not outside people who have no real responsibility. You can go to the Chambers of Commerce—noble men no doubt; the Federated Indian Chambers of Commerce—noble men. All subscribing to the one thing. No reason for outside people. After taking in their confidence Elected Members, let them call in front of them these great giants of commerce I have criticized, and let them really decide what is best for the whole country and then and then only will you get true and real co-operation.

THE HON. THE DIRECTOR OF PUBLIC WORKS: Your Excellency, there are only a few points which I need touch on in this debate. The hon. Members for Rift Valley and Nairobi North regard the department as being in urgent need of drastic reorganization. The hon. member who has just sat down also referred to that matter in general terms but not with specific reference to my department. The term "drastic reorganization" has a familiar ring about it. During the thirteen years which I have listened to budget debates in this Council—and I think, Sir, I can claim to be the "father of the House" on this side—I seem to recall having heard it on many occasions from hon. European Elected Members.

Hon. members may perhaps not be aware that during the last few years the department has been most extensively reorganized and might I think justify the term drastic reorganization, and during that period the revenue charge staff has been reduced by 46 per cent and the loan staff by 94 per cent.

The department is a self-accounting and revenue-earning one and in that respect it is different from departments in adjacent territories. The cost of the department for 1936 according to the 1936 Estimates is £81,417. The estimated revenue to be collected by the department, as a separate accounting department, is £61,635. The difference is £19,782.

If the value of pensions, housing or other hidden emoluments or privileges are added, the net cost of the department to the Colony is £33,817, which is not a very large figure.

The former revenue-charge of European administrative and technical staff at the head office consisted of the Director, Assistant Director, Superintending Engineer, Hydraulic Engineer, Assistant Hydraulic Engineer, Hydrographic Surveyor and his assistant, Architect, two Quantity Surveyors, Road Engineer, Mechanical Plant Superintendent and two Draughtsmen. The present staff, Sir, at head office consists of the Director, Superintending Engineer, Hydrographic Surveyor and his assistant and a half-time Draughtsman.

The percentage reduction in the revenue-charge staff of the department is almost identical with that which followed the recommendation of the Economic and Financial Committee's report in 1923, a committee known as the Bowring Committee or Geddes Axe Committee, but the losses on account of pensions commitments and sales of stores, which followed the recommendations of that committee, have not materialized.

Your Excellency, it is clear however from the speeches of the two hon. members that what they have in mind by drastic reorganization, is reorganization on the lines of the Minority Report in Part II of Chapters IV and VII of the Report of the Select Committee on Economy. With all respect to the two hon. members who signed that Report, I find that many of the recommendations, many of the views expressed are based on suppositions which are not always facts.

Your Excellency, this is not a debate on the Report of the Select Committee on Economy, and I do not propose to go into the details of those allegations. It would take me at least an hour to go through as there are many inaccuracies, many assumptions incorrect, and many deductions from those assumptions, but, Sir, I would crave the indulgence of the House if I refer to one or two points of principle.

The hon. Member for Rift Valley has himself stated how salutary criticism of Government activities is, a principle with which I entirely agree, but the Noble Lord himself will I think be the first to admit that such criticism is invariably lopsided if those who are criticized have no opportunity of replying even in general terms.

I do not propose to weary the House by going into details. The only thing which I would like to do is to explode one myth. (A member: Another one?) This myth is one which has received widespread belief throughout the Colony at meetings of farmers associations, at meetings of district councils, in letters to the Press, in letters to me, and in the Minority

Report of the Select Committee it is treated almost as a creed, the truth of which has been proved. I refer, Sir, to the belief that because the grants to district councils were the same as the Public Works Department expenditure on the same roads, before the district councils took over and because those roads are much better now, district councils are more efficient than the Public Works Department. In the Minority Report of the Select Committee on Economy it is expressed in the following words:

"We maintain that district councils have more than justified their existence. A comparison of the road system and condition of roads at present existing with that pertaining in 1929 will prove it. Furthermore, the good work done by the district councils has been the spur by which the Public Works Department have been induced to pursue a higher standard of efficiency and economy on road construction and maintenance."

Now, Sir, to explode that myth.

Firstly, the basic road grants were fixed by law as the estimated expenditure on the transfer of the roads in 1927, or £28,988, the highest provision for any year during any period those roads were under the Public Works Department, and the actual expenditure was £3,295 or 11 per cent less than the estimated expenditure. Secondly, the average cost of labour, including rations, throughout the Colony, according to the Public Works Department figures has fallen gradually from 72 cents per man-day in 1928 to 44 cents per man-day in 1933 and 1934. The cost of transport has come down greatly, about 40 per cent since 1928. The basic road grants have remained constant except for a recent reduction of 11 per cent by agreement, bringing the sum to about the actual expenditure by the Public Works Department in 1927 when the cost of labour, transport, and materials was far higher. Thirdly, prior to handing over these roads, the road system in these areas was being built up, chiefly in respect of bridges, culverts, earthwork, drains, and so forth, and although the carriageways were with few exceptions earth tracks the councils took over a road system already in being. Since taking over, the District Councils have extended their road system by 6 per cent only, while the Public Works Department extended the road system by 31 per cent. The result is that while the District Councils have been enabled to concentrate the basic road grants on the roads taken over, the Public Works Department has had to spread its funds over a greater degree of work, not only of construction of extended mileage but the maintenance of that extended mileage. Thus the Councils have been able to concentrate their funds on re-surfacing their roads.

I am not for the moment blaming District Councils for the expenditure of all the money they can get out of the Central Authority; it is free money to them. But I venture to think that if the District Councils were responsible to the ratepayers for their revenue, or if there were unified control, things might be different.

No doubt my critics will tell me, as indeed the authors of the Minority Report have virtually done, that the figures of the Public Works Department are not reliable, that many of the roads are not worth £1 a mile, that they are mere tracks, and that I know that many of these roads cost £50 a mile. But facts are not disproved by mere assertion.

Nothing I say is intended to be critical of District Councils, whose earnestness I hold in deep respect, nor of their hard-working staffs. We hear a lot about the public spirited efforts of District Councils, but I should like to put in a plea for appreciation of the work of the District Road Boards in areas not under rural local government. The members do not get any travelling allowances when attending meetings, as members of District Councils do, and travelling allowances as far as the District Councils are concerned cost the Colony between £800 and £900 per annum.

Now, Sir, may I encroach on the time of the House whilst I burst a bubble? It is a bubble that must have a tough skin as it has persisted so long. It is the statement expressed in the Minority Report of the Select Committee on Economy in the following words:—

"At present the Public Works Department shows a pronounced disinclination to placing contracts, etc., to tender and such contracts as are placed to tender are subjected, in our opinion, to unnecessary and over-meticulous supervision."

Hon. members opposite have quite frequently throughout the long period I have sat in this Council referred to this matter in very similar terms. It may be of interest to hon. members to know that between the years 1929 and 1934 811 contracts to the value of £405,313 were let. It has always been desired by me to carry out public works by contract wherever it is economical and suitable to do so. Those who advocate all work being done by contract do not know what the letting and administration of a contract by a public authority, entrusted with the expenditure of public funds, means. The principle of competitive tendering is essential. The control of the contractor's operations is essential in order to be sure that the work is properly done in accordance with the designs and specifications. The elaboration of the designs and specifications and quantities in

extreme detail is essential, if only for the purpose of enabling tenderors to know what they are tendering for in detail, otherwise nothing but big bills for extras, arbitration, and so on would ensue. These are principles recognized all over the world in connection with the letting of contracts by public authorities entrusted with public funds. An individual or company can take what risks he or it likes, and they sometimes take enormous risks. After a long experience, extending over thirty years, of contracts in and out of Government service, I have no hesitation in saying that we are not over-meticulous in any way.

The hon. Member Mr. Puri advocated a reduction of rates for water at Machukos on account of the revenue being much greater than the expenditure. The expenditure he has in mind is merely direct charges on operation, maintenance and repairs. To appreciate the financial position of the water works it is necessary to consider renewals, interest on capital and other overheads. Hon. members will be aware that during the last four years Government has not contributed to the renewals funds of water works, but of course the liability for making up the arrears at some future date remains or, alternatively, paying the cost of wasting assets which have reached the end of their lives. The investment account for Machukos water works with interest is only £176. If, however, contributions had been made on the accepted basis out of the gross profits, there would still be a debit balance of £154 at the end of this year. It would appear on examination of the balance sheet for next year that the debit balance at the end of next year will be reduced to £49, but until the water works are operated as a paying concern on a commercial basis it seems premature to reduce the rates. I will, however give an assurance to the hon. member that the question will be looked into, especially with a view to ascertaining whether any reduction in rates would produce increased sales.

The hon. Members for Trans Nziwa and the Coast referred to the coast ferries. This question of free ferries is an extremely difficult one. If the protagonists of that proposal were able to quote other parts of the world where free ferries exist, their case might be stronger, at any rate, even on main roads. But so far that has not been put before me. I think we are all sympathetic towards those who have to bear the cost of the ferries and will do all we can to reduce the costs of transport if they are not reasonable.

With regard to the Mtwapa and Kilifi ferries especially, the contract is let every year, after an invitation to tender, on a competitive basis, and the highest tender out of a number of tenders is accepted. The £450 expenditure is necessary on account of the repairs and reconditioning of the plant, the

ramps, and so forth. No actual contributions are made to the renewals fund, nor has any renewals fund been established. Next year we hope, in reply to the hon. Member for the Coast, to make a very much better ramp on the south side of Kilifi Harbour. That is one of the chief difficulties with respect to that ferry. I would remind hon. members that the rates for these two ferries were reduced at the beginning of the year. Formerly the rates were arranged with the idea of covering by the profits contributions to the renewals fund.

Government has entire sympathy for the hon. Member for the Coast in his demand for the completion of the road to Lamu. We have a road constructed to Garsen, and we spent £700 approximately on the construction of a ferry across the Tana, but we have no road for a distance of about twelve miles to lead to Witu. I agree that it is rather a waste of funds not having that connecting link. It would not be possible to use it in wet weather, but in dry weather traffic could go over it.

Those are the only points, Your Excellency, that I have to deal with.

The debate was adjourned.

*Council adjourned till 10 a.m. on Wednesday,
4th December, 1935.*

WEDNESDAY, 4th DECEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Wednesday, the 4th December, 1935, His Excellency THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 3rd December, 1935, were confirmed.

ORAL ANSWERS TO QUESTIONS.

NYALI BRIDGE TARIFF.

No. 57—THE HON. F. A. BEMISTER asked :

"In view of the fact that the new tariff over Nyali Bridge affects commercial vehicles only and is thus detrimental to Coast produce and building material movements, is Government prepared to take any action?"

If the reply is in the affirmative, what action is proposed?"

THE HON. THE COLONIAL SECRETARY : As the new tolls are not in excess of those specified in the Agreement with the Nyali Bridge and Development Company, Government is not prepared to take any action.

LT.-COL. THE HON. LORD FRANCIS SCOTT : Your Excellency, arising out of the answer and in view of the controversy which has been going on for some time with regard to the competition against this bridge which is alleged to be contrary to the agreement, will Government refer this question to the newly appointed committee which is going into the whole question of transport?

THE HON. THE COLONIAL SECRETARY : Yes, Sir, I think that is a very good suggestion.

HIS EXCELLENCY : We will look into the matter. I would not like anything to be decided this morning.

LT.-COL. THE HON. LORD FRANCIS SCOTT: I am not asking that they should give a decision, but that they should investigate the matter.

HIS EXCELLENCY: Control of the ferries has been handed over to the Mombasa Municipal Council, and I should therefore not like to give a definite answer now.

NON-NATIVE POLL TAX, REVENUE FROM.

No. 60.—THE HON. A. B. PATEL asked:

"Will Government inform this House of—

(a) the number of persons who paid Non-Native Poll Tax;

(b) the total amount realized; and

(c) the number of persons who paid—

(i) Sh. 30 00

(ii) Sh. 40 00

(iii) Sh. 50 00

(iv) Sh. 100 00

(v) Sh. 140 00

(vi) Sh. 180 00

(vii) Sh. 220 00

(viii) Sh. 260 00

(ix) Sh. 300 00

(x) Sh. 500 00

(xi) Sh. 1,000 00

(xii) Sh. 2,000 00

under Ordinance No. LXI of 1934 and under Ordinance No. XI of 1933 respectively during the years 1935 and 1934?"

THE HON. THE TREASURER: (a) Non-Native Poll Tax under Ordinance No. LX of 1934 was paid by 22,984 persons up to the 10th of November, 1935, and under Ordinance No. XI of 1933 by 24,241 persons.

(b) The total amounts so paid were £62,866 and £67,708 respectively.

(c) As the reply to this part of the question contains a considerable number of figures, with Your Excellency's permission I will circulate it during the interval.

Circulated Reply to paragraph (c) of Question No. 60 asked by the hon. A. B. Patel.

(c) The numbers of persons who paid Non-Native Poll Tax were as follows, the first figure representing payments up to the 10th of November, 1935, under the 1934 Ordinance, and the second figure payments under the 1933 Ordinance:—

Sh.	1935	1934
30	12,959	13,487
40	4,490	4,883
60	2,188	2,290
80	1,073	1,094
100	804	910
140	512	633
180	265	274
220	186	191
260	116	127
300	81	92
340	57	68
380	39	52
420	32	35
460	20	18
500	36	33
1,000	42	30
1,500	10	16
2,000	6	9
2,500	1	3
3,000	3	3
4,000	3	3
Over	1	3

TRADING IN UNWROUGHT PRECIOUS METALS—LICENCES.

No. 65.—THE HON. A. B. PATEL asked:

"Will Government state the number of licences issued during the years 1933, 1934 and 1935 under Ordinance No. II of 1933?"

THE HON. E. B. HOSKING (COMMISSIONER OF MINES): The number of licences issued under Ordinance No. II of 1933 amounts to:—

1933, 3; 1934, 4; 1935, 5.

MONEY-LENDERS ORDINANCE, 1932.

No. 67.—THE HON. A. B. PATEL asked:

"Will Government inform this House of—

(a) the number of licences issued, and
(b) the number of prosecutions successfully carried out

during the years 1933, 1934 and 1935 under Ordinance No. XLV of 1932?"

THE HON. THE TREASURER: (a) The number of licences issued under Ordinance No. XLV of 1932 cannot be ascertained without lengthy research, but some indication is afforded by the figures of actual collections which are as follows:—

For 1933 ...	£615
For 1934 ...	£615
For 1935 ...	£670 (to the 30th September).

(b) No prosecutions were successfully carried out at Nairobi or Mombasa. It is regretted that particulars in respect of other Courts are not readily available.

MOTIONS.

TRAFFIC ORDINANCE, 1928—ISSUE OF MONTHLY LICENCES.

HIS EXCELLENCY: Before proceeding with the debate on the Estimates, I will call upon the hon. Member for Nairobi South.

CAPT. THE HON. H. E. SCHWARTZ: Sir, I beg leave to ask your permission to allow the motion standing in my name which is as follows:—

"This Council is of opinion that the Traffic Ordinance, 1928, should be amended to provide for monthly licences to be taken out in respect of the months of March, June, September and December in any year at one-third of the price of a quarterly licence plus ten per cent."

to be proposed now in order that, as with another motion last week, I can withdraw it, having received an undertaking from Government that amending legislation for the Traffic Ordinance will be introduced to provide not only that monthly licences can be taken out in the last month of each quarter, but in respect of every month in the year, at a figure which will probably be 12½ per cent of the annual licence fee and possibly also subject to a discretion to be vested in the Revenue Officer as to the granting of such licences. Government have further undertaken to do everything in its power to introduce the amending legislation during the present session so that licences may be taken out for the month of January.

In view of those undertakings I will ask Your Excellency's permission and the permission of this House to withdraw the motion.

HIS EXCELLENCY: I take it the House will have no objection to that.

The motion is by leave withdrawn.

We will now continue the debate on the Estimates.

DRAFT ESTIMATES, 1936.

THE HON. THE COLONIAL SECRETARY having moved:

"That the Draft Estimates of Revenue and Expenditure for 1936 be referred to the Standing Finance Committee for consideration and report."

THE HON. THE TREASURER having seconded.

The debate having been adjourned.

The debate continued.

THE HON. THE TREASURER: Your Excellency, it may be convenient if I intervene at this stage in order to attempt to clear up one or two points which have been raised in the course of this debate.

The hon. Member for Rift Valley asked for information with regard to additional capital for the Land Bank. As he knows the proposed loan is for £500,000 for the Land Bank and an additional £112,000 for the Nairobi Water Supply. The matter is under active correspondence with the Secretary of State and a decision may be expected fairly shortly. The latest cause of delay has been the appointment of the Agricultural Indebtedness Committee. As the Report of that Committee may affect both the actual amount and the use for which additional loan funds will be required, it would be unwise to press for a final decision on this matter until the Report of that Committee, which is now in course of preparation, has been received and considered.

Several hon. members have raised the question of Branch Lines Guarantees. As explained on page 29 of the Memorandum on the Estimates for the forthcoming year, the obligation is statutory and I do not think there are any reasonable grounds for suggesting that the obligation as such should be annulled, but I may say that the Railway Administration have recently themselves recommended that Government should be permanently relieved of the guarantee in respect of the Naro Moru branch. So far as the other two branches are concerned, that is, the Thomson's Falls and the Kisumu-Butere branches, the new and generous formula of computation of earnings of branch lines which was brought into effect in November of last year will have the effect of reducing the amount payable under the guarantees during the present year by a sum of approximately £5,000. In consequence of the abolition of branch line rates and a reduction in other rates, however, the sum payable under the guarantees will again be increased as compared with the figure which will be paid this year and it has been considered prudent to include in the Estimates for 1936 the full amount to which Government is pledged. When either or both of these branches are in the

position of the Naro Moru branch I have no doubt that the Railway Administration will sympathetically consider the question of permanently relieving Government of its several quarantees.

The hon. Member for Rift Valley alluded to the position of members on this side of the House and pointed out that we were in fact the equivalent of ministers. I do not wish to pursue the parallel drawn between Mr. Asquith or Mr. Lloyd George and ourselves, but I perhaps may be permitted to say that in my opinion there is one fundamental difference in that as Civil Servants we are completely debarred from utilizing any of the weapons in common use among politicians. That seems to me to be a very serious difference and a very serious disability from my point of view and one that should modify attack as well as defence.

Both the hon. Member for Rift Valley and the hon. Member for Nairobi North drew comparisons between the figures quoted by Your Excellency of the revised Estimates for this year and the draft Estimates for 1936. It is extremely difficult to follow a mass of figures quoted across the floor of the House and I am sure a full explanation would be more appropriate in the Standing Finance Committee. But I can say at once that the figures quoted by Your Excellency were largely actual ascertained figures and therefore beyond dispute, and that in both the revised Estimates for this year and the Estimates for 1936 a completely honest attempt has been made to assess the position.

So far as the 1935 figures are concerned it is expected that there will be a considerable falling off in collections, more particularly from Native Hut and Poll Tax in the period September-December of the present year and for this reason and on account of the Special Warrants which have recently been approved the actual surplus at the end of August is shown as being greater than the estimated surplus at the end of the year. It is my belief that there will be a surplus of at least £50,000 at the end of 1935, but as hon. members are very well aware, this assumption is and always must be very largely based on guess work. The surplus may accrue from increased revenue or decreased expenditure. Full details of the actual position are given to every member of the Standing Finance Committee and they are always at liberty to question and, if necessary, to vary the inferences drawn.

Some time ago in another place one hon. member alluded to the Estimates as "Guesstimates". Well, Sir, that beyond coming another word does not seem to carry the discussion much further, because that is, of course, exactly what they are—estimates based on the fullest possible information—ultimately guesses—and therefore guesstimates.

As regards 1936 I believe the revenue estimates to be sound. Particulars under each head are given and each figure can be explained in the Standing Finance Committee. To those of us who put in so much work as members of the Land Bank and Agricultural Advances Boards, the Coffee Board, the Agricultural Indebtedness Committee or any other committee connected with European farming, it would indeed be strange if we came to the fatuous conclusion that the garden is now or is likely to be in the near future a complete picture of loveliness, but it has its bright patches and both light and shade have been given due regard in the preparation of these Estimates. Of one thing I can assure the House and that is that no facts have been concealed and no misrepresentations in any shape or form have been made either in the ascertained figures or in the estimates for 1936.

The hon. Member for Nairobi North asked for an explanation of the reduction under Head XX, Item 26, of the Expenditure Estimates. That has been possible by the acceptance of a new accounting arrangement whereby repayments of customs revenue collected in previous years will in the future be treated in the same order as refunds of customs revenue collected in the current year, that is, they will be debited direct to revenue and will not in future be charged against expenditure. In effect, the customs revenue estimates are higher by £5,500 than the £675,000 shown on the revenue side of the Estimates. Apart from the added convenience of the new arrangement, the Government of Kenya will secure some advantage in the matter of allocation of revenue between the territories.

The hon. Member for Nairobi North raised rather a microscopic point with regard to the Coast Agency and stated that the Economy Committee had been misinformed over the matter of staffing arrangements. As neither of the officers responsible, that is, the Commissioner of Customs and myself, was asked to give any information on the point, it is not altogether surprising that some misunderstanding arose.

The hon. Mr. Patel expressed the opinion that the cost of the Central Revenue Office was out of proportion to the revenue collected. Having regard to the multiplicity of taxes and revenues collected by that office, I cannot agree with him, but it certainly is a fact that since this office has been established it has collected a great deal more additional revenue than the cost of the staff.

He also raised the question of racial issue with regard to composition of the staff. I must confess that I did not take into account what the Treasurer said in 1920, but he must accept my assurance that in making staff arrangements I had

efficiency, economy and public convenience in view and that the racial issue as such did not have anything to do with the appointments made.

The hon. Shamsud-Deen in recounting his experiences as a member of the Economy Committee quoted as an instance of stone-walling, the case of a head of a department who when asked what he would do if his vote were cut arbitrarily by £5,000, replied that he would tender his resignation. I have some idea that I said something of that sort but I wish to make it perfectly clear to him and to everybody concerned that this was in no sense a case of stonewalling. He will be the first to realize that the appointment of a Select Committee does not alter the position of responsibility and trust in which the head of a department is placed. If checks are abandoned and the general control is weakened to such an extent that the officer responsible feels himself unable to fulfil his trust, it seems to me that the only honourable course for him to pursue is to resign.

THE HON. SHAMSUD-DEEN: On a point of explanation, Sir, I was not referring to the hon. Treasurer and I could mention the name but I have no desire to do so. But I was definitely not referring to the hon. Treasurer.

THE HON. THE TREASURER: I accept that. I do remember saying something of the sort and the same argument might apply to the particular officer who make the remark.

The hon. Member for Mombasa stated that seven-tenths of the total Administration Vote was absorbed in tax collection. The fact that I cannot lay claim to an experience of accountancy extending over forty years may be the reason why I am unable to follow the various stages by which he reaches that figure. On the face of it, he would appear to be under the impression that the Administration does nothing else but collect taxes. That is not the case and it is hoped that the inauguration of the system of collection by means of stamped cards will ultimately relieve administrative officers of a portion of this work and will in due course allow them to attend with more time at their disposal to their other multifarious duties.

Those, I think, Sir, are all the points upon which it is necessary for me to comment at this stage.

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT: Your Excellency, there is a word which has been used once or twice in the course of this debate and that is the word co-operation, and I feel myself in the happy position of being able to acknowledge the faithful and

competent services rendered by the Unofficial Members on the Advisory Land Board over a period of seven years. This Board is a small one composed of two officials and two unofficials. During its lifetime it has held sixty-one meetings and recorded 453 minutes. My hon. friend the Member for Nyanza and myself are as it were foundation members of that Board and I think his recollection will tally with mine when I assert that throughout that period, with one exception and that not a very important matter, Government has accepted the whole of the recommendations made by that Board. Moreover, during the same period and with the same number of exceptions, the recommendations of that Board have been entirely unanimous. That of course means, Sir, if we are to accept the interpretation given by the hon. Mr. Shamsud-Deen of the word "co-operation" a few days ago, that the official members and Government itself have adopted throughout that period an attitude of docile submission, an attitude which I am sure my friend and colleague opposite would agree was a very right and proper attitude! (Hear, hear.)

The hon. Member for Nyanza in the course of his remarks a few days ago referred to the question of farm rents and that is a question which has been engaging the serious attention of the Land Board for a considerable time.

The House will recall that I spoke on this subject in August last and perhaps as a result of what I said then I have since received a number of communications from farmers associations in the Trans Nzoia, Uasin Gishu, Kisumu-Londiani and Machakos districts. In dealing with this question there must be a sharp division between remission of rents and revision of rents. Applications for remission of rent from individuals are for temporary relief and have been dealt with by the Land Board and I hope that it will be generally agreed that those applications have been sympathetically dealt with. I should like at this stage to take the opportunity of expressing the appreciation of the Land Board for the understanding and helpful advice we have invariably received from District and Provincial Commissioners. (Hear, hear.)

The Board, Sir, also visited areas in which owing to local land conditions it appeared advisable on a general basis to review the incidence of rents and where similar cases can be put up from other districts the Board will give the same careful consideration to the case. That, Sir, is a proper function for a Land Board. Some of the representations we have received from associations, however, based their claims for rent remission either wholly or mainly on the fall in commodity prices. Those representations were received during the month

of September and on September 30th they were considered by the Advisory Land Board which passed the following unanimous resolution:—

"The Board noted that the representations from these associations for rent remission were based mainly on the fall in commodity prices rather than on any special local conditions as was the case in the Laikipia-North Nyeri district.

The Board felt that the question of rent remission formed a part of measures for agricultural relief generally, and that, before it considered the representations of these associations, definite instructions should be sought whether Government would desire the Land Board to investigate these and similar applications, or whether it was considered desirable to refer the whole subject to one of the committees recently appointed by Government to examine the agricultural position in the Colony."

That, Sir, I feel was wise advice, because a body such as the Board of Economic Development, to which these representations have in fact been referred, must direct its attention towards raising the internal price of locally produced crops and if it succeeds in that intention then the ground on which this type of application has been made becomes no longer tenable.

Whilst, therefore, Sir, rent remission gives temporary relief and for that reason may be excused if it has been dealt with in some cases perhaps in a rough and ready manner, the revision of rents contemplates a much more permanent arrangement and must therefore be dealt with under a carefully devised plan. It is not an easy question. As hon. members know rent rates vary according to the different times at which land has been alienated, and whilst we can reduce the higher rates without demur, we cannot increase the lower rates which have been fixed for the whole currency of the lease in the title which the individual farmer holds. The only titles which contemplate rent revision are those under the 1915 Ordinance under which the 20 cents an acre rent is in operation at the moment. That Ordinance provided for revision and the revision is based on inspection and valuation. If we were to assume that an inspection and valuation carried out at the present time would result in a reduction of the 20 cents rate, that would mean that there was no agricultural land in the country which would carry a capital acreage value higher than £1 per acre. I have no evidence that this is the case. The inspection and valuation will take a considerable time and will be costly and therefore I am personally not convinced that as a relief measure it would prove effective. The matter, how-

ever, is being considered by the Land Board at the present time. It is one to which I must repeat careful consideration must be given and we must take our time to it.

Your Excellency, the hon. Mr. Patel raised the question of the transfer to the Mombasa Municipal Board of the Mombasa Water Supply. The administration of its own water supply is certainly a normal function of a municipal authority. The fact that Mombasa is the port of the Colony and that the water supply there has involved unusually high capital charges raises two factors which do require very careful consideration before a decision is made to hand the water supply over. A financial memorandum has been prepared in the Treasury and is at present being considered between the Municipal Board and myself. But the hon. member if I took him up rightly made the point that if the supply were handed over the additional revenue which would accrue to the Board would enable it to meet not only the whole of the heavy annual charges on its town planning loan and the cost of badly needed improvements, but would also enable it to reduce the tariff charges to the public. The position must be governed by the figure at which the supply is taken over; that is to say, by the annual contributions which must be paid by the Board not only for interest and redemption but also for renewals, and I would say that at the moment it seems to me to be by no means clear that if the Board did become the owner there would in fact be any considerable net addition to its ordinary revenues.

The hon. Member for Mombasa spoke yesterday with great earnestness and apparent conviction of two enormities which he alleged to have been committed by the Land Department. Now, Sir, I am aware that from time to time the hon. member does act in an advisory capacity to the person whose interests he appeared to be championing yesterday, but I assume he was advancing this case in this House from quite altruistic motives and solely in the interests of the general public. I was, however, a little disappointed that though he referred from time to time to a packet of papers, he did not succeed in revealing the whole story, which I presume those papers must have contained. I have no information that he was briefed by the land owner in question to raise these matters in this House and as the land owner himself has never raised them in this House, I do not feel at liberty to discuss the matters in detail here. But it may come as a surprise to some other hon. members of this House to learn in connection with the Native Cemetery that the agreement to purchase was made in 1913, that the land on Kilindini Road which was given in exchange was sold by the land owner in two parts between 1924 and 1927 for the sum of £2,400, and that in April last in answer to a claim from this land owner

that he was entitled to some compensation because when the land was bought it was sold below its market value in consideration for its intended use as a Native Cemetery, Government offered to put the matter to arbitration and has so far received no reply.

The second point, Sir, the second enormity alleged to have been committed by my Department, as I understood the hon. member, was, firstly, that two freehold titles had been issued by the Land Department in respect of the same piece of land . . .

THE HON. P. A. BEMISTER : I did not say any number, Sir.

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT : If there were more than one, there may be two, three, or four; let us say two. There have then been two issued in respect of the same land, and that Government is continuing to pay rents on a portion of the land which has actually ceased to belong to the freeholder from whom it was leased. I do not want to do the hon. member any injustice, but he frequently tells us that he has had a long and varied experience of affairs in Mombasa. He has during the last two or three years been a member of the Town Planning Authority and of the Municipal Board. Therefore I find it a little difficult to credit the fact that the hon. member is so totally ignorant of the first principles upon which the town planning scheme was based as apparently he would have us believe. That scheme was a pooling and redistribution scheme. The hon. member, I feel sure, really knows exactly what that means, and also knows that as a result of the pooling and redistribution features of the scheme certain land automatically and legally changed ownership immediately the town planning scheme was inaugurated. There is therefore no question of there being two freehold titles in existence at the same time in respect of the same piece of land.

Now, Sir, the other point which he made in regard to the rental question arose from this fact. Some years ago, Government purchased the Mbaraki property, and therefore became heir to an approximately 60-year lease of certain lands belonging to this particular land owner. A small portion of the land was affected by the Mombasa town planning scheme, under which plots had their shapes, boundaries and areas revised. Under the provisions of the Town Planning (Amendment) Ordinance, 1927, any leases affecting the old titles had precisely the same effect against the new titles, and consequently Government was bound to continue to pay this owner the same rental as previously, even though the area was in fact reduced. Had Government used the position in order to

reduce the rent, I can well imagine the thunder of denunciations which the hon. member would have directed against my head!

So, Sir, although yesterday the hon. member may have seemed to have carried conviction even to himself, I do suggest that this brief examination of the whole story reveals what a poor shadow of verisimilitude attaches to the allegations which the hon. member had the temerity to make!

THE HON. F. A. BEMISTER : Not the slightest ! (Laughter.)

DR. THE HON. A. C. L. DE SOUSA : Your Excellency, I had not originally intended to take part in this debate at this stage, but since the speech of the hon. the mover, the Colonial Secretary, a few days ago, certain events have occurred which throw on me the unpleasant burden of speaking on things which ordinarily I might not have spoken about. Such a duty is the more incumbent on me because most of my colleagues have already spent their ammunition and their guns have been taken away from their hands!

I refer, Sir, to the speeches made by two of the hon. European members in the course of the debate yesterday and also, if I may, to the speech made by the noble, the honourable, and gallant Member for Rift Valley at a dinner party at Nakuru the other day. Those two speeches in this House and the speech elsewhere are indications of the forlorn hopes which the hon. mover may have of seeing the olive branch which he has offered the European elected members being accepted, but nevertheless he has the satisfaction of being presented with what I may call, using Mr. O'Shea's own words in this House on a similar occasion, a profusion of brilliant hot house blooms which have been offered to him by the European elected members, none of whom has been anything better than a poacher converted into a gamekeeper.

That is the position, Sir. On the one side the hon. mover of the motion, on behalf of Government, in an apologetic manner, claiming ancient and present friendships, offering co-operation; on the other side, this eternal thirst for power, this eternal thirst for financial control and, what I may say, the distress in the minds of other sections of the community. I do hope, Sir, that these speeches and the action of the European elected members now and in the past have brought to the hon. mover the conviction that, however much Government may do to relieve distress among honest European settlers, their self-appointed leaders can never be satisfied.

Before referring to other matters, I claim Your Excellency's indulgence in making a point clear, and that is that co-operation has been offered by this side of the House not only to Government but even to the European elected members

themselves. We have given a proof of our sympathies to settlers in distress, otherwise we should not have allowed, only the other day, an amending Bill to go through whereby settlers are protected to the extent £500 in the matter of attachments on their implements, although I personally consider that many are not worth half that amount including the implements, everything, lock, stock and barrel. But we are very anxious at this stage—because you yourself, Sir, the hon. the Colonial Secretary, and Government, were anxious—to alleviate distress, if there is any. But I honestly do not believe that their distress is merely the result of locusts, bad weather, no rain, or the prevailing world-wide conditions; I think it is due to a great extent as the result of extravagance, to a great extent as the result of incompetence in farming. And we all know by now, and have had an indication from official quarters, that at the present moment what will assist these Europeans in correcting themselves is by changing over their farming methods. That is the principle I understand Government is going to accept, and I sincerely and very earnestly request that they pay more attention to Government's advice.

Now, Sir, those two speeches, which have provoked me to speak this morning, have advanced the old claim of constitutional advance, and I take it upon myself to speak on behalf of my colleagues here and the Indian community generally. Knowing as I do know that the bulk of the population of this country, the whole of the Indian population, the whole of the African and the whole of the Arab populations, and perhaps 50 per cent of the European population itself, do not want constitutional advance or financial control of the country. Those claims have actually become, I feel, chronic. They come at intervals. I might call them epidemics, in an epidemic form. But the fear is now that they are going to be endemic, to stay with us, and unless we relieve our minds of this fetich there will be no peace in the country. These claims for advance are based by these people on pledges by the Imperial Government. Only yesterday, we heard a gentleman say that the Imperial Government had sent him an invitation while he was in Flanders to come to Kenya. I have my own doubts, that there was any pledge from the Imperial Government in this matter. During the debate on the Carter Report I made it clear there was no such pledge. If people were told to come in and make good, it is no pledge, and it is no pledge to have constitutional advance. The Imperial Government over and over again have repeated, and only a few months ago repeated it, that there shall be no financial control in a handful of people and no constitutional advance for them.

And, Sir, in whose behalf are they making these claims? Whom are they representing? As I said, they do not represent the native population, they do not represent the Arab

population and, talking of the European population itself, there are eleven European members in this House. Two represent the Coast, and I cannot say, and no one can say, that the Coast is in this agitation. Two of them represent Nairobi, and what is the European electorate of Nairobi? It is composed largely of officials, whom they are attacking day in and day out, and of the mercantile and commercial communities. They did not represent even a fraction of the European population of the country; at the most they perhaps represent 50 per cent of the European population, and that cannot establish a claim for constitutional advance. My advice to them is, if you really want financial control and responsible government, why not agree to the separation of the budget? I agree that the budget cannot be separated, but a rough estimate could be made out as to what extent the European community contributes in taxation and to what extent they are entitled to common services out of that amount. But would they agree to that principle? In trying to find a compromise, we may eventually find they are getting more and others are getting less in return. As a proof of their honesty I should very much like them to come forward and accept that offer.

Yesterday, the hon. and gallant Member for Trans Nzoia made a very ungallant attack on the Indian troops, and I was really surprised at Your Excellency allowing it, knowing as Your Excellency does the sacrifices which the Indian community have made in past years and that to-day Indian soldiers are in the north of this Colony to protect those very settlers who are selling their cattle and making us much money as they can with a quasi-enemy State. At this moment there are Indian soldiers in British Somaliland and Abyssinia ready to lay down their lives. And what was that local history which he quoted? I think the hon. member has been reading a book I have myself read and which I have shoved under my book-shelf, which came from a Mrs. Huxley, in which she retells the life history of the father of European settlement in Kenya. He was certainly the arch-enemy of the Indian community! But in that book the whole story has been repeated, that all the Indians did in this country during the war was treachery and sedition.

Now, Sir, you yourself know more about this history than some of us do, and you will find that the very first lives sacrificed in this country were Indian lives, not in tens and hundreds, but in thousands. I recommend the hon. and gallant member and his colleagues to take a trip down to the coast and near the Tanganyika border and look at those graves which will tell them how much flesh and blood were sacrificed for this very Colony by Indian soldiers. There is no cross nor monument anywhere in the country to commemorate such deeds and bloodshed of Indian soldiers, but a trip to the coast

may amply repay hon. members and they may become dispossessed of the idea that the last war was won by any particular section, and certainly not even by the retired officer in His Majesty's Army who spoke yesterday. We were the ones who helped to stem that war in Flanders, together with the "little army" as it was then called, and this is the reward we get in and out of season—disrespect to our glorious dead!

Coming to the other speech at Nakuru, as I said, Sir, the honourable, noble, and the gallant member for the Rift Valley referred to Indians as having failed in the Executive Council. I think that that is short of nothing but an insult to yourself suggesting as it does that the Indians whom you have chosen to serve on Executive Council . . .

LT.-COL. THE HON. LORD FRANCIS SCOTT: On a point of explanation, Sir, I said nothing of the sort.

DR. THE HON. A. C. L. DE SOUSA: I could quote the article, but I have not a copy of the *East African Standard* with me, and I will refer him to yesterday's copy.

LT.-COL. THE HON. LORD FRANCIS SCOTT: I referred to no individual member of Executive Council.

DR. THE HON. A. C. L. DE SOUSA: He referred certainly to Indians on the Executive Council: I believe he will accept that.

He further said that Indians should be given communal representation on the Legislative Council to represent the views of the Indians. That means that he separates the Legislature from the Executive. Whatever he meant, that is my report, and I shall be glad if I am wrong. If Indians have failed to work in any department I want to know, and would very much like the hon. member to make a statement showing in what way we fail or refuse to co-operate with Government and the Councils. As for co-operation, it is superfluous for me to say that the Indian community is co-operating with Government in earnest, and our only trouble is whether we are not overdoing co-operation even when that co-operation is not only not sought but even scorned when offered. In fact, in recent years there has been a sort of scramble for all these posts in the country.

Now I am coming to something that the hon. mover mentioned: myths. We do not want to obscure our minds and judgments by being misled by myths. We have no myths. We know what Government are doing for the settler community, and we know what it has done to always help the depressed farmers. We are acquainted with the generous measures Government have taken from time to time to assist

farmers, even at the cost of reduced services to other sections of the community. And, Sir, it is an open secret that Government, when these epidemics of political agitation arise, we know that Government always sheds its mantle of authority. I think the only reply to that is for us to shed our own coats of decency. What was really wanted from Government in this budget session especially was a frank, categorical statement saying that Government was determined to govern the country in the best interests of all the communities. That was the statement which I expected from the hon. mover. And also, Sir, that statement was a necessary one in view of what I call the 1935 caucus. This is the successor to the 1922 caucus, the difference being that in the 1922 caucus the European settlers and their political machine tried to fight the Indians out but failed. To-day, the 1935 caucus is the same political machine that is fighting the Government, and it seems that Government are being defeated, considering the various measures of relief given the Europeans soon after they have agitated. You, yourself, Sir, know the history of this agitation. When we were here for the budget in 1934, the same cries were raised and the European members walked out from the Standing Finance Committee. What was the result? Immediately, Government said "We will have an Economy Committee and give you relief to the extent of £100,000." While that was going on, only a few months ago, during the last session, some of the European members, following our own very good and salutary example, walked out of the House and went through the country from district to district agitating. It was pure and simple revolution, an open threat of rebellion against constituted authority. What did they say at those meetings, at every meeting? Orders went round from headquarters which were situated, perhaps, in this very building, and what were they? The orders were "To the last man and to the last penny." That was what was said. What other line did they take? And they said:—

"The time for academic discussions was past, the people of this country must get together and decide what had to be done."

And we all know what had to be done.

One of the hon. the European elected members sitting here now said:

"I do say that never have any of these little Colonies gone their first step towards running their own affairs without a row, and I expect that within the next six or eight months we shall have a similar row here."

That was said in a public meeting. Immediately, subsidies were given and committees appointed by the Government. That was the last thing I should have expected from a

manly, masculine Government. And you remember the epithet which was once given to Government. It was called a spineless Government, and I am sure, Your Excellency does not want your Government to deserve that epithet.

Now, what is the position? A Vigilance Committee was formed. As you know, the constitution of this Vigilance Committee is on the basis of a secret oath. The members of this Committee swear an oath, to whom no one knows. Some of the members of the Committee are members of your own Executive Council, another secret body where these same members swear allegiance to His Most Gracious Majesty. How can these people reconcile that position, and how can they tell us they want constitutional advance when they do not and cannot possibly understand what constitution is? Yet they have the cheek to come and tell us they are law-abiding and want the interests of all the other communities to be entrusted to their tender mercies. The moral effect of this caucus has been tremendous on the minds of the backward communities, and some of us shudder to think of the effect this might have some time or other on the minds of these communities if they chose to follow the same methods of agitation.

It was a splendid opportunity for Government to declare that the path of co-operation and peace does not lie in agitation and threats, but in a real, genuine and honest co-operation, and certainly, Sir, the country did not deserve that the speech which prefaced the introduction of the country's budget should be so tame as the one which was made by the hon. mover.

Whilst on the subject of co-operation, Sir, on which so great a stress has been laid by the hon. mover and which has been so generously acknowledged by my colleagues here, I would say that we do not want to assure you that we co-operate with Government. We co-operate and we are co-operating more than we think we should considering the humiliations that we get, considering the refusals of the offers that we make, considering that very few of our recommendations have been accepted by Government, probably because we did not make them in as force a manner as the others did. But I think, Sir, it is a proper occasion for you to make an announcement so that our suspicions and fears are allayed. We have been very seriously alarmed these last few months, and whatever native I have met has also expressed the same alarm, and I think that this session is a fitting occasion for the Government to tell us that we and the other communities need not be afraid, that we have still got the Imperial Government with us to protect us.

I am coming now, Sir, to something more parochial, and that is the question of public services. The public services of this country, maintained as they are out of common funds,

form an integral part of the budget we are now discussing. The Indian community has claimed a share in these services, and that claim has been as a matter of course. When I say we are co-operating with Government, I say that co-operation does not mean our taking the unwanted crumbs from our master's table: we want an honourable association with other communities in the affairs of State. It means a fair share of the distribution of the responsibility and the opportunities which that responsibility offers us in the services. It is a matter of great regret that the higher services are closed to us by the Imperial Government, and a greater regret that the opportunities which exist for us in the subordinate services are greatly curtailed.

Successive budgets have proved that posts which were held by Asians—and even the present budget is full of instances—have been abolished or given to other races. You will appreciate when I mention that there ought to be some well-defined policy whereby a certain percentage of these posts should be allotted to Asians, or that a certain percentage of the expenditure on these services be reflected in the salaries of Asian officials. I must be very selfish: I am not one of those who subscribe to the policy of natives and no one else. That might perhaps be the policy of the missionaries. But I say we are here and we have got to look after ourselves, as others do. We have to have our share as the Europeans want theirs, and let the native have what he deserves, but if it comes to the point when the native has got to lose us, the non-natives, ought to lose rather than he. But a great many of the Asian posts have been taken up on the one hand by young European boys and girls who at one time would have despised the humble occupation of clerks, typists, and telephone attendants on salaries which were below the dignity of the white man in this country to accept. On the other hand, Sir, the African services are being expanded, and rightly so, but at the cost of the Asian, and more than one Asian has been put on the roll of the unemployed.

It is therefore time enough that Your Excellency's Government made a statement of policy as regards the Asian services, so that we all know exactly what Government wishes to do with our rising generation. There are departments which do not engage a single Asian; there are others which replace Asians by Europeans and Africans, and an indication is given us of our ultimate destiny in the service when Government departments have initiated schemes for European and African learners while there is not one single instance, with the exception perhaps of the Postal Department—and in this respect I wish to express what is the general regret of the Asian community at the retirement shortly of the hon. the Postmaster General and our appreciation of all the kindnesses

the Asians have met with in his department—of the various schemes for the training of European and African youths including Asians, and we stand nowhere.

I do not want to get into figures, the hon. the Treasurer may correct me, but I want to give you an example of how the Asian sections of the services, the clerical services, are affected. I have tried to get some figures which exclude the Postal Department, Customs, and Military as being common services, and have divided the salary list into superior officers; technical officers, artisans, etc.; clerks, accountants, storekeepers, who are Europeans. These are the three groups. I have not included Your Excellency's salary in the superior officers list. On the Asian side I have divided them into technical officers and artisans, and clerks, etc.

The whole of our trouble of late has been the balancing of the budget. I must make it clear that I do not wish for a moment to suggest that Europeans should not be engaged in the subordinate services or that Africans should not be engaged, but I do say that there should be a certain proportion between the three communities, and that the replacement of subordinate Asians by Europeans does seem to me a distinct hardship.

On the European side, superior officers constitute 385 units—I may be wrong, I have compiled these figures myself; I am not an expert in figures but these seem to me to be substantially correct. These 385 units carry salaries totalling £285,018. The technical officers, artisans, etc., make a unit of about 500 men drawing £172,280, and clerks, accountants, storekeepers, 154 carrying a salary of £52,547. What I am trying to impress on you is the relationship which existed ten or twelve years ago when there were not 150 European clerks, typists and storekeepers. At the moment there are 445 Asian clerks, etc., carrying a salary of £98,584, while Asian technical officers, artisans, etc., make a unit of 284 at £55,269. The whole of the European list totals 1,039 carrying a salary of £409,844 as against a total on the Asian side of 729 with a salary of £153,855. That is the relationship.

I only mention this, Your Excellency, to demonstrate that Asians are gradually being squeezed out between the European and African subordinate, and your Government must give us some assurance that the Asian will not be thrown out entirely from the services.

A point was made in this debate, Your Excellency, by the Noble Lord the Member for Rift Valley who asked for something in connection with the Carter Report. We have heard a lot of talk about that Report, and I have spoken on it myself. We have said that the findings of the Report, especially those affecting the demarcation of the highlands of Kenya by an Order-in-Council, are *ultra vires*: they had no

mandate from the Imperial Government to touch that, and we have made representations in London. We maintain that the Commission had no right to go into it. This point has been brought up here by me, but I do not know what the hon. members representing native interests are doing, and I personally should have thought that if the European community wanted . . .

HIS EXCELLENCY: Has this anything to do with the debate on the budget motion?

DR. THE HON. A. C. L. DE SOUSA: Yes, Sir, in this respect, that on the reference to it by a member I have got to show why we take up this point and in any event I could raise this point on the land vote. But it is very proper to say that, if they want to define the highlands for ever, why do they not want native reserves to be equally defined? I thought that that point would have been taken up by the hon. members representing native interests.

Now, Sir, we were talking yesterday about the district councils, and the hon. the Director of Public Works had a lot to say about them. I have great sympathy with him in the repeated attacks on him. Regarding this question of district councils, we are opposed to them having any additional powers. We take it that these district councils are asking for additional powers, powers which are a constitutional advance towards self-government. We do not want them to have self-government, and over and above that, the funds provided for the councils are from common funds. Part of the money has been contributed by us, the Indian community, and yet they object to having one Indian member on each council to advise them in their own districts.

The saving of £18,000 suggested by the hon. the Director of Public Works has been turned down. For what purpose? They maintain a strip of 100 miles of road with a complete staff and executive engineer, while the Public Works Department look after 500 miles from headquarters and a certain amount of money has been reflected in allowances that the members of district councils have for travelling.

I have not yet finished, Sir, and if we are going to adjourn now I would continue afterwards.

HIS EXCELLENCY: How long is the hon. member going to be?

DR. THE HON. A. C. L. DE SOUSA: Very long, Sir!

HIS EXCELLENCY: Perhaps we had better adjourn now for ten minutes.

Council adjourned for the usual interval.

On resuming.

LT.-COL. THE HON. J. G. KIRKWOOD: Your Excellency, may I detain you for a moment on a point of explanation? The hon. Indian elected Member, Dr. de Sousa, mentioned my name in connection with a statement which I made yesterday. I want to adhere to that statement, but I want it definitely understood that I only referred—and it was understood by everybody here—to the unofficial community in East Africa, in 1914. I made no reference whatever to the Indian regiments, as I am well aware that every Indian regiment in the Indian Army has glorious traditions behind it, regimental histories of valour. (Applause.)

DR. THE HON. A. C. L. DE SOUSA: I do not want to go back to the same old point, Sir, but since the hon. and gallant member has tried to explain away the statement he made yesterday, and which I do accept, I would remind him that not since 1914, and certainly not in 1935, has the local Indian been given the opportunity to defend the country of his adoption. I did not want to refer to that, but he has reminded me of something which in a moment of excitement I had forgotten.

What is the Defence Force as it is to-day? and why is it that Government deny us the privilege of sacrificing ourselves in the defence of the country? and why do they not allow us admission into the military? To give a dog a bad name and then want to hang him is one of the meanest things one does. You have got to give the Indian community the fullest opportunity to take a share in the defence of his country, and if then you find no Indians are killed in the next war and none injured, then you can charge that against the local Indian.

Now, Sir, I am coming to more agreeable subjects like education, and in this connection I have nothing much to say, only a few points to put up for consideration by Government. At the same time, I must acknowledge the very, very good atmosphere that the present Director of Education has brought about among the Indian community as far as education is concerned. He has not been very long in this country, but after one of the late Directors of Education, who went away honoured and, to a certain extent, wept, by the Indian community, we have another on whom we can rely for assistance.

In the matter of education, the hon. Member for Trans Nzoia complained yesterday that the hon. the Director of Education had a lot of difficulty in accommodating Indian children in Government schools and, if I understood him rightly, he told the Indian community to use the latest method of controlling birth, what you might call birth control. I

know something of birth control as a professional man, but I really do not know what he meant, whether he wished to restrict the births of Indian children.

LT.-COL. THE HON. J. G. KIRKWOOD: On a point of explanation, I never mentioned birth control, but I did suggest for consideration that they might consider the restriction of Indian immigration to give Kenya-born Indian children a chance.

DR. THE HON. A. C. L. DE SOUSA: I am very glad to be corrected, but that was the impression conveyed to me!

He is complaining of the excessive number of Indian children. I have not the figures, and I do not think Government has to show what exactly the Indian birth rate is, whether it is declining or increasing, but the fact that there are to-day more Indian children seeking admission to Government schools is not an indication in the rise of births. It is an indication that the people have appreciated the benefits education gives mankind, and that the people who five or ten years ago would not allow their children to go to school—girls especially—are now sending them to school. That is how the great rush on Government schools is explained, and it has nothing to do with immigration as such. There are fewer people coming into the country to-day for one thing, and the Indian population has decreased considerably, and whatever there is of an excessive number of Indian children going to school is the natural desire for education. In that respect I might mention that while on the one hand hundreds or thousands of Indian children cannot get admittance into Government schools, there are plenty of schools for the European community. I would remind the hon. and gallant Member for Trans Nzoia that if he could have a trip around Kitale in his own district, go to Eldoret and Nakuru, and come back to the Prince of Wales School, he could tell me honestly whether those schools can accommodate one-third of the European school population. Now, Sir, why does he grumble if there is an excessive number of Indian children in the Government schools?

LT.-COL. THE HON. J. G. KIRKWOOD: On a point of order, I have never grumbled. I have never suggested there were children in excess. I simply realize that the Indian population is increasing, and I suggested it was increasing beyond ability to copy with it, and I offered the suggestion of one way out.

DR. THE HON. A. C. L. DE SOUSA: I am not very much impressed with this explanation. The fact remains that he complained about the hon. the Director of Education finding

increased difficulty in accommodating Indian children. Now, Sir, why will he not propose that part of these vacant buildings for European children be used for Indians? Were not those buildings built from common funds? Even their yearly white-washing is paid for from common funds, and why should they not be occupied when they are built when there are cases of people not getting education at all? There has been an enormous amount of money spent on European education to the standing detriment of the Indian community. Is that not a shame for anyone who wants constitutional advance and who wants to be entrusted with the privilege of governing other races?

I was talking about education, and I have a request to make. I see that in the budget there is £7,000 allocated for grants in aid. The amount was £6,000 for 1935, and an additional £1,000 have been allocated for 1936 as far as grants in aid are concerned for Indian education. I do not say that the hon. the Director of Education is responsible for these figures. He has got a legacy, and he has also got a screw put on him; he has got to fit in with the scheme. In the schools aided by Government, quite apart from the schools which are not aided, or are going to be in 1936, there are 2,726 children. There is an amount of £7,000 allocated for these children. It does not need much of mathematical knowledge to find out what the contribution to the children will be. When it is understood and known that these children are being educated by private enterprise, because of the fact that Government cannot accommodate them in their schools and they are accommodated in buildings which the Indian community has constructed at considerable amount of sacrifice of money, because of that, because of the recurrent expenditure which is a charge on the individual Indian in addition to the education tax, because of that I feel that £7,000 is too poor a contribution from Government, and I feel almost tempted to believe that Government has got no educational policy for the Indian community. If £7,000 are what Government considers enough for 2,726 children in schools built by people, maintained by people out of their private resources, quite apart from the other children in schools not aided, then, indeed, I say that your Government has no educational policy for the Indian community.

In that connection, Sir, I am not mentioning this fact in any racial spirit, because the most convenient excuse for retaliation is to say it is a racial question. It is not. As a matter of principle I should like to very much question the item of £150 in the budget for swimming instruction for European children, and would like to know whether you or your chief officers can go to the budgets of all the colonial countries of the British Empire and tell us where, in the

British Empire, swimming exercises are provided for a section of the community exclusively, from common funds?

Now I would like to say something about the Agricultural Department, and this also affects Indian settlers. Something has been said about them, and an explanation has been asked by the hon. Indian Member Mr. Puri from the hon. the Director of Agriculture. As you know, I am pleading on behalf of Indian settlers in the area of Kibos who long ago bought farms and tried to grow sugar cane. That settlement started growing it at a time when there was no sugar-producing concern in East Africa, if I am not mistaken, and certainly not in Kenya. These people used to produce jaggery, a rough product of sugar consumed by Indians and Africans. A Sugar Company came in, and I am told that it had a very generous concession from Government in the matter of land, and they started growing sugar cane. In the initial stages they bought the cane from these farmers, who supplied them. Now the company has extended its own cultivation. The mills are not up to the maximum producing capacity, and no more is bought than is necessary to carry on. Now Sir, I do not mind anyone building a factory anywhere, but it seems unjust and unfair to people who settle here that they should be thrown out of cultivation just because a sugar producing company has come in. This Government has actually given the company a monopoly for producing sugar. The Indian farmers have at the moment, I understand, hundreds of acres of sugar cane ready for cutting and this will be destroyed if not cut within two months. Sugar is so cheap that natives use it instead of jaggery so that these settlers cannot produce jaggery.

All that I would like you, Sir, to do is to give an assurance to these people that the company will be compelled, because it has a monopoly, to buy all or the greater part of the sugar cane grown by the Indian settlers and to work up to the mill's fullest capacity, or to allow the farmers to manufacture sugar in small quantities. What harm is there if a settler does about half a bag a day? Or else, Sir, to give the settlers State assistance, so that they may get out of their difficulties, by having a share of the Land Bank funds.

The question has been raised, and I would very much like the hon. the Director of Agriculture to explain the matter to me, that the settlers were engaged in selling cattle to what I called a quasi-enemy State, which is Italy, today. Thousands of cattle have been sold to the Italians. From what source did they come? From European sources? And if that is so, why was native cattle not sold in a similar way? I understand that the agents for the Italians imposed certain restrictions, but I am not quite satisfied that efforts to provide some share of this business to the natives would have been fruitless if Government had interfered.

There was a point raised, I suppose it was, by the hon. Member for Nyanza about the veterinary services. I do not know whether he meant that the veterinary services should be done away with or that the vote should be cut down. I understood him to say that some agricultural officers were teaching natives to read and write. I know some officers on the Hill who teach natives Shakespeare, but that is a different matter! In that connection, it must be understood that the veterinary service was originally a separate department, and it was, on account of savings in overhead expenses, put into the Agricultural Department. The savings now proposed and of which we have heard such a lot of talk, reflect savings in the veterinary and other departments but not in the headquarters of the Agricultural Department as such. So, Sir, consider the enormous amount of service which the veterinary department is rendering to the natives and which it has rendered. It has been responsible for all kinds of sickness being expelled from these uplands, the highland countries, and in the lowland countries it has been doing splendid work of which several members have spoken so highly. I hope that no interference will be permitted with the veterinary vote.

Now I come to the Medical Department. In connection with that, the Economy Committee, I understand, was unable to recommend any drastic reductions. I would not go so far as to say that the hon. the Director of Medical Services threatened to close down all the hospitals if his vote were touched, but I see, as reflected in the budget, that he has not agreed to any substantial reduction in his vote.

There are reasons why I might say a few words in which I may be personally involved. The hon. member representing native interests, Dr. Wilson, the other day mentioned that assistant surgeons and sub-assistant surgeons would not be able to carry on the duties in the reserves which at present European medical officers are doing. I am referring to this point because of the fact that the assistant surgeons and sub-assistant surgeons, Asians both, have been completely, almost completely, taken away from the medical service; hence we have got this heavy item in the Medical Department vote. There are now up to the present twenty-eight doctors—I will not call them officials, with basic salaries of £1,000 and over, excluding hidden emoluments, and there are forty-eight who, with hidden emoluments and salaries, have £1,000 or more. This list shows to what extent the country is called on to pay for a very costly specialized service when probably for about one-tenth or one-twentieth of the amount it could have an equally good service.

The reference made by the hon. Member Dr. Wilson to assistant surgeons not being able to work in the reserves is not a right one. He has been in the Medical Department

himself. He is now enjoying a pension. I have been in the Medical Department myself, and had been earnestly requested by the late Principal Medical Officer, Dr. Milne, to continue in the service, but I left it because I knew there were no prospects for it. We both know what the medical service is, and I claim that I have done some sort of medical service in my younger days. I have worked among the natives and with medical officers some of them very freshly imported, and I know how long and how many years it takes for a young recruit who comes from a university with every qualification to get into the real native work. I am not satisfied that this tremendous, this big list of medical officers could not be replaced, at least 50 per cent, by Indian assistant surgeons and sub-assistant surgeons.

What was wrong with me? The hon. the Director of Medical Services will have it in my own file. What has he to complain about me? I had been an assistant surgeon in that same Department. He knows me; I think that indirectly I have been working under him. I have been in charge of Kisumu Hospital with a medical officer who used to do nothing. I did about 5,000 microscopic examinations, and thanks were given to the medical officer, not to me; my name was not even mentioned. I used to do all the work of looking after the natives, was friendly with them and could talk their own language. I should have been medical officer, and when Dr. Milne asked me to stay in the service I said point blank "Make me a medical officer." He said "No, I am awfully sorry, but it cannot be done. You are a coloured man." I say that that is not haphazard, it is a definite policy of Government. I fear it is the policy of the Medical Department. That policy is to displace as many Asians as possible from the service.

I would take the hon. the Director of Medical Services back to the year 1917 or 1918, and will ask him to read his report, his annual report, as medical officer of health of Kisumu, and he will probably find the view he held in that report of displacing Asians from the service has perhaps been well reflected to-day in this list. If I am not mistaken, he suggested then that Asians should as far as possible be removed and Africans engaged, and if I am wrong, I would in anticipation offer him my apology. I had to send his report to headquarters, because it had to pass through the medical officer of the town who was my superior in those days.

I say that if it is the deliberate policy of Government to throw out all the Asians from the Medical Department and if it is again the aspiration or ambition of the present officer in charge of the Department, I think it is very unfair. All these thousands of pounds could be saved by very competent men who would not be officers but who would really and truly be

workers, who would be more amenable to obedience, to salary cuts, having no privileges, and it would certainly be in the interests of economy. With regard to the remarks about the assistant surgeons and sub-assistant surgeons, they have a record of service in the country which many medical officers have not got. One of the sub-assistant surgeons was praised in the House of Commons—I do not know how many officers in the service of this Government have ever had that honour.

I notice in the Medical Estimates that provision is made for Africans to be trained at Makerere College with a view to making sub-assistant surgeons out of them. I think it is a very good thing and the Department has my support in this, but has it occurred to the hon. the Director of Medical Services that there is a large number of Indian youths being educated here who could be utilized for that service rather than import medical officers from Europe? Why not have the local youth trained to the work of sub-assistant surgeons? He has got medical men in training as schoolmasters on the Hill, he is training Africans. Why does he not train Asians?

In the last budget session, when I gave evidence before the Standing Finance Committee, I asked the hon. the Director of Medical Services to make provision for Indian girls to be trained in various hospitals. It does not matter that there is no Indian hospital, that is not our fault but the fault of Government, the fault of the Medical Department. To say that because there is no Indian hospital, because Government will not have one, that we shall have no Indian nurses or Indian youth trained for hospital assistance is unfair in the extreme. I do not want to refer to the very ugly thing mentioned by one of my friends during this session, of Indian women operated on in the presence of African males. I leave it to the House, for this is no question of race or anything of a racial nature—it is merely the modesty of our women, and I do not want to stress that.

Finally, Sir, there is the question about land rents, and I am referring to that point, the remission or reduction of land rents on farms. I do not say that deserving cases of settlers should be neglected, but one thing strikes me, that these settlers, who belong to the finest British stock who came here, brought a lot of money, millions of pounds, and sank it in the country and lost it. If Government want to revive them by artificial respiration or by giving them an injection of so many pounds, I suggest that Government puts down at least ten million sterling in the Land Bank and give it away as a gift to these people as a *quid pro quo*. They have sunk their money in the country and lost it, and if Government want to save them, be fair, and give them at least ten million pounds. If that cannot be done, I do not think any of the efforts

Government have been making all these years will ever save the settlers, because there are two things to be remembered: extravagance and incompetence. We have not yet got the right type of settler in this country.

I am very sorry that the hon. the Commissioner for Local Government, Lands and Settlement has already spoken. I do not think the hon. mover will reply, and I do not want him to. What I am trying to put is a plea on behalf of the Indian community in connection with the Indian elections for the Nairobi Municipal Council. The constitution of our local government is governed by the Local Government (Municipalities) Ordinance, 1928, in which provision is made for the election of European members of the Nairobi Municipal Council. Provision is also made for the nomination of seven Indian members by the Governor. The particular section has a proviso:

"Provided further that the Governor in Council may at any time direct by notice in the Gazette, upon receipt of a request so to do from the Council, that in lieu of such nomination as aforesaid the whole or any number of the members mentioned in sub-section (2) of this section shall be elected."

I do not know whether that constitutional provision was devised by the hon. the Commissioner for Local Government to allow elasticity in connection with the membership, but the fact is that Nairobi Municipal Council on the 26th of June, 1934, approved a resolution of its General Purposes Committee recommending elections for the Indian members. I shall quote that resolution:

"(a) That in the case of the seats of any Indian members becoming vacant His Excellency the Governor be requested to nominate members to occupy such seats until the 30th June, 1935.

(b) That His Excellency the Governor be requested to direct that, in lieu of nominating the Indian members of the Council, the whole of such members shall be elected.

(c) That Government be requested to promulgate Rules governing the election of Indian members, upon the same lines as the European Councillors' Election Rules, 1929.

(d) That for the purposes of the election of Indian members, the Municipality be divided into three or four wards; and

(e) That the Annual Election of Indian members take place at the same time as the election of European members."

In this connection I must pay my tribute to the fair-mindedness and spirit of comradeship shown by the European members of Nairobi Municipal Council. It is seldom that you have in such mixed councils European members agreeing whole-heartedly when Indian interests are concerned, but be it said to their credit they did agree unanimously with the Indian members, and the resolution was a unanimous one.

But nothing happened. On the 15th of July, 1935, the General Purposes Committee of the Town Council submitted to the Council a draft of the proposed rules, which had been circularized . . .

HIS EXCELLENCY: I do not wish to restrict the hon. member, because every hon. member who has spoken on the budget is usually allowed a wide range, but has this anything to do with the Estimates?

DR. THE HON. A. J. C. L. DE SOUSA: Yes, Sir, because I am speaking on the question of local government and pleading with the hon. the Commissioner for Local Government that the recommendations of Nairobi Municipal Council be given effect to. I may not be able to convince hon. members of what has happened, but if you want me to summarize I will do so. These rules have been approved and submitted to the hon. the Commissioner for Local Government, and subsequent to that the whole thing has been changed. It seems that certain representations have been made asking the hon. member not to proceed with the elections but to continue with the method of nomination. I am not trying to force these elections on the community, but I think it is the general desire of the community to have them, although maybe some certain sections prefer the existing system. I think that once according to constitution the local government decides to do a thing, Government should not interfere in a matter like this. It is purely a local matter. Nairobi Municipal Council has decided there shall be an election for Indian members, rules have been approved, and I do not see why Government should be interested in not acceding to the request. I hope that consideration will be given to this matter by the hon. the Commissioner for Local Government, although I am not hoping for any reply on the subject.

I apologise to you, Sir, and the House for the extraordinarily lengthy manner in which I have spoken. I did not want to speak at this stage, and I had reserved all my remarks for the last moment. If I have overdone myself in speaking, I have been doing so under compulsion.

MAJOR THE HON. G. H. RIDDELL: Your Excellency, in rising to support the motion before the House, I do not pro-

pose at this lengthy stage of the debate to discuss the budget in detail, as in fact that has been adequately done by the hon. Members for Rift Valley and Nairobi North.

We Elected Members on this side have complete faith in the three members who represent us on the Standing Finance Committee. We approved last year of their action in bringing the debate of the Standing Finance Committee to a termination when they found that their representations were of no further use and if this year they find it necessary to adopt similar procedure to what is after all a similar budget, they will have the support of the Elected Members as a whole and 99 per cent of the electorate. They will have the further advantage of knowing that this year the whole electorate are watching this budget debate with the closest interest and that the whole country is organized as never since 1923 to deal with any situation that may arise.

I want to say something on the subject of co-operation which has been mentioned a good deal. Co-operation is a thing which has been often said before, that everybody who is a lover of Kenya must hope and pray will take place. So far as I am concerned I have seen very little co-operation, if any co-operation at all in the last four years, and co-operation, if and when it comes, must follow, in my opinion, the lines that were laid down by the hon. Member for Uasin Gishu. That is to say, we must be associated to a considerably greater degree in the control of our country's affairs. It has been said that there is in fact co-operation in terms of committee work. I do not want to disparage for one minute committee work and the submissions made by these committees, but I should like to point out that the committees are appointed by Government and the terms of reference are laid down by Government, and that Government only accept the recommendations of those committees when it suits them, that we cannot get the committees we want and a notable instance of that is the committee the Elected Members have been calling for and we set the greatest store by. That committee we have asked for time after time is the one recommended by the Carter Commission under section 2040 of the Report. Further, even at the present, we have an instance of a committee to which Your Excellency referred matters of the utmost moment to us, whose recommendations have not been accepted. I, of course, refer to the Board of Agriculture.

Well now the actual fact of the situation as I see it, Sir, is that we are governed by an autocracy and that autocracy at the present stage of East African development is an irksome and impossible situation, knowing so long as we are

governed by that form of autocracy, so long will there be these collisions between people who should be working steadily and readily together.

Before I pass on to another subject I should like to say, that twice during this debate we have been charged, Elected Members have been charged with not truly representing the unofficial community of this country. To one charge an answer has already been given adequately by the hon. Member for Ukamba, Sir Robert Shaw, and the other charge was made by the hon. Member, Dr. de Souza, to which I will briefly refer. When our Chairman, Lord Francis Scott, makes a speech in this country, we all of us Elected Members know and we trust him to represent our views and our views alone and he has never in that respect by word or deed ever let us down. In the speech that he made at Nakuru he was representing our views and nothing but our views and not only was he representing our views, but he was representing the views of the electorate as a whole. Nobody has any right outside ourselves to say that the views are not our views and are not those of our electorate except those people who sent us here. And almost in the same breath that Dr. de Souza made that statement, he actually has the effrontery to speak for the Arab and the Native communities. By what right?

DR. THE HON. A. C. L. DE SOUZA: On a point of explanation, Your Excellency, I deny that I was making any claim. I was making a negative statement. I only mentioned it because a certain gentleman does not represent the Arabs.

MAJOR THE HON. G. H. RIDDELL: I do not believe, Sir, that any Elected Member or any other Member on the other side who has heard his statement will agree with that explanation.

I have only one thing more to state and that is on the subject that I intended to make a speech before I came to the Council this morning, on the question of native taxation. Native taxation has figured largely and acrimoniously in this debate and I am one of those who consider that the native is over-taxed. If Lord Moyne was right in 1932 then he must be progressively more right in 1935. I believe that the hon. and ven. member representing native interests has done a public service to the people that he represents in ventilating this opinion and I am not concerned personally with whether the way that he did so was right or wrong and I believe that it is never wrong to do the right thing. It must be clearly understood that in expressing these views I express a personal opinion and further it must be understood that I am not advocating an alteration or a reduction in the estimates

or in the Native Hut and Poll Tax for the present year. I have, however, the uncomfortable feeling that all is not well as regards the natives and native taxation in the reserves.

The hon. Mr. Shamsud-Deen presented a certain amount of percentage figures to this House to show that a native who was paid a salary of Sh. 8 a month was paying an excessive amount in hut tax at Sh. 12 per annum. I am not sure that I agree with that deduction, but neither he nor anybody else in this House has mentioned the case of the peasant proprietor, who is polygamous and pagan. When one tries to put in a plea for the possessor of more than one wife, one is always confronted by the prejudice of the Nordic race from which we have sprung to polygamy and the picture comes before one of a circle of native huts occupied by ladies, only one less degree beautiful than the houris of paradise, presided over by an over-fed and over-sexed native potentate, who, of course, should be taxed out of existence. The real facts of course are entirely different. They are that the native agriculturist of many wives is an old man who is simply carrying out the immemorial customs of his tribe. His wives are old, old women, hewers of wood and drawers of water, and it must not be forgotten that those people for each hut have to pay the full tax. Well now under educational progress and an ill-assimilated form of Christianity, the present generation did not feel it obligatory to them any more to assist their fathers and mothers in the payment of this tax and so those old people are in a bad case, as all old people are in times of transition. Now there are thousands and thousands of those people in the reserves and it is well that we keep them in mind and it is well that we understand the position that they are in. They suffer the hardship and misery of the tax collector just as much as we white people suffer the burden of an unmanageable overdraft, and on the top of that have now hanging over them the control of their finances by native headmen, with the result that anybody who knows the African knows only too well.

Before I close, Sir, I should like to make it clear that I do not at the moment advocate any revision in the budget in that respect, but I would like to issue this warning. There are a large number of people in this country who take the native welfare to heart and they feel deeply on this subject. They feel that the native in fact is over-taxed and the time will come, if some active remedial measures are not taken, such as the implementation of the Ottawa Conference agreements, real relief to primary producers in every way; there will be a strong body of opinion as regards next year's budget as regards this estimate of hut tax, not only on this side of the House, but on the other side.

Before I sit down I should like to say how much we on this side of the House feel the loss of Major Rupert Hemsted and the void he leaves behind him. I cannot imagine anybody more suitable to represent native affairs in this Council than a retired Provincial Commissioner who has decided to continue all his days in this country, and we furthermore owe a considerable debt of gratitude to Major Hemsted for his share in the Carter Commission Report, which is a document of historical and the utmost importance. With that, Sir, I will close.

THE HON. THE DIRECTOR OF MEDICAL SERVICES: Your Excellency, I am at some disadvantage in replying to any points which may have been raised regarding the medical estimates as I was not here in the earlier stages of the session. I have, however, had fairly good notes put at my disposal, and I have also the impressions which the Press has gathered with regard to what may have been said to guide me.

The first and major point which was made was that which was raised, I think, by the hon. Member for Nairobi North, who suggested that the medical estimates could well be further reduced. I presume he desired to indicate that in his view they should be reduced to the figure mentioned in the Report of the Select Committee on Economy, namely, that of £194,000, a reduction of £6,000. Your Excellency's Government has been unable to accept that recommendation, and I should like, so far as I can, to explain why.

The function of the Medical Department in this Colony, as I understand it, is today composed of three parts: firstly, so far as it can to prevent the occurrence of epidemics or, if such epidemics occur, to curtail them and to deal with the sick; secondly, to provide medical relief to the indigent members of the population so far as it can; thirdly, to advise Government and local authorities not only as to how sickness can be treated but as to how health can be improved. I will take the first of these matters, namely, the prevention of epidemic diseases.

My advice to the Economy Committee was that the medical estimates, or rather the medical services, should not be reduced if for no other reason than that it would be dangerous to do so. Reduction in estimates must be achieved either by reduction in cost or in reduction in services. I do not think you can have a notable reduction in cost, and I will deal with that matter later on, but if I am right that you cannot have a notable reduction in cost the question arises whether I was right in advising Government that services could not with safety be reduced. I would remind hon. members that they are still living in a country where the large

majority, the great majority, of the population is living in insanitary circumstances, crowded, and poorly fed, where conditions are not too easy to cope with in regard to what may happen. You had last year a fairly serious outbreak of smallpox on the coast. That outbreak was controlled within three months. You had not very long ago in the Kiambu Native Reserve three genuine cases of pneumonic plague, and you had three only. You had some years ago a very serious outbreak of malaria. In 1913 I remember that we had a very serious outbreak indeed of cerebral spinal meningitis, which resulted in thousands of deaths. We were able to control that smallpox and that plague. We were able to do those things, and were able to do them only on account of the type of staff that we have and the type of services we have rendered. We were able, immediately, to get into touch with the population who were able to carry out the necessary measures. In the case of that particular outbreak of pneumonic plague, and nothing can cause more alarm to any health officer, the area was in quarantine, and the inhabitants of the neighbourhood, where the cases occurred, to the number of 7,000 were inoculated within 48 hours. That was a very great achievement, it was an achievement for which the credit lies not only with the medical staff but with the administration, and it lies very particularly with the native chiefs who co-operated.

These things can still occur, you can still have epidemics. In Ceylon last year 80,000 people died of an epidemic of malaria. When these things occur, however, you cannot, unless you have some fair nucleus of a staff, arrange emergency measures at a moment's notice. With the staff that we have, we may be able to do a great deal, or at the very least to ensure that you have some reasonable insurance against interference with trade at your ports and in your towns. If it was true then, when I addressed the Economy Committee that it was dangerous to reduce services, it is infinitely more so now. More water has gone under the bridges since then. Today you have conditions of war on your Northern Frontier, and nomadic peoples who travel all over the country. I remember what the condition was in this country during the Great War, when we had smallpox and cerebral spinal meningitis and plague from one end of the country to the other, and today, to reduce the quality of the services, would not only be to my mind dangerous but, quite plainly, I should like to say that it would be the height of folly.

Then, again, apart from that, there are two other reasons why I advised Your Excellency not to reduce services.

One was an economic reason, and the second was, a point of honour, and to my mind a point also of statesmanship. The economic reason was, as your Excellency said last session, that the Medical Department had treated during last year 1,200,000 people and had performed in its native hospitals alone over 5,000 operations. I think it is worth consideration whether it is not highly probable that we got every penny back that we so spent, in taxes that would not have otherwise been paid, or in consumption or production which would not otherwise have taken place.

I come to the point of honour, which involves, I think, a point of statesmanship. It is this. To reduce the services for medical relief at the present time would be particularly unfortunate because at the present time our hospitals and our dispensaries are besieged by people wanting treatment. People who have come to us instead of going to the witch doctor have come as a result of definite teaching inculcated not only by medical officers but by administrative officers and by every settler and farmer in this country. It would be exceedingly unfortunate if at a time when that is happening I should have to say "I am very sorry, we cannot provide the services." That, I take it, is a policy which no government could happily contemplate, and no legislature could, and certainly not the legislature of this Colony. Therefore, by hook or by crook, we have to find some means not only to meet the existing demand but to meet that demand as it increases. I will return to that in a moment.

I have now to deal, Sir, with the question as to whether the services which are being rendered could be rendered more cheaply. Let me return to what has happened. In 1930, the estimates for my Department were £250,000; we employed 72 medical officers, 54 nurses, 24 sanitary inspectors. We were asked to reduce expenditure. By 1932 we had reduced our estimates to £219,000; we reduced our medical staff from 72 to 50, our nursing staff from 54 to about 45, and our sanitary inspectors from 24 to, I think, 16. That was done in two years. We had then reduced our estimates to £219,000; and our expenditure to £197,000. Since that date our estimates of expenditure have remained about the same figure, £200,000, but during this period we have opened numerous new hospitals which were building in 1930, we have equipped them, we have treated people in them, and every year from 1930 until today we have treated, I think, about 100,000 more people every year. The demand was there, and the beds in the hospitals are now full.

If that reduction in expenditure was made, and if that increase in services has taken place, it will, I think, at least be clear that it will not be easy to find more methods of

bringing our expenditure still lower. As a matter of fact, I think only two suggestions have been made. One is that medical officers should be engaged on less advantageous terms than they are today; the second is that considerable numbers of these medical officers should be replaced by sub-assistant surgeons.

I want to make clear the position with regard to the medical officers. There appears to be an impression that all medical officers get £1,000 per annum. Unfortunately, that is not so. Medical officers engaged a good many years ago do go to £1,000; medical officers engaged since 1926 only go to £920. Now, the question is, can you get medical officers cheaper today? Well, what do you want them to do? Let me say what we want them to do, and what a great many of them do do.

I refer you, Sir, as an example, to the district of North Kavirondo. That district has, I remember rightly, a population of 340,000. A community of that type in England would have for its service, in addition to any public health staff, about 170 qualified medical practitioners. The chief health officer in charge of it would get much more than £1,000 a year. The specialist private practitioners would be making anything, I suppose, from £3,000, £4,000, or £5,000 a year. The bulk of the panel practitioners in a district like that would be making well over £1,000 a year. Only the incompetent would be making very much less.

What is it you require in North Kavirondo today? You have a population of 340,000, and an infinitely more sick population than any population of that number in England, a population which needs to be taught a great many things, and you have for its service two medical officers! The senior of those officers has to take responsibility for all medical administration in that district, he has to run a large hospital, to be a surgeon, to deal with outbreaks of smallpox and plague, if they grow too quickly, and he has to have a knowledge of sleeping sickness, malaria, and mine sanitation, and he has to devote a very large amount, as much as he can, of his time to educating the people with regard to hygiene, and to advise agricultural officers as to what sort of foodstuffs the people ought to grow. Do hon. members think that £920 a year, at the end of thirty years' service—which is what it might well be—is a very great attraction, or do they think that anything else is likely to attract to this country the type of officer that we need to do the extraordinarily difficult work which has to be done in the fashion in which we want to do it? If they do, then personally, I must frankly disagree.

That, Sir, leads me to the point raised by, I think, the hon. Member Dr. de Souza and, I think, the hon. Member Mr. Patel, as to why we do not use more sub-assistant surgeons.

I have the very greatest respect for many of the sub-assistant surgeons who have served my department, for many who are serving today, for their intelligence and industry. I have the highest regard for them. But they have not the qualifications nor have they had the training and experience which would enable them to carry out the type of work which, in my view, must be done in the way I think it ought to be done. There is a place for Asiatic sub-assistant surgeons, and there may always be a place for them in certain parts of the country, and in certain hospitals, and so long as there is I shall advise Government to engage these sub-assistant surgeons but, quite definitely, for the kind of work we want done the type of medical officer I have described is absolutely necessary, and sub-assistant surgeons could not carry out that type of work.

I think a question was also raised by the hon. Member Mr. Patel and the hon. Member Dr. de Souza with regard to the hospital accommodation available for Asiatics. I regret that I can only agree that that accommodation and the type of nursing we are able to provide leaves much to be desired. I would remind them, however, that we hope very shortly to build three new hospitals in Nairobi, and I trust that when they are built there will be no complaint, and I trust also that I may have the opportunity then of training Indian girls to be nurses, and I shall undertake that training if I consider the facilities adequate for the purpose. If not, then as in the case of European nurses engaged from overseas, I shall engage Indian nurses similarly, but if they can be locally trained I shall be only too glad to do so.

I now come to the Coast, and to the question of leprosy raised by the hon. Member Mr. Lillywhite and by the hon. and reverend Member Archdeacon Burns.

The hon. Member for the Coast said that the correct way to deal with leprosy was by means of a leper colony, where so far as was possible people could lead their own lives and earn their own living, and get such alleviation as modern science was able to give them. He is entirely correct, but the points are these. It is very unfortunately the case that, although much has been said about what can be done for the treatment of leprosy, we are not yet able to deal with it as with yaws, and most medical officers in this country and elsewhere would, I think, agree with me that we can get cures or improvement in leprosy to the extent, and largely only to the extent, that we are able to improve hygienic conditions

and dietary. To establish even the kind of colony which the hon. member mentioned would, however, cost money. The question therefore arises, is it necessary? Both the hon. members have said, I think, that leprosy is extremely prevalent on the coast and that it is increasing. There is undoubtedly a certain amount of leprosy on the coast, but I do not think I could agree with hon. Member for the Coast that it is extremely prevalent. Furthermore, I have no evidence at all to suggest that it is increasing. It is certainly not a large public health problem on the coast. We have, of course, to deal with these unfortunate people who require nursing and who require accommodation. We also have people in an infectious stage who ought to be looked after, but in passing I should like to remind the House that leprosy is probably one of the least infectious of infectious diseases known to medicine.

The hon. Member for the Coast also said that leper camps had from time to time been established on the coast, that they had gradually been allowed to fade away, and that apparently no interest was now being taken in leprosy at all, except by the missions. I greatly regret that I have to contradict the hon. member. We used to have on the coast two small leper asylums which I can only say were a disgrace to the Department. Neither of them, I am glad to say, now exists. On the other hand, south of Mombasa, in Digo, there does exist a Government leper asylum which at the present time has 56 patients, while elsewhere in the country we have altogether 350 lepers being looked after in not very inadequate asylums, and the number who are being looked after at the present time by the missions, so far as I can gather, is only 74. But I would like to say this. That while the institution we have at the coast is, I think, a very good one, and is being run on the right lines and provides similar facilities to the one at Kileleshwa, I have unfortunately got about 40 lepers at the Infectious Diseases Hospital at Nairobi, where we have not got suitable agricultural land and where conditions, insofar as social life is concerned, are not all that I desire. I would cordially welcome any offer from any missionary society in the highlands to establish a mission asylum there and to take over both our patients and what we spend on them.

With regard to what was said by the hon. and venerable member in reference to the closing of the institution at Kileleshwa, I am not quite clear as to what is required and why it is to be closed. I did not hear his speech, but I gathered from the Press that it is because the lady who looked after it has to go away. If that is the only reason for closing it, I do not think it is a very sound one, because I know that

asylum, and it is a very good little place. It is in the neighbourhood of the Kaloleni Mission Hospital, to which, incidentally, Government subscribes £940 a year, and if the absence of the lady is the only point I think it could be looked after from the hospital. If there are other difficulties I have no doubt at all, Your Excellency, that Government will give sympathetic consideration to them. But I should like to point out that the £100 mentioned as coming off the vote for lepers, was taken off by myself, because the cost of the work we did last year did not amount to as much as previously, and I thought we could do with £100 less. I have not yet had any information whatsoever from the medical mission at Kaloleni to the effect that they will have to close down the institution.

I think, Sir, that is practically all, except one point to which I would like to refer which arises out of a suggestion made by the hon. and venerable member Archdeacon Burns. He suggested that it might be well if we were to charge a small fee to natives coming to out-dispensaries in the reserves with, I presume, the object of enabling us to provide further services. I said that I took it that this House would desire that by hook or by crook medical services should continue to be rendered to natives and that the demand should be met as it increased. Quite naturally, therefore, the idea of making a charge to natives had occurred to myself many times and, more particularly, quite recently when the demand became so great and funds became so short. I recently wrote, therefore, to the Director of Medical Services in Uganda where I understood that that custom was in operation. He was very much against it indeed. I brought the matter before the Provincial Commissioners, and they agreed that the present at least was not the time to institute such a charge.

Now I should like to indicate what the method would be. It would really mean that at more than a hundred dispensaries in the native reserves we should be asking native dressers on salaries of Sh. 30 or 40 a month to act as almoners. I think under present conditions that would be a disorderly way of collecting revenue, and that for the time being at least it must be done in the much more orderly fashion of getting contributions from the Local Native Councils. And I would like to inform the House that during the past eight years the Local Native Councils of Kenya have subscribed no less than £10,000 to carry on medical services in this country. Last year they spent £6,000, and they established a maternity hospital of their own at a cost of £1,000 in South Kavirondo.

The argument is sometimes put forward that people appreciate better what they pay for. Possibly they do, but there is no lack at all today of appreciation on the part of

the natives of medical services. I do not know what I should do if that appreciation became any greater, but we have got, I think, the very best evidence of this appreciation in that they have collected this money and spent it on providing hospitals of the type which Government provides and that, I should think, will be an inspiration to them to do much more.

But to bring this matter of expenditure on medical services, of what we do and what we need, into clear view, I should like to refer again to what I said before, namely, that yearly we treat about one million people, or one third, of the population, and we do so at a cost of about one shilling per head per annum, or one penny per head per month. The first statement which I made, namely, that we treat one million people per annum, has I think on occasion been misinterpreted. It has been suggested that it must be that the native peoples of this country are deplorably unhealthy. The native peoples of this country are deplorably unhealthy, not necessarily compared to the native peoples elsewhere in Africa, but compared to any European population, but it does not follow that that is so because yearly we treat one third of the population. I wonder how many members of the European community in this country go through the year without having been seen by either a doctor or a dentist several times? If that were to obtain, and it ought to obtain, among native peoples, because they are very much more sick than we, the number of people my department would treat once during the year would be not one million but many times three millions, because each ought to come to a doctor several times. And the cost today is one penny per head of the population per month! In order to treat all the population, we would have at least to make that penny three pence, that is to say, we have to make the amount of £200,000 into £600,000, which is about the minimum required. That sum, quite clearly, we cannot get by means of asking very poor people to pay for the medicine and attendance which they get at dispensaries.

The question of native health is, I am afraid, an infinitely larger one than merely what more can one screw out in that fashion from a dresser or a bottle of medicine. Much more than £200,000 is required, and you will only have a healthy population as and when these people can afford much more; and—what is probably even much more important—as and when they have a reasonably good, mixed diet all the year round, but for that I think I shall have to ask my hon. friend the Director of Agriculture to see what he can do!

THE HON. THE DIRECTOR OF EDUCATION: Your Excellency, in intervening in this debate I do not want to refer to coats or to cloth or even to those garments of which we have heard

so much from the other side of the House—breaches of faith! I came to this Council, Sir, expecting to have to defend my modest demands upon the public purse. As the debate has proceeded it has become evident that I must change my position and to defend myself for not asking for more. There appear to be several services which I have omitted to ask for. There is the compulsory education of European children, but I still hope to do something on that point. (Hear, hear.) There is increase of salaries to certain classes of teachers. There is last but not least the demand for the foundation of a University in East Africa for Europeans and Indians.

To turn, Sir, to the comments of hon. Members, the Noble Lord has asked for information on two points: one is the number of European children not receiving education of any kind, and the second, what would be the cost of introducing compulsory education. This information, Sir, is really not ascertainable at the moment. In 1934 a departmental inquiry was conducted in order to try and ascertain the number of children out of school. After considerable labour it was estimated that there might be some 350 European children receiving no schooling. Now this figure, Sir, was based on the 1931 Census which is nearly five years old today and I do not feel that any reliance can be placed on it. The position has certainly improved very greatly during the last 18 months. I myself and my officers have missed no opportunity as we go round the country of making inquiries on this very important point, and as far as we can gather the position is really quite satisfactory. In March of this year I sent out a circular to all School Committees and to certain District Commissioners in White Areas to try and get some information. The result of that circular was that from the Nairobi School Committee we got a reply to say that they were unable to give us any indication; from Eldoret where the circular was sent round to all the farm schools, a nil return was rendered; Kitulo reported 5 children not in school, one of whom I believe was a cripple; Mombasa reported 1 child; from Nakuru and Rumuruti no returns were received. In all cases which did come to light a prospectus of the nearest school where accommodation was available was sent to the parent together with a remission of fees form, so that if he could not pay he could fill in the form and make an application for remission. In this way several children were brought into school.

The second question of the Noble Lord is also one that is very difficult. I think that the only way to really accurately estimate the cost of compulsory education would be to bring into operation Part VI of the Education Ordinance with an amendment granting exemption from compulsion in all cases where tuition and/or board were not available. From a list

of these exemptions it would appear a comparatively easy matter to calculate the cost of making compulsion complete. I personally believe that if we could have a central boarding school at Nanyuki, we should be able to bring in compulsion straight away in so far as accommodation is concerned. The cost of such a school would not be very great. It would involve a capital expenditure of possibly some £3,000 to £3,500 and the actual recurrent expenditure would be very little more than what we are spending today on the Day School at Nanyuki and the aided hostel and the grant-aided school at Rumuruti.

The hon. and gallant Member for Nairobi North has expressed great disappointment at the result of the recommendations of the Select Committee on Economy, whereas that envisaged a saving of some £9,000 the actual result as disclosed in the estimates is a saving of only £500. I thought that the reason for this had been clearly explained in the memorandum accompanying the estimates on page 14, but there is some additional information which I could give to this hon. House which perhaps might make the position slightly clearer. If you will look at page 14 of the Memorandum you will see that there has been an unavoidable increase in expenditure of some £7,000 and that figure really should read £8,000, because owing to the introduction of the Local Civil Service certain officers are entitled to £50 per year consolidation allowance and that has not been allowed for. Now of this very large figure, unavoidable figure, no less than £4,000 is the result of the introduction of the Local Civil Service in the Education Department. We have no less than 257 education officers. Of that number 120 have been transferred to the Local Service. For the last two or three years we have been engaging in the department well-qualified teachers on miserable scales of salary on temporary agreements. These scales were only accepted because those teachers hoped when the new Service was introduced that they would be able to secure permanent appointments. One result was that when the Service came into being certain scales of salary on a not extravagant scale were laid down for teachers according to their qualifications. When these temporary teachers were absorbed into the Local Service they were quite rightly placed on a grade to which their qualifications entitled them. One result has been this big increase in the personal emoluments of the teachers, but another, I hope and trust, is a contented and satisfied Service.

Then, again, referring to the Memorandum, you will see that there is a very big increase in the Passage Vote and also for reliefs. These increases are entirely gratuitous. It just happens that by bad luck we have a great number of officers

going on leave next year. It is possible that a truer picture of departmental expenditure might be given if all passage votes were taken out of departmental estimates and put in a one line vote under the control of the hon. the Treasurer. But next year my vote has been swollen by this very large charge for passages and reliefs.

Although we have had this unavoidable increase of £8,000, at the same time we have new Services included in the Estimates. We have increased the grant for Indian non-Government schools about £1,000. The scheme for teacher training for both Europeans and Indians which was approved by the Select Committee will be introduced and although the Committee in their Report on page 20 agreed to the employment of an additional master for the Indian Secondary School at an estimated cost of £300 I am glad to say that by reorganization I have made the addition of that post unnecessary, but the teacher training scheme will cost more than was anticipated because it has been decided that learners in the Education Department, both European and Indian, should be treated in the same way as learners in other departments, and draw a small salary during their period of apprenticeship when they will be performing very useful work in the schools.

The Committee recommended the close of the Government School at Waa. That has now been done but it has been necessary to give a grant of £500 to the Mission which has agreed to take over that school. The grants-in-aid for African education have been increased by £1,000. I do not think any member of this hon. House will grudge that amount. The vote for African education has been reduced by £4,000. In Kenya the education of African girls is lagging dangerously behind that of the boys and it is very necessary that we should give further grants to the Missions for work amongst the girls. The only other increase is in the Scholarship Vote. As you are all aware the Secretary of State has now sanctioned our scheme and a further £350 has to be included for next year. That will mean that we shall have three additional scholars proceeding home for training in 1936. I do hope, Sir, that these new services will be allowed to stand. Additional facilities for education as you are all aware is one of the first considerations that an intending settler to Kenya wishes to inquire about. If we cannot maintain our educational facilities then we are going not only to deal a blow at closer settlement, but by neglecting the rising generation we are going to jeopardise the whole future of this Colony.

The debate was adjourned.

Council adjourned till 10 a.m. on Thursday,
the 5th December, 1935.

THURSDAY, 5th DECEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Thursday, the 5th December, 1935, His Excellency THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 4th December, 1935, were confirmed.

ORAL ANSWERS TO QUESTIONS.

LICENSING ORDINANCE, 1934.

No. 64.—THE HON. A. B. PATEL asked:—

“Will Government inform this House of—

- (a) the number of licences issued under items 1, 2, 3, 4, 5, 6, 7 and 8 of Schedule A, and the respective amounts realized therefrom.
- (b) the number of licences issued under items 1, 2, 3, 4, 5, 6 and 7 of Schedule C and the respective amounts therefrom.
- (c) the number of licences issued and amount of fees realized under Schedule B.
- (d) the number of licences issued under items 1, 2, 3, 4, 5 and 6 of Schedule D and the respective amounts realized therefrom.
- (e) the total amount of fees realized, and
- (f) the number of prosecutions

under Ordinance No. LXIII of 1934?

THE HON. THE TREASURER:

(a) Under Schedule A of Ordinance No. LXIII of 1934 the following licences were issued and amounts collected up to the 15th November, 1935:—

Item	Licences	£497
1	33	360
2	30	837
3	69	353
4	35	90
5	7	Nil
6	Nil	105
7	11	22
8	3	
Total 208		£3,204

(b) Under Schedule C the figures are:—

Item	Licences	
1	... 3,014	... £4,470
2	... 1,799	... 14,850
3	... 204	... 1,044
4	... 78	... 819
5	... 3	... 150
6	... 71	... 928
7	... 10	... 600
Total 6,079		£23,201

(c) The number of Licences issued and the amount of Fees collected under Schedule B are 59 and £440 respectively.

(d) Under Schedule D the figures are:—

Item	Licences	
1	... 19	... £1,000
2	... 6	... 1,000
3	... 4	... 500
4	... 10	... 475
5	... 3	... 150
6	... 102	... 1,160
Total 144		£4,235

(e) The total amount of Fees collected up to 15th November, 1935, was £92,748.

(f) 338 prosecutions were instituted up to the 31st of August, 1935.

MOTIONS.

DRAFT ESTIMATES, 1936.

THE HON. THE COLONIAL SECRETARY having moved:—

"That the Draft Estimates of Revenue and Expenditure for 1936 be referred to the Standing Finance Committee for consideration and report."

THE HON. THE TREASURER having seconded.

The debate having been adjourned.

The debate continued.

THE HON. THE DIRECTOR OF EDUCATION: Your Excellency, in my concluding remarks yesterday I endeavoured to stress the very great importance to Kenya of the educational

system. This system, Sir, must be maintained at the high water mark of efficiency, even, Sir, if those who are in the fortunate position of paying super-tax have to continue to make that contribution to revenue.

I will now turn, Sir, to the speech of the hon. and venerable Member representing Native Interests. He has drawn attention to the fact that the amount provided for African education has been decreased by £4,000. This has been done by reorganization and there has been no reduction of services. At the same time the need for more widespread elementary education amongst our African population is so urgent that I trust it will be possible, perhaps in our next budget, to restore this cut. It has not been forgotten that these quondam warring barbarians in 1934, in spite of the difficulties of getting their poll tax, voluntarily submitted to a cess and provided £18,000 for African educational services.

In regard to the Waa School I should like to assure the hon. and venerable member that the position of the present pupils has been safeguarded in Government's agreement with the mission. If for religious reasons any pupils wish to transfer them, if they are Mohamedans, they will be entered at the Government Arab School, Mombasa, or, if Christians, they will be sent to the grant-aided school of their own particular mission. The question of free places will receive due consideration.

The hon. member for Nyanza has apparently joined our recently created "Mythological Society". Instead of discouraging to us of the fabulous monster at Lake Victoria whose Scotch counter-part was so vividly described yesterday by the hon. member for Trans Nzoia, he has told us of a strange hybrid sprung from the union of animal husbandry and education. This creature, with its brain teeming with the secrets of veterinary science, is doomed by a cruel fate to teach the "three R's" to illiterate Africans. Reference, Sir, will be found to this monster on page 46 of the Journal of the Society, sometimes referred to as the Report of the Select Committee on Economy. (Laughter.)

Now, Sir, what is the truth? It is that in one of the veterinary centres, which incidentally has now been closed, an African teacher was teaching the natives of that district the Swahili language, with which they were unfamiliar. The teaching duties of veterinary officers are confined to animal husbandry and veterinary subjects. These centres, Sir, are performing a useful purpose and now that it has been made a condition for entering that the boys must have the primary school certificate, there can be no danger of any overlapping.

The hon. Mr. Patel in his speech drew attention to the fact that whereas in Government schools the cost of educating an Indian pupil was £7, the grant-in-aid to community schools was only £3 per pupil. His figures are unimpeachable. They are taken from the Report of the Education Department for 1934. (Laughter.) But it must be remembered that a great many Indian parents prefer to send their children to community schools, even though places are available in the Government schools. Not only that, Sir, but no grants are given to any European private schools or to schools conducted by European religious communities.

He also mentioned the question of Overseas Scholarships. He has, I understand, now received permission to make representations to the Standing Finance Committee on that point.

The hon. Mr. Puri stated that he considered Indian education had been neglected as compared to European education. I cannot agree with the hon. member on that point. For many years now Indian students in the Government schools have been successful in passing the London Matriculation, and it was only in 1934 that our first students from the European secondary school obtained the Higher Certificate.

He also has mentioned the question of overseas scholarships. It is quite true that I did include in the estimates of my department a token figure for this service. Probably hon. members are well aware that could not in any way commit the Government.

He has also brought up the question of accommodation. I am glad to be able to inform the hon. member that three extra class rooms are now in course of erection at the Indian elementary school and I hope they will be ready for the beginning of next term. At the secondary school we are now converting spare dormitory accommodation into class rooms. At the same time it is quite true that we do want a new elementary school, but until such time as the finances of the Colony improve, I am afraid there is little chance of our attaining our object.

The hon. member has also mentioned the question of founding a university here in Kenya for European and Indian students. Now, Sir, the late Sir Armytage Smith, reporting on the finances of Tanganyika, said that secondary education for the non-natives was not the concern of Government. The Kenya Government has not accepted that principle and does provide adequate secondary education for the children of all races. By that I do not mean to say that it is the right of every child to have secondary education. Secondary education

must be limited to those whose parents can afford to pay for it and to those, whether the parents pay or not, who have shown that they have the ability to profit by it. What then, Sir, will happen to the children who do not attend secondary schools? That is a very grave problem. It is one which we can only solve with the help of the settler community. To those children their careers must lie in agriculture. It is possible with the scheme for a memorial farm to the late Lord Delamere and with the co-operation of our settlers, we may find a happy solution to this problem.

In regard to the university the East African Governments have now envisaged the nucleus of a university for Africans at Makerere. This college will have to serve the needs of an African population of twelve millions. Quite apart from the question of whether it is not far better for European and Indian youths to proceed overseas for university education, it is obvious that the present Indian and European population of Kenya could not possibly justify a university.

Dr. the hon. de Sousa raised the same point in the debate yesterday. If I understood the hon. member rightly, he said there were hundreds of thousands of Indian children out of school. This Sir, was, I am afraid, a gross exaggeration. According to the 1931 Census Report there were about 7,000 Indian children between the ages of six and sixteen. To-day we have over 6,000 in our schools. Inevitably there must be some Indian children out of school, because the Indian population is dotted about the small trading centres all over the country. As the present policy of Government is to centralize the trading in produce, this difficulty will disappear to some extent.

He drew attention, Sir, to the amount of £7,000 provided for Indian grants-in-aid. There I am afraid I must admit that I think he has very good arguments. I am, however, doubtful whether the amount of £7,000 provided will be sufficient to go round.

He then queried, Sir, the expenditure of £150 on swimming instruction. Now swimming, Sir, forms part of the curriculum of most of the schools in the British Empire where facilities are available. Unfortunately, Sir, in Nairobi there are no such facilities in regard to the non-European population, but I hope, possibly as a result of this debate, that some public-spirited Indian gentleman will perhaps provide the Indian boys and girls with a swimming bath. If that should eventuate, Sir, I should be the first to press for Government assistance to enable all those boys and girls to go to the baths and to learn how to swim. I think I can prove my sincerity in this matter because when I went down to Mombasa to inspect

the Alladina Niram High School, one of the first questions I asked the principal was: "What arrangements have you made for the boys to learn to swim and to bathe?"

In conclusion, Sir, I should like to acknowledge the tributes to the department which have been made through me by hon. members. It gives me every hope and confidence, Sir, that education will never be allowed to be a party question in Kenya. Our educational policy must be one in which all sections of the community can co-operate and in which the interests of the children must come first. (Applause.)

THE HON. THE DIRECTOR OF AGRICULTURE: Your Excellency, various reference have been made during the course of this debate to the estimates of the Department of Agriculture. Two important subjects are those of reorganization and a subject relating to the heading of Non-Native Services, which will be dealt with by the hon. the Colonial Secretary in his reply to this debate, and it remains for me to deal only with certain other points that have been raised.

The Noble Lord, the hon. member for Rift Valley, asked what had become of the Dairy Industry Bill. The Dairy Industry Enquiry Committee which was appointed by Your Excellency in April last and consisted of four members—Mr. Hamilton, Captain Long, Captain Wilson and myself—completed their Report within the past two weeks. Accompanying that Report is a draft Dairy Industry Bill, which is modelled on the lines of the previous Bill, but with the help of the Legal Department it has been revised in accordance with the proposals of the Committee. Lest I should give the impression that the Report is completely unanimous, I should mention that one of the members has signed the report subject to one important point of dissension. The Report and the amending Bill are now in the hands of Government and will be considered by Executive Council at its next meeting. (Hear, hear.)

The hon. Dr. de Sousa mentioned the plight of the Indian sugar cane producers at Kibos. The position of the sugar industry in this Colony is causing Government grave anxiety. Negotiations have been proceeding with the Governments of neighbouring territories, that is, Tanganyika and Uganda, with a view to the introduction of some scheme of rationalisation, but I can assure the hon. Dr. de Sousa that whatever is decided, whatever scheme may be adopted or recommended, that the claims of the Indian sugar growers of Kenya will not be overlooked.

The hon. Dr. de Sousa also asked why native-owned cattle were not sold to Italy instead of European-owned cattle. The reason is that the European farmer was in a position to

supply cattle of sufficient weight and size and in the quantities and qualities as described by the contract. I would say, however, that in the future I hope that native owners will also be in a position to fulfill such contracts.

The hon. member for Mombasa stated the case of cotton at the Coast as a case in which the Government had gone ahead when the drive came from the Administration. Before the hon. member brings his case before the Standing Finance Committee with a view to any alteration in the Estimates, I hope that he will confirm the facts that he gave as they do not tally with the information that I have received. According to my information there are some thirteen Agricultural Instructors in the Digo District paid for by the Local Native Council and by the ginners. Not one of these has the hon. member mentioned. I should also say that the activities of the Agricultural Officer at Kilifi are not confined to the Native Reserves, but they also embrace areas outside the reserves in which there are, in addition to the 3,500 acres in the reserves, some 6,000 acres of cotton. I should mention, however, that the system under which provincial programmes of agricultural development are laid down and actively carried out by administrative and agricultural officers is working well and proving successful in the Native Reserves of this Colony.

The hon. member for Trans Nzoia mentioned the plight of the maize producers, and he recommended the adoption of a Sale of Maize Ordinance similar to that of the Sale of Wheat Ordinance. This subject is under consideration by the Maize Inquiry Committee, and they are exploring the possibility of the introduction of a maize export quota system similar to that which is in operation in South Africa. Under such a scheme the burden of export will be carried in a fair and equal proportion by all classes of producers. This is, of course, quite apart from Your Excellency's proposals which you mentioned in your opening address, to deal with the present position.

The hon. member Mr. Puri asked how much longer the wheat industry of this country would be protected. Government adopted its present policy towards wheat after the very fullest and most careful consideration, and Government at present has no intention of abandoning that policy. (Hear, hear.) There is one very good reason, to my mind, why the subject should not be reopened yet, and that is because the Department of Agriculture's work in the breeding of high yield strains of wheat which are resistant to various forms of rust has not yet been brought to fruition. Remarkable progress has been made, but until farmers can obtain rust-resistant varieties it is impossible to say what are the ultimate prospects

of the wheat industry in this Colony. In my view, it is quite possible that with increasing yields Kenya will be a wheat-exporting country in the future.

For the information of the hon. member for the Coast and of other members who raised the subject, I should mention that the estimates for the veterinary services at the coast provide for the maintenance, but not for the development, of the Mariakani veterinary station. The full details affecting the methods and other reductions as reflected in the 1936 Estimates will be available for the Standing Finance Committee.

CAPT. THE HON. H. E. SCHWARTZ: Sir, although it will be necessary for me to range over a somewhat wide field in discussing the various points that have been brought up in this long and interesting debate, I shall hope to touch on those various points with that commendable brevity for which I am already so justly famous!

This has been a very peculiar debate, Sir, because the atmosphere throughout the five days has only twice been really disturbed, and on each occasion by the two members belonging to the profession of Aesculapius; which I always understood was wholly an assuaging profession and not one to exasperate and inflame feelings! However, I will deal with them when I come to them.

May I commence by being allowed to associate myself with the remarks of the hon. member for Nairobi South in connection with the levy on the Local Civil Services. I do not wish to repeat unnecessarily the arguments that he brought forward, but I do feel and I do think all of us feel that the Local Civil Services are in a peculiar position and that if the Standing Finance Committee, as a result of their deliberations, can make the necessary adjustments in the Estimates, we should welcome the removal of the levy from the Local Civil Services. And I believe that the remainder, the Overseas Civil Service, although they may be a little disappointed, will also welcome it.

Mention of the Local Civil Services causes me to express a feeling of regret which, at first sight, the combination of ideas, is perhaps a little difficult for hon. members to appreciate. My regret is that, as hon. members opposite will be the first to admit, they have in the last two years lost three gentlemen whom I may describe as great stallions of debate—the late Colonial Secretary, the late Attorney-General (I say late I am glad to say, not in any ordinary sense), and the late Director of Education. These three gentlemen were great debaters, but they have gone, and another colt has come into

the stables. As yet a little untried, but on the two occasions on which we have seen his preliminary gallops in this political arena we have realized how hard he can go, although always he does it with a most benevolent "Nay!". I refer, of course, to the Chairman of the Civil Servants' Association, the hon. Commissioner of Mines, although anyone, knowing anything about race horses' names, would not inaptly describe him as the "Golden haired colt!". In future debates we shall no doubt be castigated by him, and we shall attempt very humbly to castigate him back when the time comes!

I shall deal first with the speech of the hon. member Mr. Patel, who started by complaining that Asiatics were not members of District Councils. I suggest there is no reason why they should be. They have a very full representation on urban councils such as the Municipal Council of Nairobi and those of Mombasa, Nakuru, and other places. That is where their interest lies, and the reason they have representation, so that they can give full effect to the views of those they represent. Their interests do not lie, except in a small degree, in the work of District Councils, and there is no justification for having them on those councils. (Hear, hear.)

The hon. member further went on, somewhat dangerously, I submit, to quote something that Sir Alan Pim said about Indians in his Report on Zanzibar. I would invite the hon. member to read the whole of the Report *vis-à-vis* the Indian question in Zanzibar and see whether he is still pro-Pim or anti-Pim. He further—and I hope I am not misquoting him, and I do not wish to exaggerate, but he appeared rather to complain of the unnecessary expense of the Central Revenue Office. I have made it my duty to make certain unofficial inquiries regarding that office, and have satisfied myself that the work that office has done since its inception has fully justified the expenditure that has been incurred on it, and the tightening up of the whole collection of revenue as the result of the Central Revenue Office being instituted has been a very great success.

He further went on to deal with the question of the Defence Force, and that was also touched on by other hon. members, especially by the hon. member Dr. de Sousa. Now apparently, their argument is, that because Indian troops came over from India and fought gallantly in this country in the Great War, by analogy members of the Indian population in this Colony are fitted to be members of the Defence Force. I deny that the analogy is a just one. (I am told that in the Legislative Assembly of India there are extremely able debaters!) With regard to this question of the Defence Force, I think we can settle the whole question not by waiting for the next war, as the hon. member Dr. de Sousa

said, but we now have, as a result of this session, a promise that the Asiatics shall not be debarred from joining the Kenya Royal Naval Volunteer Reserve. When they have shown how much they are fitted to be jolly Jack Tars, we shall be able to judge better how many are fitted to join the Defence Force and defend us from the onslaughts of the enemy on our borders.

Before leaving the subject of the K.R.N.V.R., I would ask the hon. member Dr. de Sousa to reconsider his attack on the vote for swimming instruction, as probably those Indians joining the Reserve will require swimming instruction beforehand in case, of course, their ship sinks. (Laughter.)

The last point of the hon. member Dr. de Sousa was the one when he said it was definitely understood, or could be proved, that Asiatics were more competent than Europeans in certain clerical jobs. I think he was talking about, and equally praiseworthy. That reminds me, and I shall beg the indulgence of the House if I mention it, of a short story told me by a gentleman well known to most of us in this House. Mr. Barnes, the late Auditor, who like the present one the hon. member for Uasin Gishu would refer to as a sniper, the only difference being that when he went out I occasionally got a couple and now I do not!—had in his office at the Audit Department a highly placed Asian clerk. Mr. Barnes began to have every reason to believe that this clerk was reading confidential papers in his confidential basket, so before leaving the office one day he wrote a draft letter to the Colonial Secretary in which he said: "Sir, I have the honour to inform you that I regret I have every reason to believe Mr. So-and-So has been reading the papers in my confidential basket, and thus am asking you to take disciplinary action in the matter". He went off for the day, and when he came back the next morning his clerk asked for an interview. "Yes", he said, "what is it?" Said the clerk: "I just want to assure you that I never read papers in your confidential basket." (Laughter.)

Now, Sir, I regret to have to come to the unfortunate speech by the hon. member representing native interests, Dr. Wilson. That speech, in my view, can be described in three words: impertinent, ill-timed, and untrue. (Hear, hear.) During that speech he appeared to me to be trebling the roles of Government trumpeter, supercilious schoolmaster, and agent provocateur. I call that speech impertinent, ill-timed, and untrue, and I propose to justify those epithets.

I say the speech was an impertinent one, because it is not the duty of the hon. member, as has already been stated, to tell the European elected representatives of this Colony

whether they are properly representing their constituents or not. The only people who have the right to tell us that are the people who sent us here, and I will say this, that 90 per cent of the people who sent us here eighteen months ago would say that our actions during the past six months have their full approval and approbation.

I say his speech was ill-timed, because the whole tenor of the debate up to the time that the hon. gentleman spoke, while it was frank was friendly. The pace was set by the hon. mover of the motion, who made it quite clear that while he was going to put forward the views of Government, while he disagreed with many things we said, and many were what he described as myths that were abroad, he was doing so in a way that while it lost nothing in frankness did not, and was not meant, to cause any hot feelings or ill tempers. The pace that was set was, I think hon. members opposite will agree, accepted and adhered to by the Noble Lord and the hon. member for Nairobi North. Suddenly, to paraphrase the words of the hon. member for Nyanza many years ago, when the Council sat in Government House, a provocative bomb is thrown into the political arena. The speech of the hon. member was quite unnecessary, and that brings me to the third epithet, when I say it was untrue.

The hon. member, before he really came down to the serious part of his lecture to us, suggested by more than innuendo that the interests of the natives were of little or no importance to the European elected members of this Colony and those whom they represent, that they were actuated purely by selfish motives, and that they cared nothing for the native population. This is not the first time that suggestion has been made by him, and I do not suppose it will be the last. It does not require me to say that it is completely untrue, and not one single member on the opposite side would make such a suggestion as he has made.

He went on to say that all that had happened during the last three or four months had done nothing but a great deal of harm not only in this Colony but outside the Colony. He said we had accused Government of not knowing and not caring, and that we said something must be done. I do not believe we ever accused Government of not caring. We did say, and with justice, that Government did not know the position and the suffering that was going on in parts of the Colony. When I say they did not know, I mean that they did not have a full realization, and I believe that the hon. Attorney General will admit that when he came back from his trip up-country he came back with a fuller realization that the picture we had been painting of the destitution going

on up-country was not over-painted, a picture which had not been realized by him or many of them on the Government side.

I am not going to be provocative as far as Government is concerned. It is extremely difficult to deal with the allegations of the hon. member Dr. Wilson without being so, but I shall do everything in my power to steer a clear course in that respect. I say though, that if it had not been for the events of the past three or four months, if it had not been for the calling of the Convention of Associations, if it had not been for the culminating point of that Convention, namely, the formation of the Vigilance Committee, nothing, not one tenth, would have been done that has been done, and I say that what has been done was nine tenths due to what happened in September in this country, both by the Convention of Associations and as a result of that Convention. Personally, I do not mind, it does not matter to me, why this was done, why that committee was appointed, why the Agricultural Indebtedness Committee has been working very hard and everyone on it, it does not seem to matter why it was done. The fact of the matter is that it was done, and I should never have raised this point if the hon. member Dr. Wilson had not suggested that all our actions had been most detrimental to the interests of those we represent. I merely state that, so far from being detrimental, we have achieved more in the last four months than we achieved in the four years before.

Before I leave his speech, the hon. member suggested that an enormous amount of harm had been done overseas by the events of the past three months. I deny that entirely, Sir. I say that the whole tone of the Press, whether it is a popular Press or a paper of the eminence of *The Times*, has shown quite clearly that we have not lost prestige at all, that while one naturally looked for a completely impartial view 6,000 miles away they also made it quite clear, in my view, that Government was to blame too. "Six of one and half-a-dozen of the other" is the attitude of *The Times*, but to say that we have lost prestige and have a harmful prestige at home as the result of the events of September is incorrect when quite the opposite is a fact.

We all resent the attack the hon. gentleman thought fit to make on us, not because we object to being attacked—we are here to be attacked and to attack—but we resent it solely because of the time at which it came, and I think it says a good deal for the sound commonsense of members on both sides of the House that despite that desperate attempt to stir

up feeling this debate has continued, and will continue I am sure, to the end without unnecessary heat which might easily have been engendered.

I pass on to the speech of the hon. member Mr. Puri, and the main part of his speech which I wish to touch on is his allegation that Indians were entitled to complete political equality and full representation on every kind of committee or commission that is appointed. That is not so. The line we have taken, whether we are right or wrong, always has been that this country, whether under Crown Colony government or in the future when political advance comes, this country is going to be governed by Europeans, that while we have no objection to Asiatic members sitting in Legislative Council to represent the sectional interests of their own people, while we have no objection to them being on municipal councils for the same reason, we have never admitted their right to political equality and never shall admit their right to political equality. They have always taken the other line, we have taken this line, and time alone will show which is correct. But if the hon. member Mr. Puri gets up, and he has a perfect right, and states according to his convictions that the Indians of the Colony are entitled to equal representation with Europeans on whatever committee it may be, then, speaking for myself, and I believe for everyone on this side of the House, we must say we have not retreated from the position taken up ever since the issue was raised that we never agree to that and never can. (Applause.)

I want, Sir, to refer to one or two small points in the hon. member's speech which are really of no importance, but I think perhaps he would wish me to make them clear. He referred with regret to the fact that there were no details ever given and no knowledge of the Trade and Information Office in London. Possibly that is because he is acting for another gentleman who is away, but as hon. members know that annual report of the office is circulated to this Council regularly, I also think he apparently misunderstood the branch line position, because he was under the impression, I think, that this Colony paid to the Railway all losses incurred on branch lines. That, of course, is not so. All the Colony pays is the interest and sinking fund on branch lines. I propose to ask him a question now, which I am sure he will tell me the answer to afterwards, as to the words at the end of his speech, when he stated he felt sure that Government had done everything possible in this matter, but at the same time he felt something more could be done. (Laughter.)

I am dealing with the taxation issue at the end of my remarks, but may I say this. My friend the hon. the Attorney General unfortunately used—I would say that he used a rather

unfortunate expression at the commencement of his speech when he said, in his appealing manner: "How can we make bricks without straw?" referring to the budget, and when he finished his definition of the word temporary I think he realized that he could not make bricks without straw. On the question of temporary taxes he has made out no case. Of course he could not. No man could, the most brilliant advocate in the world could not make a case for the Government on this issue. But I will deal with that when I come to it.

The hon. member Mr. Shamsud-Deen referred to a bees' nest. I think, perhaps, some of the remarks of the hon. members sitting on the cross benches are the nests of mares rather than bees. With regard to his remarks concerning the veterinary officers, you will remember he said the hon. member for Nyanza had talked about veterinary officers teaching people to read and write, that that could not be so and was not the case. I refer him to the Report of the Select Committee, page 14, which deals with the very point, so that it was not so ridiculous as he seemed to think.

The hon. member for Uasin Gishu referred briefly to the Conference lines and the raising of freights on maize and other commodities. May I say how much we all feel what the Noble Lord has referred to as the iniquity of the raising of these rates, and may I suggest to Government that the time has come when reconsideration should be given to this ridiculous arrangement with the Conference lines by which all Government officers have to travel by those lines in return for which Government is given what is called a "secret" rebate, and everyone in the country, from Kisumu to Mombasa, knows about it? It is quite time the Conference lines were put in the position where they had to compete with other lines, and not be content to sit back knowing they have got the whole of the Civil Service passenger traffic. If that were done they would have to compete and come into line with some of the other lines, and then it would be seen whether Civil Servants would prefer to travel British or not, but when the Conference lines make no attempt whatever to compete with foreign lines but simply sit back and tell you you are unpatriotic if you travel on any other line, so long personally, I propose to be unpatriotic.

A small point was made by the hon. member for Trans Nzoia when he stated that the Colonial Office insisted on all matters of quite small importance and minor matters being referred to them. With respect to the hon. gentleman I do not think he is quite right. I do not believe the Colonial Office do want all these things referred to them and I have it on pretty high authority in making that statement that they do not want to be pestered and bothered with all these small

things and I suggest that if the local Government referred a good deal less to them and made decisions on the spot on their own, nobody would be more pleased than the Colonial Office, and we should get a good deal more done than we do get done.

The hon. member for the Coast referred to the raising of the rates by the Nyali Company on their bridge, and a question has been asked in respect of that matter. It is a well-known fact that those rates were raised purely and solely as a protest against the ferry which is now competing with that bridge. Whether or not there was any moral understanding between the Company and Government with regard to such competition I do not know. At all events it is not in the agreement, so you cannot say that Government are to accept it is in the agreement. I suggest that the official answer that was given to the Manager of the Nyali Company when he complained about this competition and pointed out that it was losing a large sum of money, that "most of the shares are held by Lord Moyne and what does it matter?" was hardly the official answer to be given by Government, although I suggest there should be some protection. I do not think that answer would please Lord Moyne, even though he does own most of the shares, as he would be losing £6,000 to £7,000 a year.

The hon. member for Mombasa stated dramatically that the Attorney General's department advised Government to allow alcohol to be sold on ships.

THE HON. F. A. BEMISTER: On a point of explanation, Sir, I simply said that the revenue is paid by Kenya people but not collected by Kenya.

CAPT. THE HON. H. E. SCHWARTZ: What you said and what you meant was that the Attorney General's office had advised Government not to make any alteration with regard to the selling of liquor on ships. I do not know how you know what advice was tendered to Government by the hon. Attorney General. You may be right or you may be wrong—that does not matter. The point is that whoever did tender that advice to Government has my fullest support. My hon. friend will not mind my saying quite frankly that this continued pressure to bring about legislation whereby all bars on ships would be closed, because that would be the effect, is a further interference with the liberty of the subject. The revenue that would come to the Colony would be infinitesimal and the revenue that is lost to the hotels in Mombasa as a result of being allowed to see a friend-off on a ship is practically nil. I hope the decision taken by Government will be adhered to, but I warn you the hon. member for Mombasa is a most importunate widow and you will have to look out.

There is little in the light-hearted bandinage of the hon. Director of Public Works to refer to with the exception of the fact that there has been continual demands, always continual demands for reduction, and he said what have we done—we have reduced 46 per cent. Is it unfair to suggest that reduction was as a result of those continual demands and I suggest that if the demands continue the reductions will also continue. I am very sorry the hon. gentleman is not here. He is a most difficult fellow to get the better of and I do not know whether any one on this side or on the other side has got the better of him. I am a little surprised at him mentioning the Bowring Committee and this was in 1922 and I happened to be acting for the Member for Nairobi South and we were sitting every day and the Bowring Committee and every one was out to help, except the hon. gentleman's unspeakable predecessor, Mr. MacGregor Ross, who actually had the effrontery to come up to the Governor-in-Council in white trousers and tennis shoes, and when asked what he had to say, said: "I will not say anything; it is complete nonsense". Nor would he, and the result was nothing was done. The hon. gentleman, I am quite certain, has really got a great deal more humour than he would have us believe, because he got up there and said: "Poor Government officials could not have any chance of replying". I have worked it out and I reckon that I have spent about 216 hours altogether reading the hon. gentleman's replies in various documents over the last few years. The only difficulty about them is that by the time you have come to the end you have forgotten what they started with. If any one suffers from *eurothitis scribendi* even to a small extent, I am sorry for them. I am afraid the disease is incurable. What he will do when he retires, I do not know—I suppose he will write a book. I hope it will not be like his predecessor's.

The hon. the Treasurer began by talking about personal attacks, saying that civil servants were not like at the House of Commons at home and were unable to take part in political repartee. I suggest that is not so. In fact he is a Minister in the House and perfectly entitled to take part in any political controversy which arises. At all events, whether right or wrong, I am extremely glad his view is not shared by my hon. friend the Commissioner for Local Government, who is always a delight to listen to and who did not fail us yesterday and I am sure will not fail us in the future.

While I am dealing with the hon. Treasurer's speech, although it does not strictly arise out of anything he said, I would ask the hon. the Colonial Secretary when replying, to tell me whether it is a fact that as soon as a District

Officer gets promoted temporarily to the Secretariat, irrespective of what salary he is drawing and whether married or single, he immediately gets what is called an acting allowance which brings him up to a minimum of £720 a year. It is so. My question is therefore hypothetical. I know the answer. There are only three at present. One is on a substantive salary of £690 and draws an allowance of £30 to bring it up to £720 and two others are on a salary of £690 and get £90 each. The real question I want to ask is what justification exists for that in times like these?

With regard to the hon. the Commissioner for Local Government, there are only two points. One I do ask him very seriously and I ask Government to consider, when there is time to consider anything after all this rush and turmoil is over, and that is the possibility of the freeholding of leasehold; at it is a very, very important thing. Many, many years ago—I think possibly before you arrived, Sir—there was a motion, which, owing to the end of the year and Council dissolving, could not be reached. It is a very, very important thing. It is a thing which will bring considerable monies into Government and it is a thing which must be tackled in the comparatively near future, and I would ask you, Sir, and the hon. the Commissioner, not to brush this aside, but to really consider it and if necessary appoint a committee, not necessarily to-day, say within the next six months, to go into the position of leaseholds. The other point I want to ask the hon. gentleman is in connection with the Report of the Committee appointed to consider the provisions of the Resident Native Labourers Ordinance, 1925. That Report, I understand, was signed the best part of a year ago I am told. It has never been before this House but was apparently circulated amongst Provincial Commissioners. This whole squatter position is becoming a very serious one. I believe this Report went home to the Colonial Office and was held up owing to the provision in it which really altered the status of a squatter from that of a tenant to a labourer. The matter is really one that must be dealt with. For years now Elected Members on this side have been pressing for something to be done and I think that now the Report is concluded it should be circulated and something done with regard to it. (Hear, hear.)

Now, Sir, the hon. Dr. de Souza started by talking about hon. European Elected Members as being self-appointed leaders. Well, I do not think that you can really be self-appointed leaders if you have elected representatives and I do not quite know what he meant, but we are certainly not self-appointed—certainly not those who have to fight an election. He also stated that he and his colleagues wanted

to do all they could for European farmers. I am very grateful to the hon. gentleman for saying that and I thank him, but I would remind him of the speech made last session by the hon. Mr. Shamsud-Deen, which was most derogatory to the settlers and which stated they were really not much good. I have not the words before me but they were to the effect that the sooner they clear out the better. That was not very encouraging. Nor were the remarks of the hon. gentleman who in saying what he wanted to do for them said their plight was not caused by locusts and drought, but by incompetence. It is quite easy to get up and say those things. Nobody takes no notice but to anyone who knows in fact about this and most people know more about farming than I do, it is quite unfair to say that the present plight has been caused by extravagance. And it is also unfair to suggest that it has been caused in the main by incompetence. Of course there are bad farmers and of course experimental farmers, but if anyone says that farmers have not worked hard to get back what they put into the country, they know nothing whatever about the position.

The hon. Doctor complained very bitterly and most dramatically at our continually pressing for constitutional advance. He said we do not represent the Asiatics, we do not represent the natives, that we only represent the Europeans. He is perfectly correct. The Europeans are the people who are concerned, as I have already stated, with constitutional advance. Constitutional advance, whether it comes on the lines the Noble Lord suggested or in some other way, will come, no matter what any one in this House says one way or other, leading to the final position where the people in control of this Colony are the white colonists of this Colony.

He also quoted the hon. and Noble Lord about Your Excellency having said something about your Executive Council. What the Noble Lord said at the Scotch dinner, I do not know, but if he said he considered that the Executive Council of this country as finally constituted should not have Indian representation on it, then I for one agree with him, because it is part of the Government of the Colony. That is the line I take purely because it is. I think the hon. Doctor will himself regret that he spoke in the terms he did of the late Lord Delamere and I leave it at that.

He referred to the 1923 caucus and 1935 caucus and he made a statement that surprised me. He stated that as a result of the 1923 caucus, as he called it, the battle was fought at home and was won by the Indians. I am told that certain knowledgeable people also think the French won the battle

of Waterloo. All I can say with regard to that is, that if the result of the fight results in the crushing defeat that the 1923 caucus did, I shall be very pleased with such a defeat.

With regard to the Carter Report the hon. gentleman said it was *ultra vires*. How dare they say this? What he does not seem to realize, whether he did or not, is that it has been approved by the House of Commons, and all we say is we want the reservation with regard to Leroghi. Now it has been approved we want it implemented and not all this delay, delay, delay, so that another five years will go by. If we support it being implemented on one side, we expect it to be implemented equally on both sides at the same time.

The hon. gentleman also complained bitterly that the native reserves were not defined or demarcated. To the best of my belief they have been demarcated, the only alteration necessary being a small alteration as a result of the Carter Commission Report.

Finally, with regard to his remarks, I suggest that it is not proper for an hon. Member of this House to refer to a nation which is at peace with Great Britain as a quasi-enemy State. (Hear, hear.)

Before I come to my last point, I would like to deal with one small point made by the hon. Director of Agriculture, and that is with regard to the sending of cattle to Abyssinia. No native cattle were sent. I think it is correct—I am informed it is—that is was not the stock breeders who objected to native cattle being sent. Actually they did definitely propose that native cattle be sent, but Government, for some reason I do not know and it has not seen fit to mention, did not recommend native cattle to be sent.

• Council adjourned for the usual interval.

On resuming.

Now, Sir, I come to the last point which I wish to deal with, and I am afraid that it is by far and away the most serious of all the issues which have been raised during the present debate. I refer, of course, to the continued presence in the Estimates of the Graduated Non-Native Poll Tax.

I am anxious as far as possible to use restrained language with regard to this matter, but it is not easy. This is a matter on which every single European Elected Member on this side of the House and, I think I can say, every single constituent who sent those members here, feels most strongly. We are quite unanimous, the Elected Members and those whom they

represent, and when the Noble Lord referred to the action of Government with regard to this particular matter as being a breach of faith, in my view the term was a mild one.

Now, Sir, during the major part of the negotiations with regard to the temporary alternative emergency taxes—and no one else has mentioned the word emergency during this debate, and it is a very important word—you were not in the Colony. The Noble Lord was not in the Colony, he had gone home to represent us in connection with the matter to the Secretary of State. The negotiations were carried on to a very large extent between myself and the Acting Governor, now Sir Henry Moore, and I have no hesitation in saying that if Sir Henry Moore were present here, astute politician as he is, or was, he would not adopt the attitude that Government has adopted now with regard to the real bargain between Government and the people of this Colony. Your definition, Sir, of the word "temporary", if I may say so with great respect, is too disingenuous to be taken seriously. The analogy of the hon. and learned Attorney General's shamba boy is, of course, of no real point either.

It is seriously argued by Government that the question was, are we to have income tax or are we to have certain alternative taxes, which alternative taxes shall remain on until some other form of taxation is found to take their place? That, in a nutshell, is Government's case, and that is a case which could not gain sympathy from any impartial tribunal, however ably argued. If you will read the speeches not only in this Council but the different speeches made during the income tax controversy, you will find that one of the main arguments for refusing to have income tax and accepting the temporary alternative emergency taxes in its place, was that while this country felt they were taxed to the limit, while they would be prepared as a concession to submit to further burdens for a period of two years in order to enable Government to put its house in order—those were the very words used—they would not submit to a permanent form of taxation, whether income tax or any other kind. That is the truth.

I have argued many cases in my time in another place, and I have not gone into court or before a tribunal with more honest assurance in my own mind than the case I am arguing here is unanswerable, and I believe if hon. Members opposite tried to look on this with an impartial point of view they would be compelled to agree that I was right. I could spend hours quoting speeches made on both sides of this House, I could quote arguments used in consultation and conference with the Acting Governor and Colonial Secretary and others. I do not propose to do that. I propose merely to repeat one quota-

tion which I gave in the August session when you, Sir, were away in England, and that is a quotation from a speech made by myself in August 1933 in this House, which has never been questioned by Government up to this date, and it was never questioned at the time; though I have challenged them to do so they have not done it. It will be interesting to see whether the hon. the Colonial Secretary will, at the eleventh hour, dare to question whether what I said was correct. This is the quotation, Sir:—

"For that reason, I again make my appeal to these gentlemen to play the game and, however much they dislike it, to support these measures on the understanding which we all agree to, and which Government has accepted, that they are purely temporary measures to bridge a temporary gulf, and that when that gulf is bridged they will go."

That, Sir, is language which admits of no misinterpretation. That was not a statement made with the anticipation that it would have to be used in two-and-a-half years' time. It was a statement of fact made at the time and accepted by everyone in this House, Government or not, because they knew it to be a fact. And had I said anything at that time, speaking to elected members on this side, had I made any statement, which was not correct, would not Government and the late Attorney General, who never allowed anything of that kind to pass, have immediately pulled me up and in his speech said that is not correct? By reading that, the only possible argument Government could bring forward to continue this tax after the 31st December, 1934, was that the gulf had not been bridged. They have never taken that point, and there was no suggestion that that was the point until the astute Attorney General in his speech yesterday or the day before just mentioned it. He waved aside everything that had happened, it does not matter whether there is any misunderstanding of what was or was not said here, the position is gulfed, not bridged. If Government had taken up that line after two years they would, not, in my opinion, have been on impregnable ground but they would have been on considerably stronger ground than when they took up the position that this is not a bargain at all but that they should continue until something else is put on in their place. The hon. Member for Nairobi North, I think, has shown that the gulf could have been bridged, sufficiently at all events to have allowed a sufficient margin to admit of this taxation being removed. If Government had taken the only point that could have been taken with any sort of success, it would have been on these lines.

We have not been asked to argue on these lines. We have simply been told: "We do not admit that these taxes were in fact temporary, except that they could be reimposed at the end of the year. We do not admit that there was any bargain, that they were put on as an emergency measure". I say, and cannot say too strongly, that it is impossible for Government to maintain that attitude. If you could read all the Hansard reports, the whole of the arguments which were going backwards and forwards then; if you, Sir, had taken part in the negotiations as I did, you would have no doubt—and I do not believe really in your own mind that you have any doubt—that the case we make is the proper one, that the pledged word of Government has been broken on this occasion. I regret to have to say it, but it is so. We have known even those who favoured the emergency taxes as a temporary measure while otherwise they would not look at them at all. If we who were striving to come to an arrangement had known that the bargain would be deliberately broken, we would not have tried to help Government out by agreeing to fresh taxation to give them breathing space.

I beg you, Sir, before it is too late, to admit the truth of what I say, to admit that our case is a genuine and concrete one, and thus save the Government coming out of this particular controversy with a bedraggled reputation and leaving a taste in the mouths of the settler community which will take many years to dissipate. (Applause.)

THE HON. N. S. MANGAT: Your Excellency, it is, I believe, superfluous for me to say that the motion before the House should be accepted, because that would simply be acquiescing in the inevitable. I am conscious of the unique privilege that has fallen on me, either by accident or as a reward for my patience, and that is that when I have spoken the whole of the unofficial side has spoken.

There is very little to say on the budget, because the House has listened complacently, for the last few days, to full discussions on subjects ranging from an inflexible and fateful matter as taxation to subjects as hallucinatory and fantastic as self-government. I assure hon. Members that I do not wish to raise any points to which they will not be able to reply.

Before I direct my attention to the very interesting speech, or at least the relevant portions of it so far as I am concerned, of my friend the hon. and learned Member for Nairobi South, I wish to say one or two things on the budget itself in a general manner, without professing to claim any extraordinary contribution to the discussion. I feel it is impossible to do so for two reasons: one, that they have

already been sufficiently exhausted; secondly, after hearing the very plain-spoken speech of the hon. the Director of Medical Services one cannot think that one can by any argument change the pre-determined plan of Government on any part of the budget. However, I hope that in its saner moments Government may find there is something useful in what has been said by members on the unofficial benches.

The first point I wish to mention has reference to the group hospital. In the last session, when the motion was adopted authorizing the expenditure of about £78,000 on a group hospital, it was hoped that before Your Excellency's term of office expired, or at least the present term of office expired—for it was due to your untiring efforts that this scheme came into realization—that you would lay the foundation stone of that monument which would stand in everlasting praise of Your Excellency's zeal and anxiety for the welfare of the whole of the communities in the Colony. But it is rather disappointing to discover that in the next twelve months Government proposes to spend not more than £15,000 only on the group hospital. If the work is to proceed at that rate, it will certainly take over five years before any patients are admitted to the new hospital. In my submission, when this allocation has definitely been made, the sooner the purpose for which it was made is fulfilled the better for all the communities. I may mention in passing that it would be judicious for Government to submit the plans of the new hospital to representatives of the different communities before the work is proceeded with.

The engagement of Asian medical officers as advocated by my hon. friend Dr. de Sousa has been summarily ruled out by the hon. the Director of Medical Services, who went further and said they would not be competent to handle the situations of medical officers. I wonder whether the hon. member has ever attempted to obtain the services of those Indian doctors who hold English, Scottish and Irish university degrees, and in addition some hold diplomas of public health and diplomas in tropical diseases, and has ever inquired as to on what remuneration they are willing to serve as medical officers? It is, of course, understood that such medical officers would be entirely for native services.

A lot has been said by my colleagues and other hon. unofficial members about education, but it seems to me that the equanimity of the hon. the Director of Education has not been disturbed. It may be that he has a clear conscience, but it does not necessarily follow that Government also has a clear conscience in the matter of education as far as the Indian community is concerned. To say the least, the alloca-

tion for the grants in aid to Indian schools is parsimonious and really inadequate, and is admitted to be so by the hon. the Director of Education.

There is one other small point which I wish to touch on, although it has been discussed and, properly speaking, I should not have raised it, but it is only in the way of a plea to the hon. the Conservator of Forests. That is in respect to the inconveniences and disadvantages of service terms of that very small community of assistant foresters and forest guards. You find in the budget the old Grade 1 getting less than a 3rd Grade Asian clerk, and under the new terms a special grade Asian clerk goes from £250 to £300 and then from £300 to £408, while an assistant forester, 1st Grade, gets £146 to £230. Complaints have been made by some hon. Members about the expenditure of this Department, but I do not think for a moment that any substantial portion of that vote really goes to those who collect nearly the whole of the income of the Department.

I notice that there is an item under "Other Charges" of £510 which we are told will be spent on the maintenance of forest station houses. I hope that the money will be utilized in the betterment of the living conditions of those people, assistant foresters and forest guards, who have to live in some cases miles away from civilization and who work in all sorts of weather at a remuneration less than a 3rd Grade clerk in Nairobi. In addition, I understand they have to act as honorary game assistants also, and in that respect I wish to mention here that these assistant foresters who have to live in forest stations are not properly protected. In some cases they have given to them by Government firearms which are so heavy and inadequate for the purpose that they look like surplus stock from the Boer war. If they are willing to obtain firearms at their own expense there should be no objection to their doing so, but there has been a case where the District Commissioner of a particular district has flatly refused to issue a licence for a firearm to an assistant forester.

The only other item on which I wish to speak is the Printing and Stationery Department. I cannot possibly apprehend how this Department manages to lose over £1,000 a month. If it issues an Official Gazette it certainly sends it on subscription; if it prints a Government publication, there is a price put on it. Still we find that without counting the principal expenditure, that is the investment originally made in this Department, it is losing more than £1,000 a month, which really is unbelievable.

Since Your Excellency has given the opportunity to hon. members to speak on divers subjects, I wish to endorse the views of the hon. member Dr. de Sousa on the question of

municipalities, especially to the Nairobi Municipality. On this question the Indian community feels very strongly, and the local Indian Association despairing of its efforts with the hon. the Commissioner for Local Government, Lands and Settlement, has in fact approached the Indian National Congress to make representations to Your Excellency on this subject. Whether they have been made yet or not I am not aware. But this pernicious system of nomination has really demoralised the community. Most of the members of the Municipality are in agreement that there should be representation of Indian interests by election, and those who are defenders of the present system are concerned more with their own interests than with that of the community. This system of nomination started with Your Excellency coming into the country, but I sincerely trust that before your term of office expires Your Excellency will go away with it once and for all. Otherwise I am afraid that the Indian members will be left with no better alternative but to move an amendment to the Local Government (Municipalities) Ordinance, 1928, and debate the viewpoint of Government in open House. Although the hon. the Commissioner for Local Government will not have an opportunity of replying to these comments, I hope that the hon. the Colonial Secretary will be able, if he cares to, to reply to this question.

Turning to other domestic matters, the hon. Member for Nairobi South has really paid a complement to the Indian members in taking so much notice, which is very unusual for him, of the points raised by them in this debate. He has quoted the incident of a clerk in the Audit Department, and he wishes to base his argument on that, that Indians cannot be as competent as they are alleged to be by some of the Indian members. All I say is that an individual instance cannot really be a fair representation of the whole. We can find very apt instances in the case of the settlers themselves. If you take them individually they are gentlemen no doubt, metaphorically as well as literally, and almost Christian in their dealings with natives and other communities, but if you take them collectively they are the very devils. (Laughter.)

Then the hon. member referred to the self-government scheme which is coming in the future, and says that it must come, and I also think it must come, because after all the country has got to look forward to it. But, in a manner which may be called boasting, he says that Indians will not be given the right of participation. I think it is a matter of regret really that he should begrudge his fellow British subjects a share in the government.

The Noble Lord in his speech at Nakuru said :

"The Indian community had proved itself to be unfitted for any share in the Executive of the Colony."

It was not really fair to refer to the capacity of Indian members on the Executive Council in those terms, and I only wish to add that to suppose that because one is a countryman of Disraeli or Gladstone and would therefore make a good administrator of this Colony as unwarrantable as to imagine that one's Scottish extraction is a sufficient guarantee that he will look well in a kilt! (Laughter.) Furthermore, he proposed a new scheme of constitution. It may come in due course, but at the present I can only say that it is the best example I have come across of counting one's chickens before they are hatched.

Coming to the remarks of my hon. and learned friend the member for Nairobi South, about mares' nests and bees' nests, I wish to add one more nest, and that is a hornets' nest. You will remember, Sir, when the then Secretary of State visited Kenya in 1934, he definitely said that the constitutional issue was closed, for some time at least, and that the Joint Parliamentary Committee wished nothing so much as to stop any further discussion on this issue, and he warned us that if this issue was raised in the Colony it was equivalent to disturbing a hornets' nest and every hornet would be out buzzing. Not long after that the hornets did begin to buzz, and in spite of the fact that there have been commandments from the Colonial Office: "Thou shalt not buzz", the hornets do not stop buzzing. I hope now that we all realize the impossibility of this Colony obtaining any constitutional advance, for some time in the future at least, and that these hornets will settle down to industry and steady labour.

The hon. member for Trans Nzoia advanced some arguments whereby he wanted to prove that the Indians should not be given equality in this Colony. His arguments were the same as those used before the Flood, but the one point in which he questioned the loyalty of the Indians was certainly hitting below the belt. I am aware that in this House on more than one occasion there has been a tit for tat and a Roland for an Oliver between the Europeans and the Indians, but never before have I heard such a libellous accusation made against a whole community with such a lack of responsibility, and it is really views of this sort which create divergencies that cannot be bridged with the most liberal sympathy. And as for his complaint that the natives are producing too much maize and Indians too many children, and he fears competition in both these activities (laughter), I ask him fairly and squarely if that is so, how is he entitled

to call himself a primary producer (laughter). As a matter of fact he should have been pleased that the primary producer will have more consumption for his product if there are more children, and if he had any apprehension about the immigration part of it, then the hon. member can satisfy himself by referring to the latest statistics, which show that since the last census the Indian population has gone down by 4,000 and the European population has increased considerably.

Coming to the question of self-government I would like to say just a few words. Most of the hon. European members have waxed eloquent on this question and in doing so did not hesitate in ignoring the substantial interests of the other communities. I was not present when the hon. member representing native interests (Dr. Wilson) gave them his advice, but since it was so disagreeable to their taste it must have been good advice. If the hon. member had prescribed something for their monomania of self-government, much time of this House would have been saved.

Now, Sir, it is said that the desire of knowledge in excess caused man to fall and the desire of power in excess made angels to fall; in the same way I am afraid that the desire of the attainment of the control of the Colony on the part of the settlers may also do a little bit of no good, since empty stomachs are a bad foundation for epicurism! The present financial state of the settlers is really an argument against their asking for self-government. How could anyone suppose that a person whose own interest demands that he must have more money out of the finances of the Colony can impartially administer the funds of the Colony? They should show their own stability before they ask to be trusted with the money.

Perhaps Voltaire was not a bad-hearted man, yet he said of the good Jesus Christ: "I pray you, let me never hear that man's name again". The Indian members may not have anything against the European members for self-government, but it is certainly high time that this useless squabbling should stop and we should return to better things. Even the Government, now that it has attended to the needs of the primary producer, would be well advised to apply its mind to the primary needs of the other communities.

The hon. member for Kiambu and the hon. member for Uasin Gishu said the whole country was organized for any eventuality that may arise and they were determined to get self-government and resolved . . .

THE HON. A. C. HOBY: On a point of order, Sir, I never even mentioned a thing about being organized for any eventuality. I do not know what the hon. member means.

MAJOR THE HON. G. H. RIDDELL: I did not say anything about self-government.

THE HON. N. S. MANGAT: I am, however, absolutely certain that the hon. member for Kiambu said that the whole country was organized for anything that may arise, and I apologize to the hon. member for Uasin Gishu if I have misunderstood him.

LT.-COL. THE HON. J. G. KIRKWOOD: On a point of order, Sir, the hon. member for Uasin Gishu could not have said that, because he does not exist. There is a constituency known as the Plateau.

THE HON. N. S. MANGAT: I am subject to correction, Your Excellency, but on my list I see the name of the Hon. A. C. Hoey as the member for Uasin Gishu. I had this list before me when I spoke about the hon. members.

Now about this resolution that the country was being organized; it was so in 1923 and other times, and it is being done again, though we all know for how many years and for how many times Mr. Pepys made and broke his vows and still we do not hear that he was discouraged in the end. So I do not wish to tender any advice which may be resented, and seeing what happened to my hon. friend Dr. Wilson, I do not dare to tender any advice, but I only ask the European members that, whenever they say their prayers, they should add those two lines of Robert Burns at the end:—

"O, wad some power the giftie gie us,
To see oursels as ithers see us".

HIS EXCELLENCY: If no other hon. member wishes to speak, I will call upon the hon. mover to reply.

THE HON. THE COLONIAL SECRETARY: Your Excellency, most of the points dealing with departmental expenditure in this provisional budget have been dealt with by Heads of Departments, but I am afraid there are a number of general points still left with which I think I ought to deal and I am afraid that it is inevitable that I shall be rather long and as I shall have to travel over a long range of subjects I am afraid my remarks will be rather disjointed.

The first question of which I have a note and which I am asked to answer is: what is the present situation with regard to the Carter Commission Report? I have, however, Sir, no information to give the House other than that the situation is still as it was. The Report and the draft legislation are in the hands of the Imperial Government, but the Secretary

of State has been advised that expedition is most desirable, in the interests both of the natives and of the Europeans. (Hear, hear.)

The second question was: what is happening to the bamboo paper pulp industry? That project is not by any means dead; it is very much alive. You yourself, Sir, saw some of those most interested in it when you were in England. My hon. friend the Conservator of Forests also saw them. The difficulty apparently is the raising of capital. I understand that is going on but there is not yet enough to start operations.

The next question was what had happened to the enquiry into the Trade and Information Office. I learned a few days ago that that enquiry has not yet taken place. The Secretary of State has suggested that Colonel Walker, whom I regret we are shortly going to lose from this Colony, should undertake an investigation and report.

The next question was one by the Noble Lord, the hon. member for Rft Valley, as to soil erosion, and he referred to the fact that the Overstocking Committee that had been recommended had not been appointed. It is perfectly true that Government did not adopt that particular recommendation because Government already had two committees dealing with that particular problem—the Provincial Commissioners' Conference and the Board of Agriculture. As we had all the facts and all the information necessary we could not see how one more committee could do very much good. The whole question of soil erosion, however, is a very different matter, and Government has been very much impressed with the tremendous importance of that subject, and that subject has been put on the agenda of the recently appointed Economic Development Committee. Papers are being collected and facts tabulated.

The next question was as to the eleven cadets whom we are going to get here next August. The Noble Lord asked first how in times like this we could have two over strength. As is stated in the Memorandum, if we have to keep up an approved average of, we will say, 114 district officers, and if wastage in staff owing to promotions, transfers and resignations goes on all through the year, while replacements occur only once a year, it must follow that at a certain time we are over the strength while for the rest of the year we are considerably under. As a matter of fact I think I am right in saying we are about nine under strength or shall be very shortly, and after August if nothing unforeseen arises we may be, although it is unlikely, two over strength for a very short time, but that will not be until next August, and the

only fear in my mind is that we have reduced the number rather below the safety line and if there is any considerable amount of truth in the allegation of the hon. and venerable member for Native Interests, it might look as though we want more district officers than we have got.

The next question was how many of these cadets were Kenya boys. I think the answer is none. (Lord Francis Scott: Shame!) At present I have only seen their names and schools and colleges, and I do not think any of their names are those of Kenya residents. This brings me to the main question of the employment of Kenya boys in the Administrative Service of Kenya and I believe that in all essential points the Noble Lord and I and this Government are in complete agreement. (Hear, hear.) We do want to encourage local enthusiasm. We do want to encourage a tradition of family public service. We do want to create and foster—to use the Noble Lord's own words in a recent debate—a Kenya spirit. But the matter has to be looked at from several angles. In the first place there are the interests of the Kenya boys themselves. At present they can join the united Administrative Service of the whole Empire. They join that service and they have the world for their oyster and it would be a pity if any reorganization prevented them from having the opportunity to open it. Recently, four Kenya boys—at least the sons of residents in Kenya—have been appointed to this Colonial Administrative Service: one of them to Kenya, two to Uganda and one to Tanganyika. Now I do not quite see how we can have it both ways. We can hardly say that Kenya is to be a closed preserve for our own people and then expect our own people also to go trespassing on other people's preserves. It would be difficult for us to say to the son of a Tanganyika settler: "You cannot come here because we want our vacancies for our people" and at the same time expect Tanganyika to welcome our people there. As I say I do not quite see how we can have it both ways. We cannot keep Kenya to be a closed preserve and at the same time give our people the benefit and advantages of the whole Colonial Service. I am glad to say that Major Furze is coming out here in a few days' time. He is responsible for these appointments and I sincerely hope the Noble Lord will make an opportunity of discussing the whole question with him.

The Ven. Archdeacon raised a very important question as to whether the natives were having enough money spent on their own services. If he will turn to the bottom of page 6 of the Memorandum, he will see that on the basis recommended by Lord Moyne the total to be spent on Native

Services during 1935 is £265,680, while half the average native hut and poll tax for the last six-year period for which figures are available is £270,791.

VEN. ARCHDEACON THE HON. G. BURNS: That is so, Sir. For that mistake I apologize to the hon. the Colonial Secretary that I did not take into account six years instead of one year.

THE HON. THE COLONIAL SECRETARY: In my mind I had not realized the hon. and ven. member had made a mistake. I thought he was exercising proper care to see his people got the right amount of money.

I want to make it quite clear that throughout the preparation of the Estimates my hon. friend, the Chief Native Commissioner, and myself were most insistent that the provision for native services should at any rate approximate to the Moyne figure, the figures which I have just quoted show a difference of £5,000. Even that is not very great. It is the principle that matters, and as long as we can get the proportion reasonably right we have nothing to reproach ourselves with. As a matter of fact, if to the sum of £265,680 is added the £5,000 of expenditure on medical stores to be incurred this year, it will be found it is as near as anybody can possibly expect to get it.

Various observations have been made about native taxation, and it has been suggested in some quarters that it is too high. I am not at all sure that it is not. Personally, I am rather inclined to think it is, but we are committed by what we have done already. We have got their schools and hospitals. If we reduce native taxation we obviously have to reduce their average for six years and cannot keep up the services. As has been explained they are clamouring for more and more services and on the whole we consider that it is in their best interests that we should retain the tax so that we should not be compelled to waste their assets.

Government has been criticized for not accepting more of the Economy Committee's recommendations and the sum of £33,000 has been frequently referred to as though that were the only thing Government had done in this way. There is obviously a lot of misunderstanding and I find it rather difficult, in view of what is said in the Memorandum and what I said in my opening speech, to appreciate how this misunderstanding came about. Actually, of course, the Economy Committee put at the bottom of a page of its Report a sum of roughly £139,000 as possible savings. That figure included such items as the abolition of District Councils, £15,000. I hoped my explanation of Government's reason for not accepting that would have satisfied everybody except

a few of my hon. colleagues and possibly one or two of our critics who like to get Government wrong anyway whatever it does. If we accept the £15,000 we are wrong and if we do not accept it we are wrong because we are not accepting recommendations of the Economy Committee. However, I do believe I have almost the complete agreement of the House that that £15,000 should not have been accepted and that Government was right in refusing this particular economy. But this £133,000 included also £20,000 for the cost of the Military and I think that all I can say is that in the present circumstances we would be mad to withdraw our troops from the Northern Frontier. In it was also included pensions to Railway servants and guarantees in respect of losses on branch lines, neither of which recommendations can be accepted for reasons which I hoped were perfectly plain in the printed Memorandum. These items that I have just mentioned alone amount to about £65,000. The practicable recommendations of the Select Committee, therefore—by practicable, I mean those recommendations which Government could have accepted if it thought they were in the best interests of the country—are reduced to a sum of £68,000. That is to say, a fair comparison is not with £133,000 but with £68,000 in so far as this present budget is concerned. It has been shown that our net savings are, I think it is £33,000, but the Economy Committee was naturally working on the 1935 Estimates. Since those Estimates things have happened. Pensions have gone up about £10,000 and normal increments about £10,000, so that so far as real savings are concerned, the net reduction in recurrent expenditure is about £65,000. £66,000 is not so very far off the £68,000 which might have been possible. Certain other recommendations have not been accepted. For instance, the proposed reduction in the expenditure of the Forest Department. Well, Government considered those proposals very carefully in Executive Council. We had a lot of advice from people who know most about the subject, and we reluctantly came to the conclusion that we ought to reject a certain part of the Committee's recommendation and I hope that attitude has been fully justified by the speech of my hon. friend the Conservator of Forests.

But what I do want hon. members to understand is that Government was perfectly honest and sincere about that Committee and treated it as a serious contribution and that any suggestion that Government treated it frivolously, or as though not worthy of consideration, is a suggestion which has no foundation whatever.

Now I come to the Agricultural Department and why Government has not accepted all the recommendations of the Committee for savings of £15,000.

The hon. member for Nyanza I think criticized Government for three things. First of all, for discourtesy to the hon. the Director of Agriculture in not accepting the reorganization memorandum *in toto*. Secondly, for rejecting the advice of the Board of Agriculture when it was consulted. Thirdly, for putting an inaccurate record into the Memorandum on the Estimates. What happened was this.

The Director of Agriculture, as he promised, submitted a memorandum to Government showing reductions. It does not matter what the figure is, call it £12,000, or as near to £15,000 as he could get. That was considered by Your Excellency's Executive Council at very great length and very carefully, and Your Excellency's Executive Council came to the conclusion that the issues involved were so important and the interests concerned were so great, both private and public interests were involved affecting the whole of the stock industry of Kenya, that Government would not be justified, even for the result of saving £12,000 to £15,000, in accepting that memorandum until it had got further advice from those best qualified to give it, that is to say, the Board of Agriculture.

There was nothing unusual in referring it to the Board of Agriculture. When we contemplate legislation which deals with legal matters, we go to the Law Society; when dealing with commercial matters, we go to the Chambers of Commerce; and when dealing with these tremendously important stock and agricultural matters it was right that we should go to the Board of Agriculture for advice. The Director of Agriculture cannot possibly have any grievance, he is the last person to have any, in having referred it to a Board of which he is chairman.

The matter went to the Board, and in due course I got a record of the meeting and of the resolutions to which the hon. member for Nyanza referred:—

“That the Board is of the opinion that agriculture being the basic industry of the Colony, the agricultural vote should under normal conditions be the last to be reduced, but in view of the dire need of the country for reduction in Government expenditure the Board of Agriculture are prepared to face a substantial reduction in the departmental vote next year, to the amount subsequently recommended by a later resolution of the Board of Agriculture.”

That was not much good to me in framing the budget. It was getting late, the budget had got to be printed, and as far as the budget was concerned that advice was no advice at all. The resolution did not say what sum I could insert or whether the sacrifice should come on the stock side or

the plant industry. It merely says a sum to be determined subsequently. What sort of budget would it look like if I had the agricultural expenditure with a blank page, a sum to be determined subsequently?

That resolution was carried by by twelve votes, four members not voting. It did not stop there. They added another resolution, and the record reads:—

"A further discussion took place and the following resolution was finally proposed—

"That it is the opinion of the Board that an effort should be made to reach an agreement within the Department and that in the event of an agreement not being reached the following sub-committee of the Board should be consulted: Col. Tucker, Col. Griffiths, the hon. Chief Native Commissioner, and Mr. Norton."

Carried unanimously.

It was agreed that the results of these deliberations should be reported to the Board."

The matter therefore was taking a considerable time, and it was impossible for anyone framing a budget to wait. The Director of Agriculture tried to do what he was told to do, to get at some kind of agreement.

Later on he wrote me this letter, in which he said:—

"There was a division of opinion amongst members of the Board; which finally recommended that an effort should be made to reach agreement within the Department, and that in the event of agreement not being reached, a Board of Agriculture sub-committee of four should be consulted.

I thereupon called a meeting of senior officers of the Department and secured a certain measure of agreement on some of the principles underlying the reorganization, but there are certain features of the reorganization on which there is still a difference of opinion within the Department.

There are two courses of action open to me. The first would be to continue discussions with Departmental officers and the sub-committee of the Board of Agriculture, before the arrival of Sir Alan Pim and Mr. Milligan. The second course of action would be to place the whole matter as it stands before Sir Alan Pim and Mr. Milligan."

That latter advice, Sir, I accepted.

It seems to me, therefore, that all three accusations fall to the ground. We have not been discourteous to the hon. the Director of Agriculture, we have not rejected the advice of the Board, because there was no advice which could conceivably be incorporated in the budget, and on the best available evidence—the evidence of the chairman of the Board of Agriculture—my record in the printed Memorandum is meticulously correct.

The hon. members for the Coast and Mombasa are naturally very anxious that the ferries should be free. It is a long standing question, and a difficult one. Government has the fullest sympathy with the producers and would naturally like to see all their transport relieved of these burdens if it is anyhow possible. But I am advised that all over the world if a man uses a ferry he has to pay as he has to pay if he uses an omnibus, and freeing the ferries is only a small part; there are the enormous charges over the Nyali Bridge. All I can say is the usual Government answer: that the matter is under consideration!

There has been a great deal of talk about constitutional advance. I do not propose to say anything about that at all. My Estimates have nothing whatever to do with constitutional advance. I have only one job: to frame Estimates within the four corners of the constitution which has been given to us by His Imperial Majesty the King, and that is all with which I am concerned so far as the Estimates for 1936 go.

The hon. member Dr. de Sousa said a great deal, but I do not think much of it had direct reference to this budget. It was very refreshing to be criticised by him for abject capitulation in place of the usual accusation of stone wall resistance! There is probably as much truth in the one charge as there is in the other. (Laughter.)

He did say one thing, that Government ought to be in the interests of all races equally. I endeavoured in my opening speech to show that we tried our best to see that all races were fairly treated in these Estimates.

One point of the hon. member's I must refer to, the point concerning a scholarship scheme for Indians. It may be a small point, but I refer to it because quite distinctly I am the villain in the piece! The draft estimates came up to me from the hon. the Director of Education with provision in it for such a scheme. I, in my ruthless hunt for economies, scratched it out, and I scratched it out because I have not yet got a scheme and do not yet know what the arguments for one are. The arguments for our own boys going to one of our universities are perfectly plain. Some of us believe

that our ancient universities preserve and hand on some of the finest traditions of our race, not only of learning but also of conduct, and certain of our newer universities have also rather taken their line from our ancient universities. We consider university education is an heritage in which all our boys should have such opportunity as we can possibly give them to share. I do not know yet whether the Indians want scholarships to England or to India. The arguments may be quite good for sending them to both, but the arguments are quite different from those in favour of sending an English boy to an English university. I would therefore state that I am not yet convinced, because I have not heard the arguments, of the necessity for inserting this item. It has been scratched out of the preliminary budget, but if a case can be put up which will convince the Standing Finance Committee, and the sum needed is not a very large one, we may still be able to find room for it, but I want to be convinced first.

I think it was the hon. member Dr. de Sousa who wanted a certain racial proportion of appointments in Government service by fixing so many to Europeans, so many to Africans, and so many to Asians. I suggest, Sir, that the proposal is simply preposterous. In theory at any rate we engage the kind of man who we think most suitable to do the kind of job we want him for. If an African is suitable for a particular job, we engage him; if an Asian is the most suitable, we engage the Asian. I want, Sir, to pay tribute as I have before to the extraordinarily honest and industrious service of many friends of mine, the Asian clerks in the district offices, which they have rendered to Government during my period out here.

Now I come, Sir, to the speech of the hon. member for Nairobi South. The first thing I am afraid I have to do is to give a very definite denial to the statement of his, that the official answer given in respect of Nyali Bridge was to the effect that as Lord Moyne owned most of the shares it does not much matter. I have not naturally had time to look up the file since the hon. member made the statement, but I am taking the risk—and I am quite certain it is not a real risk—in saying that no such official answer was ever given. It could not possibly be. I can quite understand somebody saying something like that a joke, but not in an official answer, a written answer, from the Secretariat or Your Excellency's office, and no such official answer was ever given.

CAPT. THE HON. H. E. SCHWARTZ: On a point of explanation, Sir, I accept that the answer was not in writing, but it was an official answer.

THE HON. THE COLONIAL SECRETARY: I still must maintain my position, that the hon. member must have misunderstood it. It could not have been intended for an official answer.

CAPT. THE HON. H. E. SCHWARTZ: Ah!

THE HON. THE COLONIAL SECRETARY: The hon. member asked me about an allowance which certain district officers get when they come into the Secretariat. It is perfectly true that they get an allowance if their salary is below £720. £720 appears in the Estimates as the minimum pay for that particular work. The work is very arduous; most of them far into the night. For years it has been the custom to give them a bit of extra money when they are brought in from a district to work in the Secretariat. Moreover, they have to be chosen, they have to show promise of being the right sort of officer. They are not people without experience, and rightly or wrongly we do give them an allowance which is limited to £120 a year. Actually, it is saving Government money in a way, for it costs far less than if we gave them £720 straight away.

The hon. member also asked me about a committee to deal with freeholding of land. My friend the hon. and learned Attorney General tells me that that has not been lost sight of. It has been held up pending the action to be taken on the Carter Commission Report, but I understand that it will be put into train fairly soon and that a committee will sit to consider the general question of freeholding land.

The hon. member asked me about the Resident Native Labourers Ordinance. It has gone home to the Secretary of State a month or two ago, and it is necessary to get his agreement to the principles embodied, because some hon. members will remember the frightful row about 1924 or 1925 when we introduced and actually passed an Ordinance—I think called the Amendment to the Employment of Natives—and changed the status from a tenant to that of a labourer. The Secretary of State said it was a violation of all principles, and advised His Majesty to disallow the ordinance, and that was done. As this new Bill again changes the status to that of a servant, it was considered politic, if nothing else, to get the Secretary of State to agree to it in view of what was said, before introducing the measure into Legislative Council.

Another question was as to native cattle in the recent sales to Italian Somaliland or Abyssinia. Stock traders certainly tried to get native cattle for this trade. They tried to get Masai cattle, but there are two difficulties in the way.

One is that most of the native cattle did not come up to the size and weight specified by the authorities, and another difficulty was that we as Government could not act as suppliers, we could not go into the reserves and commandeer cattle, but what we did was to give every facility for agents to go and buy them. I understand there is some chance of that coming off before very long.

Now, I am coming, Your Excellency, to the most important and serious point as far as the whole of this debate is concerned, the most serious and most important, because it is of the first importance that a Government such as ours, that cannot be turned out by popular election, should command to the full the confidence of the general public, at least in so far as its honesty and integrity goes, whatever the general public may think of its sagacity.

Now, Sir, we have been charged with breach of faith, and it is quite obvious that no more serious charge could possibly be brought against us. We are charged with having broken a bargain. The hon. member for Nairobi South, at any rate in his professional capacity, will agree with me that when there is any talk of breaking a bargain the first thing to settle is, who made the bargain? and the second is, what were the terms?

As to who made the bargain. The statements hitherto have been somewhat vague. In this debate, and in other debates, we have had reference to the Government, and sometimes it means the Government in England and sometimes the Kenya Government; references to European elected members, and references to what are called the people of the Colony. The people of the Colony number about three millions of all sorts and different kinds of races, and they could not make a bargain except through their own Government, which would be a case of Government making a bargain with itself; that would be nonsense and is ruled out. On the other side, if a bargain were made it must have been made by the Secretary of State who took the matter out of the hands of the local Government. That was made perfectly plain by the Acting Governor who, on the 26th of June, 1933, opened his address to Council by saying:—

"Since this Council last met the decision of the Secretary of State in respect of Income Tax has been received and his despatch on the subject has been published for general information."

That position was fully accepted at that debate by hon. members, hon. European elected members, who gave the Secretary of State full credit for his wisdom. It was also fully accepted by the hon. member for Nairobi South, who

said that if this House did not accept the alternative taxation measures, if the hon. elected members opposite opposed them, they would be guilty of a breach of faith with the Secretary of State. I am not saying this to dodge responsibility or to hide behind the authority of the Secretary of State, or anything of the sort. I merely say this to substantiate my argument, that if the Secretary of State was one of the parties to the bargain he might be supposed to know what the conditions of the bargain were.

Personally, I think, from reading the despatches and what was said, it is not so much a bargain as an instruction from the Secretary of State to Your Excellency to withdraw income tax on certain conditions, but whether it was an instruction from the Secretary of State or whether it was a bargain which he made with the elected members, that does not alter my argument a bit, that the Government of Kenya at that time did not come into the picture.

What is the Secretary of State's own idea of his own bargain or his own instructions? This is an extract from the official report of the proceedings in the House of Commons on the 13th March, 1935:—

"Capt. Guest: Will the Rt. hon. gentleman (Sir P. Cunliffe-Lister) clear up this point whether the taxes specifically imposed for 1933-34 have had to be reimposed to enable him to get that benefit?"

Sir P. Cunliffe-Lister: My right hon. and gallant friend's question is based on a complete misconception. Taxes are constantly imposed, like the income tax here, every year, in connection with that year's budget, but there has never been any suggestion that the taxes imposed a year ago to balance the budget would be withdrawn at the end of that year."

THE HON. LORD FRANCIS SCOTT: That is quite untrue!

CAPT. THE HON. H. E. SCHWARTZ: Quite wrong!

THE HON. THE COLONIAL SECRETARY: That conception of his, of course, does not agree with the conception of the hon. member for Nairobi South. My whole argument is limited to this: He made the bargain, this Government was completely outside the bargain, and if he made it it must be supposed that he knew what he was bargaining. Incidentally, I should have thought that same line of argument was implied in the despatch of the 7th of June, 1933, which was circulated as Sessional Paper No. 1 of 1933, but as to that I am not prepared to argue, although that is the only way I should have read it.

As to the part this Government has played, I do not think it had anything to do with the bargain, but it has taken a certain part in the interpretation of the bargain. In August, 1933, not at the eleventh hour as was stated in the challenge made to-day, but I think in the same session of Legislative Council, and only a few days later when I got an opportunity, I replied to him. I was speaking as Acting Colonial Secretary on behalf of the Government of Kenya, and I said:—

"I have been asked to give an assurance that these measures will be temporary. The temporary nature of the measures is clearly stated in the legislation. In addition, the hon. and learned Attorney General emphasized that in his speech on the second reading, but I do not want to be misunderstood. It is quite impossible for me to commit Government at the end of 1934 to any definite line of action. It is even possible the House may not be composed exactly as it is now. Furthermore, if hon. members will consider, such a general guarantee would be quite impossible."

Later on I said:—

"I cannot be expected to give a guarantee that the non-native poll tax will die for ever at the end of 1934 and that nothing whatever will be substituted for it."

Again in 1934, speaking as Colonial Secretary on behalf of this Government, I was asked to give some sort of assurance for reduction in taxation. I said:—

"I do think it is a little hard to ask me to prejudice the case by giving an assurance that will commit members not only of this Government but of a future Government, Your Excellency or your successor, and Executive Council and the whole of this Council. However much we may wish for a reduction in taxation—I do not suppose there is one of us who does not appreciate the force of the Noble Lord's argument that alleviation of taxation must mean a stimulus to trade and enterprise and so be conducive to the restoration of the Colony's prosperity—I am afraid it is quite impossible for me to go so far as to commit this Government or successive Governments to any definite line of action."

It seems to me that Government had no share in making this bargain. The decision was taken out of the hands of this Government and, if there was a bargain at all, it was between the Secretary of State and the elected members, and I have read what the Secretary of State, one party to the bargain, thought he was agreeing to. Incidentally, I have explained that this Government adopted an interpretation which coincided with that of the Secretary of State. We have done

that quite openly and unequivocally. My speech also was not capable of misinterpretation; it is to the effect that this Council is unfettered in its discretion in approving the best budget that it can from year to year. I suggest that when two parties to a bargain have gone on quite honestly for two years differing as to what they agreed about, we cannot get much further by trying to find out what the truth of it was, particularly as the conditions of the bargain are unrecorded."

Our business is to consider the interests of the Colony as we stand to-day, and refuse to be fettered by what has gone before. I do not think our discretion is fettered, I do not think it ought to be. What we have got to consider is, to my mind, whether this non-native poll tax is to the interests of the Colony. I think we can do that perfectly honestly, and I am just as honest as the hon. member for Nairobi South is when I say that I do not think we have in any way broken faith, and he says on the other hand that he feels quite certain we have. Well, I do not want to go into the merits of this tax at any great length, except to say just this:

At this difficult time we are justified in thinking particularly of the interests of the distressed farmers rather more now than we have at other times, and I ask hon. members to consider carefully whether they think it would be in the interests of the distressed farmers to withdraw a tax to which, owing to their unhappy circumstances, they are not able to contribute very materially, but which does help to provide the services to enable them to carry on. (Applause.)

The question was put and carried.

APPOINTMENT TO STANDING FINANCE COMMITTEE.

THE HON. THE ATTORNEY GENERAL: Your Excellency, for the reasons I gave when I spoke on the budget, with which I will not weary the House further, I move:—

"That Dr. the Hon. C. J. Wilson be appointed a member of the Standing Finance Committee in place of R. W. Hemsted, Esq., who has resigned his seat on this Council."

THE HON. T. D. H. BRUCE seconded.

THE HON. LORD FRANCIS SCOTT: Your Excellency, I beg to move:—

"That the motion be amended by the deletion of the words 'Dr. the Hon. C. J. Wilson' and the substitution therefor of the words 'Ven. Archdeacon the Hon. G. Burns'."

The reason, Sir, why I move this amendment is that I cannot believe the hon. the Colonial Secretary and the hon. the Chief Native Commissioner do not consider themselves fully capable of putting up a case for the native peoples on the Standing Finance Committee. I am quite sure they can. But it has been the custom to have one nominated gentleman representing them put on that Committee as well, presumably because one wants to be completely impartial; therefore an outside point of view is secured. I do not want to say any more about the remarks my hon. friend Dr. Wilson made the other day, but I do suggest that from the very nature of his occupation during recent years that he cannot be considered to be in close touch with the requirements of the native people of this country at the present time. Nor has he shown himself to be an expert economist.

My hon. and venerable friend Archdeacon Burns has declaimed in this House that he is a great economist, but on the other hand, every one of us, whether we agree or disagree with some of his points of view, will agree to his absolute sincerity. For many years he has served as a representative of the natives on this Council, and has also served as their representative on Your Excellency's Executive. I do suggest that if it is considered necessary to have a representative of native interests on the Standing Finance Committee, from an unofficial point of view it would be better to have the hon. and venerable member rather than the hon. member Dr. Wilson, who has recently come to this Council in that capacity.

THE HON. CONWAY HARVEY: Your Excellency, in seconding the amendment which has been proposed I should like to point out that it is a little difficult to keep within the limitations of No. 43 (10) (d) of Standing Rules and Orders regarding personalities, but personalities can be of two kinds, eulogistic and condemnatory. My remarks in seconding the amendment will be entirely of the former character.

Having served for a great many years with my hon. and venerable friend as a member of Your Excellency's Executive and elsewhere, I should like to say that although I do not always see eye to eye with him he invariably commands my profoundest respect. His unbroken and intimate associations with the natives of Kenya and his experience of Kenya conditions extending over a very long period of years, fit him in a peculiar degree for inclusion in the personnel of the Standing Finance Committee. His usually temperate and common-sense expressions in making his points appeal very strongly to the majority of the Kenya public, and I unhesitatingly support his candidature as successor to Mr. Hemsted, whose

outstandingly able interpretation of the functions of his office set a standard which might well be emulated but which can hardly be surpassed.

VEN. ARCHDEACON THE HON. G. BURNS: Before you put the question, Your Excellency, to the vote, I should like to say that I do appreciate very much indeed the very kind and nice words that have been said by my hon. friends, especially by the Noble Lord. But when Mr. Hemsted was made the second member on this Council he was put on the Standing Finance Committee, with which I at the time entirely agreed. The hon. member Dr. Wilson has been put on this Committee in his place, and I do not think it would be right to deprive him of the position he has held as representing the natives on that Committee. But there is another point, Sir, which I wish to bring before this Council: it is that my doctor would absolutely forbid me taking on any more extra work than I have at the present time.

CAPT. THE HON. H. E. SCHWARTZ: May I ask whether the doctor in question is called Dr. Wilson? (Laughter.)

THE HON. THE COLONIAL SECRETARY: Your Excellency, quite apart from the inability of the hon. and venerable member Archdeacon Burns to accept the appointment, I am afraid I cannot leave the situation as it is. I want to say that anyone who knows what work the hon. member Dr. Wilson did in Kenya must realize how extraordinarily fortunate we are to have him back among us and to work with us. Anyone who knows anything of Dr. Wilson personally will realize that he will not have the slightest hesitation in criticizing Government with as much freedom, with as much vigour and, if you like to put it that way, with as much lack of restraint as he would criticise anybody else. I entirely agree with what the Noble Lord said the other day, that, particularly for a Government like ours, opposition and criticism must be the breath of life. We should certainly stagnate and die without it as a Government, and I am the last person to want the hon. member Dr. Wilson on a committee of which I am Chairman if I think he is merely going to follow the Government lead. What I want from him, and know I shall get, is constructive criticism, and I know that criticism will be as severe as he can make it if he thinks that I deserve it.

The question was put and lost by 23 votes to 10, 4 members not voting.

Ayes.—Mr. Bemister, Major Cavendish-Bentinck, Messrs. Conway Harvey and Hoey, Lt.-Col. Kirkwood, Major Riddell, Capt. Schwartz, Lord Francis Scott, Sir Robert Shaw and Mr. E. H. Wright.

Noes.—Major Brassey-Edwards, Messrs. Bruce, Fazan, Fitzgerald, Gardner, Harragin, Hosking, Kirsopp, Lillywhite, Logan, Montgomery, Morris, Patel, Dr. Paterson, Messrs. Pilling and Puri, Sir Godfrey Rhodes and Messrs. Shamsud-Deen, Vidal, Wade, Walsh, Waters and Welby.

Declined to vote.—Ven. Archdeacon Burns, Mr. Mangat, Dr. de Sousa and Dr. Wilson.

The question of the substantive motion was put and carried.

BILLS.

FIRST READING.

On the motion of the Hon. the Attorney General, seconded by the Hon. T. D. H. Bruce, the following Bills were each read a first time :—

Local Government (Rating) (Amendment) Bill.

Water (Amendment) Bill.

Notice was given to move the second reading at a later stage of the session.

*Council adjourned till 10 a.m. on Friday,
the 6th December, 1935.*

FRIDAY, 6th DECEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Friday, the 6th December, 1935. His EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 5th December, 1935, were confirmed.

MOTIONS.

TO REFER SCHEDULE OF ADDITIONAL PROVISION TO STANDING FINANCE COMMITTEE.

THE HON. THE COLONIAL SECRETARY: Your Excellency, I beg to move the motion standing in my name :—

“That Schedule of Additional Provision No. 3 of 1935 be referred to the Standing Finance Committee for examination and report.”

This Schedule makes provision for additional expenditure of £33,066 which, as to £9,474 is covered by revenue from the Colonial Development Fund and from the Parliamentary Grant, leaving a balance of expenditure of £23,592 borne by this Government. Of this a sum of £6,235 is covered by savings which have been specifically earmarked, leaving net additional expenditure of £17,357. The main items are explained in the printed memorandum.

THE HON. THE TREASURER seconded.

The question was put and carried.

IMPERIAL AIRWAYS' LANDING FEES.

THE HON. CONWAY HARVEY: Your Excellency, I beg leave to move :

“In the opinion of this House active steps should be taken immediately with the object of securing a substantial reduction in landing fees charged by Imperial Airways Ltd. at Juba and Malakal.”

In view of the serious disability imposed on the people of Kenya by reason of the outrageously heavy landing charges, I make no apology, Sir, for reintroducing a subject which I dealt with at some length on the 20th of December of last year, when the motion for the adoption of the Majority Report of the Standing Finance Committee was under discussion.

Government on that occasion were singularly uncommunicative in reply to the various points I raised. I am afraid I was not taken quite as seriously on that occasion as I expected to be taken, and I intend to pursue this matter with the same degree of importunity which gave ultimate success to my gallant friend the hon. Member for Trans-Nzoia in connection with the elimination of branch line rates!

I am aware that these landing fees form part of an agreement leasing the landing grounds concerned to Imperial Airways by the Sudan Government. But an agreement can be amended, and my first point in connection with this matter is the public of Kenya, having a very definite interest in this matter, should have been consulted. The Government of Kenya is labouring under a charge of apathy in connection with this matter, and my motion furnishes an opportunity for a complete refutation of that charge. I have no doubt in my own mind that with characteristic enthusiasm it is quite possible that the most ferocious despatches have been written to both the Sudan Government and the Colonial Office. But we are entitled to know what has been done in this matter, and I ask that copies of such despatches as are not secret and confidential should be laid on the table so that we who are interested in this matter may be entirely *au fait* with the part Government has played.

On the 21st of December last I was informed that this matter formed the subject of correspondence with the Sudan Government. That Government appears to have been singularly unsympathetic. On the 27th of June I was told that it formed the subject of correspondence with the Colonial Office. Well, Sir, that correspondence appears to have been equally sterile. Let me make it clear that I have no desire to launch a general attack on Imperial Airways Ltd., whose enterprise and organization have justly earned the warmest encomiums of all those brought in contact with this important transportation unit. My grievance is specific, in the terms of the motion.

Until about two and a half years ago pilots from all over the world who blazed the trail of the trans-African air trail between Nairobi and Khartoum, long before Imperial Airways came into the picture, used to land at Juba and Malakal without let or hindrance, and paid landing fees charged by the Sudan Government in harmony with the fees charged for landing all over the civilized world. The Sudan Government was, of course, responsible for construction of these landing grounds, and it may be argued that they could do what they liked with their own. But the public of Kenya have such a very real interest in this matter that I repeat what I said before, that the Kenya Government should have been consulted through the Conference of East African Governors all of whom have

an interest in this matter. Was there in fact any such consultation? If so, I ask that papers in connection with the matter be laid on the table, so that the public may know the manner in which the Kenya Government discharged its responsibilities in this connection.

We were told on 27th June that the Air Ministry had approved of these landing fees. I honestly believe that that statement is open to doubt, and again I ask that copies of correspondence with the Air Ministry in this connection be made public. I do not accept that statement for one moment as final, and at the moment there is no proof whatever that the Kenya case was presented as forcibly as it should have been. If Government is suffering under an unjust charge, a scrutiny of the correspondence will possibly enable that stigma to be removed.

Let me explain that pilots cannot fly over Juba, which is a point of entry to the Sudan territory for machines travelling northwards and a point of exit for machines going south. In order to conform to Customs and other regulations the machines must land at Juba for the purpose of getting their papers. These two landing grounds can only be avoided by flying hundred of miles over foreign territory where landing fees are reasonable. But pilots will be forced to this alternative if the tizzy-smatching propensities of Imperial Airways in this connection are not restricted.

To elucidate my point in regard to landing fees, I should like to quote two comparative charges between England, Kenya and the Sudan. For the ordinary Puss Moth of 2,000 lb. weight, the charge for landing in Kenya is Sh. 5, England Sh. 7, at Juba and Malakal no less than Sh. 52. The second case is even worse. The cost of a Waco machine of 2,600 lb. weight for landing in Kenya is Sh. 5, in England Sh. 9, and at Juba and Malakal no less than Sh. 108 for each landing.

It is clear that in many cases these fees are twelve times as high as the English charges, which approximate those levied throughout the civilized world, and since I quoted those figures the position is made worse by reason of the fact that a month or two ago, through the interest of the Royal Aero Club, no less than ten European countries, including England, allow free landing, free hangarage for forty-eight hours, and no charge for taking off. It is therefore more monstrous than ever that these iniquitous charges should continue at Juba and Malakal. It amounts to nothing less than legalized brigandage, to use a mild term.

This is most inimical to the interests of Kenya. These charges prejudice tourist traffic, and exercise a most adverse influence on settlement, and appear to be designed with the

object of forcing everybody to make use of the most excellent service of Imperial Airways. Such a short-sighted and selfish policy cannot be countenanced. Is Imperial Airways to enjoy a complete monopoly of the whole route from Nairobi to Khartoum to the exclusion of private aircraft? Let me say here that I am a firm believer in limited monopolies to encourage enterprise provided that public interests are properly safeguarded, which has not been done in this case. Foreigners accustomed to pay a landing fee of Sh. 5 in other countries complain most bitterly at the charges they are forced to pay at these two landing grounds, and civil aviation would come to an abrupt end if foreign countries retaliated by imposing similar fees in the case of British craft landing in their countries.

I wonder, Sir, if Imperial Airways have thought what it would mean to them and their balance sheet if the Government of Kenya charged fees for landing these heavy machines at Nairobi on the same scale as those charged at Juba and Malakal? In a flight from Kenya to England in a 3,000 lb. class plane, the sum total of charges for landing all along the route, except at Juba and Malakal, amounts to considerably less than the fee charged for landing at those two places. This is really monstrous, especially to those of us who know those two airports. At Juba there is an ample supply of murrain and gravel on the site. Consequently the costs of constructing wet weather runways must have been almost negligible, although in the case of Malakal I am told that Imperial Airways spent about £10,000, which I believe to be a very outside estimate, in constructing two runways. But even so, it was done entirely for their own convenience, and in view of the subsidy they receive from Kenya, a little matter of £15,000 a year, as well as substantial subsidies from many other countries, I urge that it is frivolous to suggest that private pilots landing in these places should be expected to bear the whole cost of interest on this large capital sum.

It is not as though Imperial Airways are working on a narrow margin. They are not. Owing largely to the subsidies I have just mentioned and Government contributions in other ways, the company during the year 1933-34 made a net profit of no less than £314,661. After ample provision had been made for renewals, they paid a dividend of 6 per cent and carried forward £49,000 to the following year.

I ask for a clear statement of the efforts of Government to correct this grave injustice and for papers to be laid on the table, so that it may be possible more accurately to determine with whom the responsibility rests for a perfectly intolerable state of affairs.

LT.-COL. THE HON. LORD FRANCIS SCOTT seconded.

THE HON. THE COLONIAL SECRETARY: I am authorized by Your Excellency to say that Government will accept this motion, and I think I ought to point out that I do not believe the active steps we are to proceed to take will be any more active than we have taken and are taking at the present moment. Nor do I think we are likely to meet with any better result in the light of the correspondence which has taken place, the relative parts of which I propose to read out. To lay the whole of the correspondence on the table I do not think would be quite in order, because it contains enclosures from the Air Ministry and other governments and, as I say, it would be out of order to lay these, but I can give the House every-thing material to this discussion.

In the first place we wrote to Khartoum rather more than a year ago, asking if they considered these rates were equitable. The reply was:

"As regards the propriety of the present scale of charges, this schedule forms parts of an agreement leasing to Imperial Airways the landing grounds at Malakal and Juba, on which the Company have constructed all-weather runways entirely at their own expense and principally for their own use. For the protection of the private aviator the Sudan Government stipulated in this agreement that no additional fee should be collected in respect of any private aircraft using these landing grounds in the dry season, or in respect of any which did not actually use the runways in the wet months."

As we could get no satisfaction from the Government of Sudan, we wrote to the Colonial Office in January, and pointed out, among other things, that a commercial aeroplane of the D.H. Leopard Moth type would pay £5/8/- using a runway for a landing at Juba or Malakal as against Sh. 5 on any Government aerodrome in this Colony and Sh. 0 in England. The Colonial Office replied that they would approach the Air Ministry on our behalf and do all they possibly could for us.

The Air Ministry replied to the effect:

"that the fixing of fees at aerodromes in the Sudan is primarily a matter for the Sudan Government. Objection was not raised by the Air Ministry to the special scale of charges at Malakal and Juba when it was communicated to this Department, since the Governor-General of the Sudan was of the opinion that the charges, which were inclusive of the Company's surcharge on fuel and oil, were reasonable having regard to the work done by Imperial Airways Limited at these aerodromes."

Well, we were not content with that and returned to the charge in June, and said:

"The present charges at Malakal and Juba, amounting in some cases to more than twenty times the amount charged in this Colony, are prohibitive to commercial aircraft, other than those belonging to Imperial Airways; and this is more especially so in the case of Juba which is a Customs aerodrome and where aeroplanes are compelled by law to alight. I need not emphasize the fact that the aerodromes are on a main Empire route."

A little while ago we sent a telegram to see if anything further had been done, and received an answer from the Secretary of State:

"As indicated in my despatch No. 354 questions of charges to be made at the aerodromes in the Sudan is primarily a matter for the Sudan Government. In the circumstances it was not felt that the Air Ministry could properly approach the Company officially in the matter. They have however approached the Company semi-officially but without results. In these circumstances the matter cannot usefully be pursued with the Company and the Air Ministry do not feel they can properly approach the Sudan Government who are apparently content with the existing fees. Despatch follows."

When that despatch comes we shall be in a position to see what further active steps can be taken, it may be along the lines of negotiating ourselves with Imperial Airways Ltd. here or possibly we might put up further representations to the Colonial Office and ask them to try again with the Air Ministry.

All I can say is that we are in complete sympathy with this motion, and that Government will continue to do everything it can. (Hear, hear.)

THE HON. CONWAY HARVEY: Your Excellency, I am very grateful to Government for accepting this motion. I should like to say quite truthfully that I do not share my hon. friend's optimism that future negotiations will be as sterile as those earlier on. I am still of the opinion that a very vigorous protest, which was not mentioned by my hon. friend, should have been made when these charges were imposed without any reference whatever to the Conference of East African Governors, especially the Government of Kenya. I may say that the assistance of very strong forces indeed outside this Colony will be employed in order to secure what we believe to be justice.

The question was put and carried.

BILL.
SELECT COMMITTEE REPORT.
EXCISE DUTIES BILL.

THE HON. T. D. H. BRUCE: Your Excellency, I beg to move:

"That the Report of the Select Committee appointed to consider and report upon the provisions of the Excise Duties Bill, dated 23rd November, 1935, be adopted."

It will be within the recollection of hon. members that the Excise Duties Bill, which is a Bill to consolidate the law relating to excise duties, was read a second time on the 1st July of this year and then referred to a select committee. The select committee sat, in due course they reported, and their report was laid on the table. After the report had been laid, and before the motion for its adoption had been moved, certain suggestions were received from the Government of Uganda, and therefore the committee met again, or re-ferred again, it would be more correct to say that, and adopted certain of those suggestions, and as a result the report already laid was withdrawn and this report now in the hands of members dated the 23rd November of this year was laid in its stead.

The amendments in this report are mostly verbal and not at all numerous, and there are just three points I wish to touch on.

The first is that clause 1 has been amended by providing that this Ordinance shall come into operation on the 1st of January next year.

The second point is that the Bill provides that "No person shall manufacture any excisable article except in a factory or set of premises licensed under this Ordinance." The Bill goes on to provide that the Governor in Council may require any applicant or holder of a licence to enter into a bond. We have now added that he may require an applicant to enter into a bond, together with such sureties as may be required. It may happen that when a bond is required, circumstances may be such that sureties to see that the bond is carried out are also required.

The third point is that the excise duties on cigarettes and manufactured tobacco, which are at present contained in the Excise Duties (Amendment) Ordinance, 1935, which was passed on the 27th June of this year, with similar legislation in Uganda and Tanganyika, have been incorporated in this Bill and that amending Ordinance repealed.

THE HON. THE TREASURER seconded.

The question was put and carried.

THIRD READING.

THE HON. T. D. H. BRUCE moved that the Excise Duties Bill be read a third time and passed.

THE HON. THE TREASURER seconded.

The question was put and carried.

The Excise Duties Bill was read a third time and passed.

MOTIONS.

K.U.R. & H. SUPPLEMENTARY ESTIMATES.

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: Your Excellency, I beg to move:

"That the Supplementary Estimates, 1934, of the Kenya and Uganda Railways and Harbours be approved."

This motion is a purely formal one, and I do not propose therefore to amplify in any way the details that have already been published with the Supplementary Estimates. Moreover, the working for the year in question is already covered in full by my annual Report issued some months ago.

THE HON. THE TREASURER seconded.

THE HON. CONWAY HARVEY: Your Excellency, I am sorry to say that I intend to oppose the passage of supplementary or any other Railway Estimates until I have received a satisfactory explanation from the hon. the General Manager of the very grave injustice that has been imposed on 500 or 600 coffee planters west of Nairobi, by reason of the amending railway freight charges in respect of coffee, which were received with such acclamation a few days ago.

"Things sweet to taste

Prove in digestion sour."

When they had time to see the full effect of these new charges, they turned out to be singularly unpalatable to the 500 or 600 or more coffee planters I have mentioned.

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: On a point of explanation, I propose to deal with the question of Railway rates in my speech on the next motion standing in my name, and perhaps the hon. member would prefer to take this point then, when I daresay it will be fully covered?

THE HON. CONWAY HARVEY: With respect, Sir, I should prefer to take my point now. I had thought of that, but I thought that if I brought it up now the hon. the General

Manager would have plenty of time to think of his reply and I could have another go at him when the Estimates for 1936 came up! One should be perfectly candid and straightforward in such matters.

HIS EXCELLENCY: I do not think the hon. member is in order in raising the question on these Supplementary Estimates for 1934.

THE HON. CONWAY HARVEY: Of course, I bow to your ruling, Sir, but I was endeavouring to give my reasons for opposing any votes of money for Railway services.

HIS EXCELLENCY: I think the hon. member would be in order if he spoke on the next motion.

THE HON. CONWAY HARVEY: Of course, I bow to your ruling, Sir.

The question was put and carried.

ESTIMATES, K.U.R. & H., FOR 1936.

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: Your Excellency, I beg to move:

"That the Estimates of Revenue and Expenditure of the Kenya and Uganda Railways and Harbours Administration for the year 1936 be approved."

Sir, the motion before the House gives me an opportunity of making a general statement on the Railway's financial position and it will I hope meet the convenience of hon. members if I preface my remarks on the Estimates themselves with some information regarding the financial position we are likely to find at the end of the present year.

In your opening address to this Council Your Excellency stated that the revenue returns to date are in excess of the estimates. The figures at the end of October were £240,000 as regards Railways and £73,637 as regards Harbours, or a total of £313,637 above the estimates for the year. I would explain that these totals indicate record earnings for this year and if the present receipts are maintained during the remainder of this year it is probable that our total earnings will exceed or very nearly equal the total earnings for our boom year of 1929. In connection with the actual work done, however, this will be considerably in excess of the figures recorded in that year. That, Sir, I think, shows that there has been a steady and general improvement in the trade conditions of these two territories. In saying that, I do not wish to infer that there are no difficulties anywhere in either of these two

countries. I know, Sir, that in some sections of the community there is considerable hardship still, particularly with regard to those who depend upon the sale price of primary products for their well being. Prices are very low indeed still for many commodities and in those industries difficulties still exist. I do however, suggest, Sir, that the Railway figures show that there is a steady improvement everywhere and that in fact we are gradually and steadily climbing out of the depression in which we found ourselves during recent years. I think that position justifies a little quiet optimism on the part of the country generally. The reason for that position, I think, Sir, is due to various causes. Mining undoubtedly is having more and more effect on the general prosperity of the country. There is no doubt too that agricultural activity is being spread more generally over different industries and over different areas and the total combined result together with the position in Uganda has had the effect that I have already indicated.

Turning now, Sir, to the expenditure side for the present year, I may say that except where extra expenditure has been incurred to earn the extra revenue, our expenditure estimates will not be exceeded. As a result, Sir, and after writing off considerable quantities of obsolete assets and stores which have been a legacy of the past thirty years, it is anticipated that we shall have a surplus balance available for transfer to the general reserve of at least £250,000. If the earnings during the remainder of this month continue as they have been in the past, that sum may easily be exceeded.

As, Sir, this represents new and unexpected traffic which we did not allow for in our budget for the year, I think hon. members may take it that the position is a very satisfactory one, particularly, Sir, when it is remembered that in February of this year we anticipated a possibility of a deficit. Now that was due to the fact that the condition of the cotton crop in Uganda was not good, but luckily the weather conditions altered in time and the crop itself was saved or a very large proportion of it and as I have just said we are certain now to have a definite and satisfactory surplus. I mention that because it will illustrate the difficulty of preparing budgets a year or more in advance and it will show how necessary it is to be conservative and safe in preparing budgets and estimates of revenue.

Now, Sir, with that preliminary statement I will turn to the estimates themselves. I may say at the outset that these estimates have been prepared on the same lines as previously. They have been prepared with the same regard for economy. They have been placed before the two Advisory Councils—the Railway Advisory Council and the Harbour Advisory Board—

and they have been approved by you, Sir, as High Commissioner. Actually too, I am in a position to say that these estimates have been approved by the Legislative Council in Uganda.

If I may turn to the estimate of revenue which is shown on the first page of the memorandum attached to the Estimates, it will be seen that we are budgeting for an increase of £20,000 over the 1935 Estimates. That figure is arrived at after making full allowance for rate reductions totalling £150,000, so that actually in effect we are allowing for an increase on the old rates of £170,000. In addition to the £150,000 there is a special rebate on maize for export of roughly £18,000 but which I have not shown in these Estimates for the reason that the Estimates went to the Printer before that announcement could be made. Certain figures as I shall explain later will have to be altered on that account. I think that bearing in mind the financial position of the Administration, we may take it that the estimate of revenue is reasonably sound and reasonably safe.

On the expenditure side, Sir, dealt with on the next page (page 4) we show an increase of £23,336. This is a very small increase compared with the increase in revenue to which I have just referred, but the details are given in the printed memorandum and I do not propose at the present time to elaborate those details any further, though I will, of course, do my best to answer any questions that may be asked during the debate. I would draw attention only, Sir, to one particular item and that is an item of £5,000 which we have included in the Estimates as the probable cost of our share of the work in connection with the Empire Exhibition at Johannesburg.

The contribution to the Renewals Fund on account of depreciation remains at 2½ per cent. I shall come back to that question a little later on.

The Railway Net Revenue Account as shown on page 8 of the Estimates will, as I have already indicated, now have to be modified by increasing the expenditure side by £18,000 due to the maize rebate and that will reduce the balance transferred to the Combined Net Revenue Account accordingly.

Turning now to the Harbour Services which we see on the next page, we see that the estimated revenue is a sum of £3,016 less than last year, but that again, Sir, is after making allowance for the abolition of the Port Surcharge of 5 per cent involving a sum of approximately £16,000. Accordingly, therefore, we have allowed for additional revenue on the old basis of £13,000.

The working expenditure is practically the same as the previous year and therefore calls for no further comment. The Port shows an estimated loss of £68,914.

Taking the balance from the Railway account and the loss in the Harbours account we get the Combined Net Revenue Account shown on page 7. This as printed shows a balance (surplus) transferred to the Reserve Account of £38,112. If we deduct that £18,000 to which I have already referred it will reduce that total to £20,112.

Now, Sir, that is all I propose to say at the moment with regard to the details of the Estimates themselves, but as I have said I will do my best to answer any questions that may be put. But there are several other matters to which I should like to refer briefly as they have received some attention during the past year and in some cases we have been subject to considerable criticism.

The first point to which I should like to refer deals with the question of loan charges. These are shown in the Net Revenue Accounts of the Railway and Harbours on pages 8 and 9 and hon. members are aware of course that these are very high and they form a very large proportion of our total transportation costs. Nobody will be more pleased than I would be if we could find some way of reducing those charges. Every possible scheme has been examined both here and in London without success. We have not been able to find any scheme that is likely to bring any advantage to this Administration. But that does not mean, Sir, that further investigations should not be made. They are being continually carried on. The position alters to some extent from time to time as the rate of interest on money varies and furthermore as we get nearer the date of redemption of our loans the position further improves for considering this matter. But the fact remains that at the moment as explained by my hon. friend the Treasurer no suitable scheme has been found. I suggest, therefore, that we must face the position. These loans were incurred with our eyes open and we must face the position without complaint.

Turning now to depreciation. The rate of contribution to the Renewal Fund on account of depreciation, as I have just mentioned, remains at 2½ per cent. Hon. members are aware that for many years I have pressed for this contribution to be reduced temporarily by ½ per cent, i.e. a sum of about £60,000 to £70,000 per annum. I have suggested that we should borrow that sum temporarily from the fund to place it to the credit of our General Reserve to be replaced at a later date after 1946 when we are in a better position to meet these charges in view of the reduction that will then

take place in our loan charges. That proposal has received continuous support locally from every possible authority and body and even from the Secretary of State himself when he visited this Colony a year or two ago, but I regret to say that we have been unable to persuade the Home Treasury to agree to such a suggestion. I calculate that at the present time if that suggestion had been accepted we would have a sum of £450,000 to £500,000 available for temporary transfer to the General Reserve. I want to make the point here in connection with that matter that whilst I think it is quite proper to borrow from the Renewals Fund temporarily for the benefit of the General Reserve, I do wish to make it quite clear that the Renewals Fund cannot be considered in any circumstances as a general reserve. It is not a general reserve although in certain quarters it has been so stated. The Renewals Fund is a fund set aside for a definite purpose, that of paying for new assets when the old ones have to be replaced when they are worn out. The annual contributions to this fund, Sir, mean that the fund will increase until such time as withdrawals are made. Withdrawals are made from year to year as required. They may not be regular. They may fluctuate considerably and with those fluctuations of course the balance in the fund itself fluctuates. The balance at present in the Fund is shown on page 78 of these Estimates, and I would like to make it quite clear that although the sum there appears to be large every penny of that sum will in due course be required for the purpose for which it is earmarked. I hope I have made that point clear and that I will not have to deal with it again in replying to this debate. The Renewals Fund cannot under any circumstances be considered as a general reserve. It is a proper charge against the working account of the Railway.

While we are on that page—page 78—may we consider the Reserve Accounts. You will see that they are printed in the last but one column of the table shown on page 78. The total amount shown therein after making allowance for the anticipated surplus this year is £328,820. If we add to that figure the amount that I have already mentioned as being available for borrowing from the Renewals Fund, we see that we are almost within sight of the one million pounds that I have stated in my Annual Report for 1934 to be our aim. On that point may I take this opportunity of saying a few words—particularly, Sir, as this is a policy that has been much criticized during recent months. The first point I would like to make is that this policy is not a new one. In 1933 when all the responsible bodies considering this matter realized the need for a reserve, it was agreed that if we were allowed to borrow from the Renewals Fund as I have suggested, that we should aim at accumulating a general reserve of one million

pounds. That received the support of the Railway Advisory Council and it received the support of you, Sir, as High Commissioner, and as both Governments were vitally interested in the financial position of the Railway the question was referred to them and it received the full support of both Governments and finally the recommendation went home to the Secretary of State where also it was approved.

Now, Sir, having made that point I hope quite clear, the only point remaining is the rate at which we should accumulate that reserve, the rate at which we should set aside funds to build up that reserve. I have stated clearly in my Annual Report that the contributions should be reasonable and I have further explained that they would be found from extra traffic, new traffic not anticipated when the budget was being prepared. I suggest that that is a reasonable way of accumulating this reserve and that it will in fact involve no hardship on anyone. I think from the figures I have already quoted it will be agreed that this object is now within sight. We are, within sight of obtaining the reserve which was originally proposed. I hope also that I have made it clear that this was no new policy but one approved by all concerned at least two years ago and I think it should also be of some interest to this House to know that we have practically achieved our object without I claim in any way inflicting any hardship on any particular industry.

As a result of the successful execution of that policy we were able at the recent meeting of the Advisory Council to consider the question of rate reductions. After most careful consideration, bearing in mind our estimated revenue for the coming year and taking all those factors into consideration, I felt that I was able to recommend to the Advisory Council that we allocate a sum of £150,000 to rates reduction. That suggestion was accepted, Sir, and details of the rates reductions that were approved by the Railway Council and by you, Sir, have already been published in full and in fact were introduced on the 1st December last.

In connection with that matter it may interest hon. members if I give them some further details regarding the amounts involved in connection with these particular reductions. The first item is haulage, that is haulage of empty tank waggons that have carried oil and petrol in bulk, the charge for the return haulage to their depot. The previous rates were reduced by 50 per cent involving a reduction in revenue of £12,500. That will be of some assistance no doubt to those who use petrol or oil which has been brought up in bulk. The second item is blankets, the rate on which has been reduced from Class 1 to Class 3, or a total reduction in

revenue of £20,000. The new rate will benefit natives and employers of natives in Kenya and in Uganda. It will I suggest have some slight affect on the cost of labour.

Coffee has received the biggest contribution—£32,000. We have abolished the existing rate which is based on the zone principle and adopted in its place a Class 10 rate based on a mileage principle, that is, the longer the haul the more you pay. Formerly, the principle coffee areas were divided into zones. Those in any zone nearest the coast pay the same as those at the far end of the zone. This is inequitable, and it was decided by the Railway Council that a class rate based on mileage would be preferable and this I believe to have met with the general approval of the coffee industry. This, however, opens up the question that my hon. friend the Member for Nyanza is going to explain to us when he speaks on this debate and I shall be able I hope to make it quite clear to him how the position has arisen.

Sisal we have given a reduction amounting to £12,000 which will affect chiefly the Kenya industry, but there is one estate in Uganda also that will be affected.

The Port surcharge has been abolished costing £16,000. That will affect all commodities passing through the Port in or out.

Branch lines receive £10,000. In connection with losses on branch lines, hon. members will remember that a year ago we introduced a new formula for calculating the revenue results on branch lines. It was possible to introduce that formula in view of the reduced cost of movement that had been brought in due to reorganization and particularly following from the abolition of the peak period in connection with maize and cotton seed. Reductions in transport costs brought about by these efforts enabled us to suggest a branch line formula that was more favourable. As a result of that I am very happy to be able to inform the hon. Member for Trans Nzoia that at last we have found a formula that shows the Kitale branch to pay, and in addition one other branch has been found to pay. The others still run at a loss. But when we came to consider this question in Railway Council in accordance with the undertaking that when branch lines are found to pay we should remit branch charges, we found under this undertaking that at least £7,000, possibly £8,000, would go. Therefore we thought that we might as well go the whole way and take off the charges on the other branches as well and that brings the total to £10,000.

Iron and steel we have given a reduction amounting to £4,000. Twenty-five per cent reduction on the rate for cattle also accounts for £4,000 and the minimum goods charges have

been reduced £4,000. Cotton piece goods receive a 10 per cent reduction on the present rate involving a sum of £16,000. That also will benefit chiefly the native trade in both territories. Cement has involved a reduction of £12,500, while a corresponding reduction on cement blinker to maintain the relative prices of these two industries has cost us £1,500. A reduction on corrugated iron in 10-ton lots has cost £5,500.

That comes to a total of £150,000 and if we look at the list as a whole, two or three things strike us. First of all, Sir, it will be seen that the amounts of the reductions are practically equally divided between imports and exports. Secondly, Sir, with the exception of branch line rates it has general application to both territories and therefore is equally satisfactory to Uganda as to Kenya. Finally, Sir, the sum is a very substantial one. I think I am right in saying that this is the largest amount that we have ever been able to give away at any one time. In addition to that sum we have also decided to give a maize rebate of Sh. 5 per ton of maize exported during the twelve months commencing on 1st December last. The needs of the maize industry were very fully represented to the Railway Council and I am very glad to say that the Uganda members co-operated very fully in agreeing to give this rebate as a special case for one year only.

Now, Sir, it will be noticed that with the exception of blankets and cotton piece goods, these rate reductions do not touch our high rates. Our Classes 1, 2 and 3 are very high indeed, and it was not found possible to give any reduction in those classes, with the exception of blankets and cotton piece goods. We should very much have liked to have done so because, as hon. members know, the position is difficult, particularly in connection with motor competition. Both Governments have in the circumstances agreed to support us for a period of years, and this House recently passed a motion continuing the existing Carriage of Goods by Motor (Prohibition) Ordinance for a further three years, or until it is found possible to deal with this question, in some other way. I have no doubt that the revisions now granted will not satisfy everybody; in fact, we have one hint of a possible objection from an hon. member opposite. I do not think I need inform the House that it has been a source of great satisfaction to me and to my people—and I know to all members of the Railway and Harbour Advisory Councils, and to you as High Commissioner—to find the Railway Administration in such a position as to be able to give such substantial relief at the present time, when it is so badly needed.

As I have explained, we have not been able to redress in any way the unbalanced nature of our tariff, nor have we

been able to give rates reduction on passenger traffic. These are matters which I am afraid we must leave to a future occasion.

One other point which I should like to mention is the question of regulating and co-ordinating all transport generally. As hon. members are aware, there are now sitting in all three territories committees dealing with this particular question. It is one that causes considerable difficulty, not only between railways and roads but, I suggest, within the different transport industries themselves. All the older countries have found it necessary to go into this question very carefully. I suggest, therefore, that the East African Governments are very wise to endeavour to tackle this problem in its early stages before money is spent unwisely or in the wrong direction. In this connection I may inform the House that we have been in negotiation with Wilson and Imperial Airways in an endeavour to draft some scheme whereby we could facilitate the interchange of traffic between the Railways and air services. The details of that scheme will be made public shortly, and I hope will be found to be an added convenience to those who wish to take advantage of both methods of travelling.

Before sitting down, I should like to pay a tribute in this House to the work done in the past ten years by Mr. Robins. As hon. members know, Mr. Robins is proceeding home on leave to-day prior to transfer to Tanganyika as General Manager of the Tanganyika Railways. (Applause.) I should like to express my own personal indebtedness to him, and on your behalf and with your permission I should like to wish him every success in his new post. (Applause.)

Finally, Sir, I have talked for some time on questions of policy and finance but I have not been able to refer in any way to the operating side of the Railways. Our mission is a mission of service to these territories, and as such gives particular satisfaction to me and my staff at the present time. The manner in which our duties have been carried out have been detailed very fully in our annual reports, and I therefore do not propose to labour that side of the position at the present time. But while a good deal has been done, we are the first to realize that there is a great deal still to do, and with the co-operation of our customers—the general public of these two territories—I hope we can carry on and obtain even better results than those we are obtaining at the present time. It is needless to say, in connection with this side of the Railway service, that I shall be only too glad to answer any questions which may be put to me during the debate. I think that is all I have to say at the present time, and I therefore beg to

move that the Estimates of Revenue and Expenditure of the Kenya and Uganda Railways and Harbours for 1936 be approved.

THE HON. THE TREASURER seconded.

Council adjourned for the usual interval.

On resuming.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: Your Excellency, on 11th July, on behalf of the elected members, I moved a motion in this House somewhat criticizing the policy of the Railway. I am glad to say that to-day any remarks we may make on this budget are being made in rather a different spirit, because since that date we have had very considerable help from the Railway in very many directions.

Before dealing actually with the Estimates I should like to mention two things. First of all, we wish to express our unwillingness to discuss the Railway Estimates without having ample time to consider them. On this occasion the Estimates were sent to elected members, I think, on a Wednesday, and it was proposed to take the debate on them on the Friday. We felt, and we feel, very strongly that the Railway after all affects this country perhaps more than any other activity and it is only right that elected members should be given at least a week in which to look over the Estimates before they are debated in this House.

The other matter to which I should like to allude is one which the hon. the General Manager referred to at the end of his speech. I have a note to allude to it at the beginning of mine. It is "To pay tribute to Mr. R. E. Robins, who is leaving this country to-morrow." I have been associated with him as member of the committee of Nairobi Chamber of Commerce, as a member of the executive of the Associated Chambers, as one who has had business dealings with him for very many years, for I send fairly substantial cheques to the Railway every month, and from every aspect and on behalf of all I would say that we feel his loss very much indeed and wish him the best of luck in his new job. (Applause.)

The hon. the General Manager has outlined the financial position of the Railway which, obviously, is quite a happy one. At the beginning of 1933 there was a deficit of £350,000, very nearly £351,000. On the working of 1933 there was a surplus of £232,000, which reduced the deficit to £317,000 by the beginning of 1934. On the 1934 working there was a surplus of £344,000, which enabled this deficit to be cleared off and to leave us at the beginning of this year with a balance of £26,000, enabling the reserve account to be reopened. We

have just heard from the hon. the General Manager that he expects he will be able to place to the reserve account this year a further £250,000. That is a very satisfactory position.

As regards the earnings to which the hon. member alluded the Estimates for 1934, that is last year, apart from certain miscellaneous receipts, amounted to £1,987,000. The amount actually earned was £2,227,000, so that in 1934 the amount earned over the Estimates was about £240,000. Harbours that year earned £16,000 more than anticipated. This year earnings over Estimates, as far as I can gather, were estimated at £140,000 less than was actually earned in 1934, and the same thing with the Harbours. I think we can say quite rightly that the Railways are budgeting very conservatively. For 1936 they have again budgeted for lesser sums than were actually earned in 1934, but for a very good reason, in that we have had rate reductions and the abolition of the surcharge at the Port.

I would like to ask, with reference to the figures I have quoted, one or two questions. They may be of minor importance, but they would help us to understand these Estimates better. I do not know whether the figures I have quoted are entirely accurate, but I think they are.

On page 8 and 9 of the Estimates for 1936, which have been referred to already, we have quite a simple revenue account and a net revenue account, with a carry-over from the previous page to a combined net revenue account. Taking the Railway's net revenue account on page 8, I note that provision has been made for certain extra contingencies which were not made last year, notably transfer of the assets, £5,000, and reserve for depreciation of securities, £5,000. I should only like to ask the hon. the General Manager whether this extra £10,000 is, in his opinion, really necessary, or whether it just makes assurance doubly sure. I quite understand depreciation of securities, but I should like to ask particularly what the transfer of assets is?

Before leaving that page, I do not know whether it would be possible, but I believe it would be of great help, if a further column could be included in the net revenue account of actuals received for the previous year? We never seem to get the actuals, except in the General Manager's Report, which is rather hard for most members and would probably take them a long time to get them out.

Turning to page 7, which contains the combined net revenue account, there is a figure there of £38,112, which is the balance (surplus) transferred to revenue account, of which, as noted this morning, probably £18,000 should be taken into consideration for helping export maize. Turning to page 7B,

that figure seems to have grown into £43,112. I admit it is a detail, but I should like to know why this figure has been altered or why it takes a different form. In the previous year's Estimates the figure was £60,151; it appears on the equivalent page 77 of last year's Estimates.

Of course, last year we thought there was going to be a deficit, but the other thing I would like to ask about page 78 is whether the hon. the General Manager in his reply could give us some explanation of what the capital accounts are? They did not appear last year. I know one ought to know, but we are rather ignorant about these things.

The other figure I should like to ask about is the figure of £286,708. We started 1934 with a reserve account of £26,608, and I imagine the estimated surplus this year, at the time this tabulation was made, had been added to that figure, because the same thing happened last year when we started with £317,000 deficit, and this time last year the deficit account showed £117,000 instead of £317,000, I presume on the year's working.

These are only matters of detail, but I think answers would help very much to understand these Estimates better.

I was very grateful indeed that for the benefit of everybody the hon. the General Manager, in his speech this morning, gave us the amount that it was costing the Railway to give these various reduced rates. I should like to say on behalf of all of us that, leaving aside any possible damage which may have been effected to certain sections, one never knows quite what happens until one has tried it out by experience—and this particular damage which is being done or hurt to a certain section of coffee growers will be dealt with in a few minutes—leaving aside these things, which after all can always be put right, and I am sure the hon. member will give an assurance that they will be put right, the adjustment as regards the rate reductions has been extremely fair to everybody, and I believe meets with everybody's complete approval. Of course you never can please everybody.

There are a few matters of detail in the Estimates I would like to touch on. On page 18 of the Estimates, items 4 (c) and 4 (e)—one additional temporary post required for relief purposes. I do not consider that it is our business to go into these Estimates in very great detail because that has been already done by the Railway Council, but one or two small points have been put to me and this is one of them. It seems to be an innovation in principle to have extra staff for relief purposes temporarily, as one imagines that a staff has to be sufficiently elastic to deal with the need. One is always a little bit frightened of going back to the days when one had in

Government departments and in the Railway possibly too big a staff on the excuse that they would be required when people went home. That no longer exists now and one is just a little bit shy of any signs that position was coming into force again.

On page 24 there is an item under the Sub-head V of Running Allowances and Overtime. The provision for 1934 was £27,000 and it has crept up from 1934 to over £29,000 and is in addition to a wages bill amounting to £37,000. I want to ask is that the usual proportion of running allowances to wages? It seems to be a very high one: £29,000 as regards £37,000 in wages.

On page 85 there is an item of House Allowances—£4,199. It has been suggested, Sir, that this is rather high, in view of the fact that it has been already brought up in this session that the Railway have a number of houses let to private individuals at a very low rental. In fact—I know cases in Nairobi where railway houses have been let to private people. Also the figure is going up as in 1934 it was £3,817 and in 1935 £3,761.

Travelling allowances also seem to be higher. They are more than they were last year and considerably more than in 1934. In connection with all those last three items what I really want to ask is whether the special committee which I understand is sitting and going into these matters have reported and whether they have suggested that there is any great diversity between this Railway and the majority of other railways as regards what I believe were known as hidden emoluments?

Before leaving the details of the budget, there is one other question I would like to ask and that is: what is being done with regard to the items on page 40 of £1,000 each being contributions to His Excellency the High Commissioner for Transport, and a contribution towards housing of the High Commissioner? The reason I am asking is that several people have wondered under the new arrangement there are two High Commissioners and I do not know whether they are divided up. It does seem to be rather queer if there are two different Commissioners and I would also like to know in the case of the Governor of Uganda coming down to Mombasa and wanting to look at the Port and so on, has he got any residence there or any right to a residence there and so on?

I would like to say a few words on matters of very much more importance than these matters of detail. I have a note here to discuss the rate of contribution to the Renewals Fund, the proposal for a reduction from 2½ per cent to 2 per cent. That has been touched upon at some length by the hon. the

General Manager this morning. He refers to it on page 184 of his Report on last year's working, but I do hope, Sir, that he will not allow that matter to drop because it does seem ridiculous that when a recommendation of that kind is recommended by the hon. the General Manager himself, is recommended by the Railway Council, is recommended by you, Sir, as High Commissioner, and is recommended even by the Secretary of State when he was out here, that it can be turned down by, I presume, non-technical people in the Treasury. As the hon. the General Manager has pointed out there is a most excellent case to be made for it and I hope we will not allow that matter to drop simply because we are told for the moment it cannot be done.

With regard to this particular question the hon. the General Manager this morning pointed out that the Renewals Fund could be looked upon as a general reserve and he hoped he would not have to argue that point again during this debate. I do not think that anybody with any sense could possibly suggest using the Renewals Fund as a general reserve, but if the contributions to that Renewals Fund are too high and are said to be too high by technical people who should know, then I think that any portion of it that is not considered necessary as a Renewals Fund could be used as a general reserve, which I gather is what the hon. the General Manager's proposal is. The position now is that we are being forced to pay more than is necessary into this fund which is preventing us from building up a reserve and preventing in many ways the railway from giving the help to the country that it would like to give if it could.

With regard to rates I had a note to ask the hon. the General Manager whether if no rates reduction scheme had been in contemplation some of the branch lines rates would, nevertheless, have had to go, by reason of the new system of accountancy on these branches, and if possible, if he would in his reply give us some figures showing how near they were to paying their way? The hon. member has explained that of the £10,000 given away in rates reductions this year, £7,000 had to go. Therefore a very large amount of this would have had to go in any case and I would like to ask him how near the remaining branches are to paying under the new system of accountancy and whether the same system of accountancy is being used on all branches, especially with regard to the Thomson's Falls Branch line, the Kisumu-Yala Branch line, and the Yala-Butere line. We noted with pleasure from the hon. the Treasurer's speech yesterday or the day before that Government is no longer going to be called upon to pay anything in respect of the Naro Moru Branch line, but this relief has been taken away from us to a certain extent by the fact that owing to the abolition of the branch

line rates a bigger call may be made by the Railway on the Government guarantee in respect of the Kisumu-Yala, Yala-Butere and Thomson's Falls Branch lines.

In the Report of the Economy Committee we made a suggestion that possibly some arrangement could be come to with regard to these Government guarantees, and I still think, Sir, that possibly the hon. the General Manager could give his consent and the Railway Council might also give their consent to some further investigation of this question, to see whether some further alleviation could not be given on these branch line guarantees. Possibly this new system of accounting might show that the losses are not quite so high as the Railway thought they were and at any rate possibly the Railway could discuss at least whether they could not forego this relief for a year or two until improved circumstances have put Government's finances in a better position and possibly a payment could be made—I know this is unsound as regards Government accounting—covering an average of two or three years. After all it is only what the Railway themselves are suggesting with regard to renewals. If such an arrangement could be made, it would be an enormous relief to Government at the present moment and I personally can never get away from my inclination to regard the Railway as an integral part of the Colony and not as an unfriendly power trying to get the last cent from Government. It is not that at all.

There are one or two other matters of more general import which I should like just to mention and this is the only opportunity in the year one has of mentioning them. First of all, I should say with regard to these branch lines that I do hope now we have a Board of Economic Development after the last few years of hardship have brought us to realize that if we are going to take advantage of it having got better we ought to have some policy. We have got to think out beforehand how we can best develop. I do hope we shall look upon these lines as having been put there for some purpose and then we shall set to work to intensely develop the country which has been opened by the branch lines. It seems to me that what rather happens now is that the Railway are induced to build branch lines, often against their wish, and I do not know whether we set to work quite hard enough to develop the country round them and make it pay as soon as possible. The other point often raised and I do hope Government and we on this side of the House will do anything we possibly can to help in regard to the Railway between Nairobi and Mombasa. I feel of course it is a very difficult bit of country but I do believe it is not impossible to get something grown there with the help of the Government. It would make all the difference in the world to the Railway and those who use the

Railway if we could only get some traffic for the Railway along that stretch. I think we might even go so far as to suggest that land could be given for nothing.

As regards tourist traffic and the Johannesburg Exhibition which has been mentioned I should like to say how very glad I am indeed to see that the Railway have provided for this very important Exhibition. It is not only going to give us good publicity, not only tourists to look at the country, not only improving settlement, but it may also bring a lot of business to this country, and I am sure we all support that sum of money very wholeheartedly.

One still sometimes wonders whether the question of competition of Lake traffic between this Colony and the Tanganyika Railways, whether this is not going to lead us to a certain number of difficulties. We know that the elected members in Tanganyika Legislative Council feel very strongly on it and I would like to ask whether there is any understanding at the moment as regards this traffic, because I had an idea that as regards traffic from certain ports that when a figure of, I believe it was 27,000 tons was exceeded, there is going to be some rediscussion on the matter. May be the hon. the General Manager would rather say nothing about it, but if he could say anything about it I believe people would very much like to hear it. I wonder at the same time, now we have got a very old friend going down to manage the Tanganyika Railways, whether any programme is being carried out with the idea of eventual closer working together. For instance, is there any standardization of the railway rolling stock in case in years to come the Railway could work together a bit closer, and is there any possibility of surveying the place for connecting Moshi and the central line? It does seem uneconomical at any rate to have two railways competing for the same traffic in the middle of Africa and running in the same direction. Naturally one would have to have great safeguards, but I do think we have got to look ahead in the matter.

Your Excellency, I have merely asked a certain number of questions rather at random, but I think one has to analyse what one wants and not to have a tremendous debate on every budget which is quite unnecessary. They are all the questions that have been asked by me and I am sure the hon. the General Manager will not mind replying to them.

In conclusion I am going to say that it is quite obvious that the Railway is in a very happy financial position at the moment, that they are building up reserves, that it looks as though, in spite of what has been given in the way of assistance this year, unless something very unforeseen happens, the Railway will be still in a happy position at the end of 1936, and I do hope that the Railway Council and the General

Manager will give us an assurance that they have not forgotten what appears on page 7 of the Gibb Report and that is: "that the policy of the Railway should be one directed towards the promotion, by means of cheap transport and transport facilities, of agricultural and industrial development" and will not be so anxious to make its position perhaps unduly impregnable. Finally that it may possibly forget that both commerce and the primary producers in this country have got a long way to go to get back on an even keel. I think it may be that it should give every possible opportunity this year they will be able to help the country along by giving a little further assistance to the users of the Railway.

With that final remark I naturally support the motion before the House.

LT.-COL. THE HON. J. G. KIRKWOOD: Your Excellency, in rising this morning to talk, I hope for the last time, on what the hon. the General Manager has on previous occasions designated as my yearly annual, I wish first and foremost to thank him and the members, official and unofficial, of Kenya and Uganda on the Inter-Colonial Railway Advisory Council for the abolition of the branch line rates. It is one of the finest things that has happened to the people in those areas for many years, and it is a very fine Christmas present. I am pleased at realizing that the management of the Railway have at last been able to find a method of accounting that will show whether a branch line is making a profit or a loss. I have always been unable to understand why main line accountancy could always show a profit or a loss, but the same accountancy did not evidently apply to branch line rates; that is a thing I could not understand.

The hon. member has now stated that a formula has at last been found for the Kitale branch line, and that line is found to pay. I would suggest to him and to the Railway Council that it would be a further act of justice only if a formula could be found to make the remaining two branch lines pay. I do not agree that this £21,000 which is paid by Government to the Railway is a fair charge. It has been stated that it is payable under an agreement, but we are all aware that every agreement is liable to be varied, and where an agreement is made between two parties it naturally requires the consent of both parties. Speaking on general grounds, I have in mind that prior to the introduction of branch lines in Kenya there were none existing as such in Uganda, but that they exist to-day. You have the Soroti line, which is nothing more or less than a branch line; you also have the minor line to Namasagali. Looking at the budget I take it it is designated as minor, and because, I presume, it has not yet grown up it does not yet pay branch line rates. I further

understand that Uganda definitely declined to have any railway in its territory designated a branch line. Personally, I approve of their attitude, because I think if a line is a feeder line and is going to be incorporated into the system it should be done on general grounds for the general good of the system as a whole, or should not be done as a whole, and I hope in justice to Kenya that in the near future further consideration be given to this matter and Kenya Government relieved of what I consider an onerous charge.

It was stated by one of the hon. Indian members that apparently he did not like to find I had made a discovery, and that a surplus of maize, and also a surplus of population! But I have also made a further discovery: I have also found surplus houses belonging to the Railway to the extent of 222, sixty odd of which are empty. It is a good combination to have the population to put in them, for we have the food and the housing!

I should like to welcome, as I am retiring as the champion of the branch line rates, the hon. Member for Nyanza, who I hope will follow on and show there is still very grave disappointment at the redistribution of the railway rates on coffee. He has got an unanswerable case, and I am quite sure that if he keeps at it he will eventually make good.

I think we are all absolutely tired of this session, which has dragged on, probably unnecessarily long, and for probably unnecessary reasons, and I do not propose to speak any longer. Unfortunately, I am feeling very intensely this morning, but I should like to remind the hon. the General Manager and you, Sir, as High Commissioner, that if Uganda expects Kenya to carry the taper rate indefinitely, it is their duty, definitely their duty, as far as they possibly can, to see that Kenya is a prosperous Kenya, as far as the Railway allows it to be so.

ARCHDEACON THE HON. G. BURNS: There are only two points, Your Excellency, which I wish to mention, and I should like to put them in the form of a question.

Last year, when we were discussing certain aspects of the Railway, I was told that the discussion of the revenue rates was the time to bring up the matter. I refer again, and ask with all earnestness, the hon. the General Manager whether, in accordance with his, I do not say promise, but with his words, if anything has been done to alleviate the distressful condition of female travellers on the Uganda Railway who have to travel from the coast, many of them, wives of Railway servants, up to Kavirondo or otherwise? I refer to the lavatory accommodation and a place where women can be segregated as such

in connection with their travel on that line. I ask the hon. member whether any further consideration has been given to that? It may seem in the minds of some to be a very little thing, but I can assure you that in the minds of the African peoples it is not; it is a very big thing indeed.

The second point I should like to ask, I may have missed it, is whether in the distribution of the benefits accruing from the better position of the Railway the internal distribution rates have received consideration that one would naturally like them to receive. The hon. the General Manager may have mentioned it, but I did not hear it. There is a great volume of trade being carried on now along the line for miles beyond Limuru into Nairobi, and I should like to ask whether any consideration has been given to the alleviation of the distribution rates which people have to pay on their produce as they bring it in from out-of-the-way districts to markets in Nairobi.

THE HON. A. B. PATEL: Your Excellency, I desire at the outset to congratulate the hon. the General Manager for granting relief to the Colony by reducing the rates which were mentioned by him in his speech. However one may disagree with the particulars of those reductions, it is certainly a matter of great satisfaction to the Colony that in these hard times such relief has been granted.

The hon. the General Manager referred to the Ordinance prohibiting motor competition and to the extension of three years which was granted by this House. It reminds me of the absence of business considerations in arranging the Railway rates on account of this monopoly which has been granted by the passage of this Ordinance. In fact, it is largely responsible for the absence of any business considerations and the presence of arbitrary considerations in arranging the rates and the policy of the Railway. One might justifiably say that that policy is seldom free from political influence.

The personnel of the Railway Council was referred to by the hon. the General Manager in his speech, and in that connection I must say, for the reasons which are alleged, the Railway Administration in deciding on the particulars of the reductions of rates and also the details of the Railway Estimates were able to decide them in a council where two official members and two unofficial members were fortunate enough to have the advantage of discussing them and helping to arrive at decisions. No Indian member had such an advantage. I cannot allow this opportunity to go by without reiterating the Indian demand for representation on the Railway Council and on the Harbour Advisory Board. I know the hon. the General Manager will reply as he did last year: "I cannot say

anything regarding that, except to emphasize the point repeatedly made that the members of the Council do not represent anybody: they are there to give the best advice possible in connection with the administration of the Railway. They do not represent any particular interests."

That reply, in my opinion, as will be readily agreed to by all reasonable persons, is simply an evasion of a straightforward demand. Those who have followed the history of Kenya representation on the Railway Council, know too well that the non-official members who are selected to serve on the Railway Council are not always selected for giving the best advice, but more often are selected to advocate particular pet theories and on account of the political influence which they wield. In saying that I have the support of no less an authority than Mr. Roger Gibb, in his Report on Railway matters. In particular, I wish to refer to page 8:

"It is equally true that the Council is advisory and has in theory no absolute power, but its influence in railway affairs is nevertheless considerable and it undoubtedly magnifies political, at the expense of business, considerations. As at present constituted, it can hardly claim to be judicial in its approach at rating problems, and there is more than suspicion that unofficial members are nominated to forward certain popular policies, and not on account of the help they can give to the railway management. One of the unofficial Kenya representatives on the Council used to be chosen from Mombasa and is so no longer. It is difficult to believe that the exclusion of Mombasa from representation on the Council is entirely unconnected with the failure of the Mombasa member to support the policy of a politically powerful section of the community, and help them to use the railway as an instrument for a particular type of Colonial development, without any obvious railway reason in its favour. The impression that members of the Council are not chosen solely for the assistance they are likely to afford the railway is strengthened by the fact that the member chosen to replace the representative from Mombasa was known to support the policy opposed by Mombasa although from the evidence tendered to me the Mombasa opinions are evidently widely held in Kenya."

In my opinion, Sir, the withholding of representation of the Indian community is a great injustice, and I trust that the claim of the Indian community in this respect will not long be overlooked. I suppose that no fair-minded person will deny that the contributions of the Indian members to the proceedings of the Railway Council are certain to be valuable.

In the absence of any knowledge Indian members have as regards the policy which guided the Council, I suppose any unjustifiable criticism will naturally arise.

Referring to the rates for a while, I believe that no business man will regard the rate for the transport of maize as satisfactory. There can be no two opinions that most of the maize growers are hard hit and deserve every sympathy, but my objection to the Railway policy in regard to the maize rate is, in the words of Mr. Roger Gibb:

"It was wrong from a Railway point of view and unfair to the settlers who were encouraged to base their calculations upon a Railway rate which could not be maintained."

The policy of keeping the farmers on the farm, I think, is carried too far, and the growing of uneconomic crops is encouraged more and more. It is bound to lead this Colony into the unfortunate position of always maintaining a crop which not only is uneconomic but is a burden on the Colony. Even last year, the hon. the General Manager in his reply to the debate on the Railway Estimates, said:

"With regard to maize, the revenue received was much below the average working cost."

It is worth considering whether this Colony should pursue a policy in regard to maize in this direction or should seriously consider making it a native crop.

Glancing through the expenditure figures one finds that, comparing the figures of 1933 and 1936, the expenditure has increased by £100,722, on the Railways, and similarly there has been a steady increase in regard to the working of the Harbours. I suppose there are reasons for the Railway Administration being unduly optimistic in permitting the expenditure to go higher every year. It may be that such increased expenditure is fully justified but, as I have stated before, the Indian community is not taken into confidence by being granted representation on the Railway and Harbour Advisory Councils and therefore they do not know if there is any justification for such expenditure.

I desire now to make a few general remarks.

I understand that the earnings from the third class passenger travel are a little less than the earnings from the first and second classes put together, yet no one can fail to note that the accommodation provided for third class passengers is terrible. In fact, I should say it is hopeless. I would like to associate myself with the hon. and reverend Member Archdeacon Burns in requesting the hon. the General Manager to supply special accommodation for women travellers in the

third class. It is also worth seriously considering whether there should not be a reduction in the third class fares in order to encourage African passengers to use the Railway more and more, particularly for long distances. One cannot fail to note that in comparing the average monthly income from third class passenger travel, particularly of the Africans, with the average monthly income from the first and second classes, and the fares for those classes, that the third class fares are rather high. For an African desiring to travel from Mombasa to Nairobi, or Nairobi to Mombasa, the fare will be more than his monthly earnings in both cases. In this connection, I would like to suggest that if it cannot be seriously considered in the interests of the African third class passengers whether a fourth class could not be provided, as is done in some countries, at reduced fares, in order to encourage Africans to use the Railway in increasing numbers.

I would also like to make one suggestion in regard to the passenger service between Nairobi and Mombasa. As this House knows, formerly there was a regular mail train service, which was afterwards considered unnecessary and unjustified, and at present we have a mail train service on four days a week, and any passenger desiring to travel between these two places on the other three days has either to abandon that idea or to travel by a goods train or in the third class. Considering the number of passengers nowadays, the feasibility of attaching first and second class carriages on those three days of the week to the goods train should be seriously considered.

Before resuming my seat, I desire to take this opportunity to draw the attention of the hon. the General Manager to the very welcome remarks from the Chair at the commencement of this session where, under heading of "Indian Education", Your Excellency said:

"The future employment of this younger (Indian) generation after school age will have to be given grave consideration in a few years time".

and to hope that this matter will be given very serious consideration indeed by the Railway Administration.

THE HON. CONWAY HARVEY: Your Excellency, I should like to start the second chapter of my comments on this subject by expressing the very deep appreciation of the whole of the agricultural community of Kenya for the very substantial reductions that have been made in respect of freight on a large number of items of primary produce on which farmers depend entirely for their livelihood. It will have the effect of putting heart into a deserving section of the community most sadly in need of being cheered up in these days, and it would be churlish indeed if in this connection the farmers of

Kenya omitted to express their gratitude to the Uganda members of the Inter-Colonial Railway Council, who must have co-operated most warmly with their Kenya colleagues in order to achieve such a mutually satisfactory result. I trust that this will be an arguery for the maximum of co-operation between the two parties which make up this lusty hybrid, the Inter-Colonial Railway Council.

I am sorry to say that I must to some extent shatter the illusion of the hon. the General Manager that the changed coffee rates give general satisfaction to the coffee planters in Kenya. Such, Sir, is not the case. It is true that the sum total saved to the industry as a whole is £32,000, but an enormous proportion of that—and this is not always realized in Kenya—goes to the coffee growers in Tanganyika and Uganda who contribute to the railway traffic no less than 16,000 tons of coffee per annum on the average as compared with 12,750 contributed by Kenya growers. The change over from the zone to the class rate based on mileage hits the coffee planters west of Nairobi very hard indeed. In some cases it means an increase of nearly 100 per cent on the old rate. I will quote in a moment one or two figures which prove my contention. I feel sure that the incidence of these changes was not realized either by the Executive of the Coffee Board or the unofficial members of the Inter-Colonial Railway Council when this subject was under discussion by those bodies.

As everybody knows, Railway rating is a most highly technical matter, and it is almost impossible for the ordinary layman to appreciate the incidence of any changes until they actually take a ton of coffee to the local stationmaster for consignment to Nairobi or Mombasa or whatever the destination is. I have some figures here—of which I will only quote a few—which prove my contention that a very large number, more than half, of the coffee planters of Kenya have a very definite grievance and are most adversely affected by these changes. Everybody west of Nairobi suffers, as I said before, and the suffering is increased in intensity as you go farther, until the maximum is arrived at at Turbo and Eldoret.

From Keru, to send a ton of coffee to Nairobi, until the change the charge was Sh. 10/76 per ton; now we have to pay Sh. 17/48 per ton. At Eldoret formerly, under the zone rate system, the charge was Sh. 10/76 a ton, which has been increased to no less than Sh. 19/72. Turbo formerly paid Sh. 10/76, and now pay Sh. 21/06. But the worst illustration and the hardest hit case is Kitale, where formerly Sh. 15/76 was paid, and this is now increased to Sh. 23/30 per ton. Those figures only apply to coffee sent to Nairobi. We are all fully aware that if it is sent direct to the Port, there would be a small reduction, but that is of very scant interest to people

who have to consign their coffee in parchment in respect of 90 per cent. It is consigned entirely to the miller, who, if he takes advantage of that admirable new organization, the coffee auction, disposes of the lot and gets his money as quickly as he can.

These people suffer very seriously by reason of the changes in the rates. In addition to the charges just mentioned, there is another item not borna by the people near Nairobi and east of Nairobi. That is a little matter of Sh. 8/98 per ton which is called a terminal charge. There lies a possible solution of the difficulty to which I invite careful consideration by the hon. the General Manager. That represents, I think, something like 40 cents per 100 lb., which could quite easily be reduced to some 10 cents per 100 lb. so far as the railway charges are concerned without causing the Railway any serious loss and would probably still be profitable to the Railway. I would, Sir, ask the hon. the General Manager to explore the possibility of granting some relief to these people in respect of the terminal charges which very seriously add to the disabilities they suffer by reason of the change in the zone rates.

LTJUT.-COL. THE HON. LORD FRANCIS SCOTT: Sir, as a member of the Railway Council I have of course already approved these Estimates put before us to-day and I am not going to speak at any length on the subject. I should first of all like, as a member of the Railway Council, to associate myself with the remarks which have been made about Mr. Robins. I can absolutely agree with every word which has been said in his praise by previous speakers and there is one good point about his leaving us and that is that he is only going so far as the neighbouring territory.

The hon. Mr. Patel quoted various things from the Report of Mr. Roger Gibb, but I would like to remind him that it was decided some time ago, not only by the Railway Advisory Council but by the East African Governors' Conference, that his report should not be adopted, and therefore quotations from him carry very little weight.

The only other point I wish to speak about is that raised by my hon. friend the Member for Nyanza. I should like to say this that as a member of the Railway Advisory Council, and I believe other members of the Council are probably here in the same position, when we recommended the reduction of £32,000 to the Coffee Industry we had no idea at all that it was going to have this adverse effect on coffee consigned to Nairobi from various parts of the country. The original suggestion put up was a percentage reduction on the existing special coffee rates and the Administration put up as an alternative that the same amount of relief would be

granted by I think even a little bit more if, instead of keeping to the special coffee rate less a percentage of 20 per cent or something of that sort, they were all put into the class 10 rate. That seemed a simple way of doing it and the Railway Advisory Council accepted that proposal, but it was never put before us that this would have the adverse effect which has been shown during this debate, and I am quite sure, Sir, that other members of the Railway Council, as well as myself, would never have agreed if we had known that was the effect. I hope that this matter having now been ventilated and having been shown to be such a very real grievance, that it can be put right by some other way, either by cancelling the present arrangement and going back to the original proposal, or possibly the ingenious brain of the General Manager may find some other method. But of course it is a fact that more and more Nairobi is becoming the centre of sales of local coffee and therefore is a factor of equal importance to the export rates to the Coast.

I have no further remarks to make.

THE HON. THE TREASURER: Your Excellency, I have a small point I would like to make clear, as a member of the Railway Advisory Council and as a member of the Executive of the Coffee Board, with regard to the change over of the rating system. I hope the hon. the General Manager will not follow the advice given by the Noble Lord because it seems to me that in changing over from the zone rate to the flat mileage rate Kenya secures a tremendous advantage which it would not have secured to the same extent had they taken a percentage reduction on the zone rate. As it stands at present this reduction from Nairobi, from which station a large proportion of coffee is sent off, represents a reduction of approximately 33 per cent, which reduction could not possibly have been secured if a percentage reduction on the zone rate had been made.

THE HON. D. D. PURI: Your Excellency, before I start, Sir, I wish to associate myself with the remarks of the hon. the General Manager with reference to Mr. Robins and on behalf of the Indian Members I state that as a member of the Management Committee of the Nairobi Chamber of Commerce and I feel that Mr. Robins has been a great commercial asset and we regret he is going from the Colony but at the same time congratulate him on going to another Colony where he will be able to render service to the community there.

With regard to the Estimates, I feel I have got to say something about these rates. Although no one of us can deny that the primary producers in this country stand in great necessity of some sort of help, but how far should that help

go is a question, Sir. In these Railway rates and the reductions announced by the hon. the General Manager, we see that half of this amount, about £75,000, has been contributed towards the reduction in the primary producers. I do not know, Sir, whether I misunderstood, but the General Manager gave no account as to what possible aggregate amount will go towards this Sh. 5 per ton reduction in maize. That, Sir, is an item which ought to be added to the £150,000.

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: I made that point quite clear, Sir. The sum of £18,000.

THE HON. D. D. PURI: Thank you, Sir. Now, Sir, the Railway Administration of this country is administered under the Railway Ordinance, section 13 of which says:—

“The Services shall be administered on business principles, due regard being had to agricultural and industrial development in Kenya and Uganda by means of cheap transport.”

In this hon. House on the 11th July of this year, the hon. the General Manager said:—

“I maintain therefore that the policy that we have followed in the past few years definitely follows the instructions laid down in section 13 of the Railway Ordinance. What are business principles? The first one, as I understand it, is that we must administer the Railway so that our finances are in a satisfactory position. We must not have deficits, nor run at a loss. In fact it is laid down in the Order in Council that we are specifically prohibited from carrying on any transport at a loss.”

And again in the Secretary of State's despatch of 4th December, 1934, quoting the resolution adopted by the Governors' Conference:—

“It shall not include the adoption of measures which would be ultimately detrimental to Railway interests or the provision of cheap transport where there is reason to believe it will be unremunerative in its cumulative effect.”

Now, Sir, so far as this is concerned in a meeting of the Association of Chambers of Commerce that the General Manager attended, I put in a question as to how far this present rate of maize of Sh. 13/50 on the main line goes and how far it pays expenses. The hon. the General Manager was kind enough to reply and said that in regard to maize all the Railway got was out of pocket expenses. Then when there are railway charges and port sur-charges and the rate

was Sh. 13/50, with the abolition of the branch line charges and harbour port charges and the refund of Sh. 5 a ton, I do not know what is the real position, because Sh. 13/50 hardly pays out of pocket expenses, and surely with this Sh. 5 reduction they will be running at a loss. I am not surprised if by those rates we are doing something against the Order in Council which specifically prohibits carrying on any transport at a loss, and therefore I feel we will be in this position that we may be doing something which of course we are not supposed to do. That is what I have to say with regard to maize:

With regard to cotton cloth and piece goods, Sir, it is a great pity that, for a vital necessity of the natives such as cotton piece goods, the Railway Council could not see its way to reduce the rates over and above the 10 per cent reduction they have given. Really those goods should be reduced to class 2.

My hon. friend, Mr. Patel, has spoken on Indian representation on the Railway Advisory Council and Harbour Board and I have nothing to add, except to say that a great injustice has been done and is being done to the Indian community in not having any members on these two Councils and the sooner your Government and the sooner Your Excellency advises the Colonial Office to grant representation will be the better.

There is one thing more. I understand that some of the clerks in the Traffic Department of the Railway are stuck for eight to ten years at the maximum of their grade before they go into the higher grade and I hope the hon. the General Manager will look into those cases and try to put them on the higher grades because it seems very hard on those people who are stuck in their present grade, some of them for about ten years.

With this I support the motion before the House.

THE HON. SHAMSUD-DEEN: Your Excellency, I only wish to say a few words. I wish to make it clear from the outset that the Railway Estimates are of very little interest to me. I hardly look at them but there are certain matters of general policy I would like to refer to.

The hon. the General Manager said that their mission was a mission of service. It seems strange to me if you do some service that practically the whole community of this Colony is perishing and that this mission of service should be prospering. I have attempted on numerous occasions to show that this reserve for renewals are no reserve. They are an effective way of accountancy and really if meant for renewals they are not open to very much criticism, but evidently they

are in a much happier position than the administration of this Colony is. To my mind it appears to me that there are two parallel administrations existing in this Colony: one is the Railway, which is practically independent of any real control either by the Government of this Colony or of this Council. I fail to understand why these Estimates are brought before us year after year, while we know perfectly well that this Council of the people have no control over these Estimates. I should be very surprised if the statements that have been made by the hon. Member for Nyanza, which seems to be a Utopian method of relief, should have any consideration at all, although to any fair-minded persons instead of relief it is an added burden on a certain section of coffee growers, who exist in Nyanza. I have no hope of anything happening as a result of what we are talking about in this Council. I suppose at the present moment Your Excellency has some control over the Railway Administration, but when the High Commissioner of Transport becomes the Governor of Uganda and Kenya in rotation, I suppose the control will also not be as effective as it is to-day. Therefore, it is hardly any use wasting one's time to decide the policy of the Railway. They are people who are dependent on the population of the Colony. Whether responsible or not, they have the monopoly of transport—as I have said I do not want to repeat what I have said on previous occasions—to the very great detriment of the poor class of people who were employed in the road transport. But even with all this monopoly that the Railway has been granted by the Government, I think they will find before long that they will have to come to this House to ask for more help because I can see, I have noticed that within the last few weeks the motor transport, which was at one time competing with the Railway in the carriage of goods, is now launching a scheme of carrying passenger traffic especially to Kisumu, and I think they can do it very fairly. They carry passengers from Nairobi to Kisumu within 10 hours, while the Railway generally takes about 24 hours. And instead of the African having to pay something like Sh. 17, I am not quite certain I think they have only to pay Sh. 10. How long are you going to stand for the Railway in this fashion at the cost of the ordinary people who are plying the taxis for hire.

My hon. friend has been talking about injustice to the Indian community for not having representation on the Railway Advisory Council. Sir, if that Council is an Advisory Council, and I have always maintained that this Legislative Council is merely advisory and carries no power, similarly the Railway Council, if merely advisory, then it is not a question of injustice to the Indian community we do. The authorities get their freights from Indian traders. This is not all the injustice of the position, but it is an injustice to the Railway

themselves and if they have no desire to learn the view point of Indian commerce and industry, which is by no means inconsiderable in this Colony, I think it is in their own interest to have someone to advise them on Indian affairs.

As regards the railway fares I am only talking of accommodation. From my personal knowledge of the Indian Railways (I have not had the opportunity of comparing with other Railways) in India a distance of 300 miles is covered in 10 hours and the charge is Sh. 30 second class. Here I find it is nearly double. I think further consideration should be given to the reduction of passenger fares, otherwise I think that unless we also like to pass an Ordinance giving the monopoly against aircraft as well as motor cars, the Railway will find that passengers will be travelling more by aeroplanes and motor cars than by the railway. Why shouldn't we? At the present moment the fare by an aeroplane from here to Mombasa is the same as the first class railway fare, and takes 2 hours, with less discomfort and less danger than one takes by rail. I have said on previous occasions the railway does not run to time. The time-table is merely just a table on paper. In fact the railway never does run to time. They take generally hours waiting at stations and run at a terrific speed between stations. It really makes one nervous (laughter). That is exactly what happens. Therefore, I main there is positively less danger and less risk by aeroplane.

Again, Sir, I must refer to the remarks made by the hon. and venerable member representing native interests and I am rather surprised that the Government has done nothing in the way of reserving accommodation for females in the third class. I think it is a provision that should be made statutory and should be provided in the Ordinance. I know it is statutorily necessary for the Railway in India to provide certain accommodation for females and it seems to me to be simply wicked that not only African but Indian women also should be made to travel with men.

I have never been able to understand as to why the Railway really have the monopoly of running the transport of the whole Colony without paying anything to the Government. We charge licences and taxes for all lorries and motor cars. I do not see why the Railway should not contribute a large sum to the Government in the way of licences for having the monopoly.

On hon. member mentioned about the Railway running through a part of the country which did not produce anything and from which they never got any freight. I think half the Railway runs through a wilderness and probably the Railway would do well to take into consideration some scheme by which they could help the Government to help the community in

making these deserts into some sort of areas that can be utilized for agriculture, and it would probably bring them much income and be a good policy in the long run.

I propose also and I think it is my duty to warn the hon. the General Manager and to bring it to the notice of this House that at the present moment owing to this monopoly that has been given the competition is taking a form that I have reason to believe at the present moment that the very transport that was eliminated from competing with the Railway is now carrying goods between Lamu and Meru on roads to which this present Ordinance does not apply. So that shows if you like to suppress or eliminate trade it goes in other ways and eventually you come to know that no law or rules can really prevent what is necessary for people to make their living. I have even made inquiries from these people and they say that if they are allowed to do the transport work between Mombasa and Nairobi at anything like the rates the Railway gets, they will be quite prepared to take maize and other produce absolutely free of charge from Nairobi to Mombasa. The Railway takes about 5 per cent rebate off. The ordinary lorry drivers will take the produce free of charge if they will give them anything like the rates the Railway is getting.

Your Excellency, the only thing I wish to say is that the hon. the General Manager has said that he attributes the prosperity of the Railway to the import of material for gold mining. If that is so, that prosperity will prove to be of a temporary nature and may not last for very many years, and therefore it would be just as well if the estimates are prepared in future on not too optimistic lines from the point of view of gold mining, because we know the limitations of the gold mining industry and it would be just as well to prepare the estimates accordingly.

I am sorry to have taken so long, because I know it is a waste of time. Once the Railway prepare the budget it is just like shooting a bullet out of a rifle, nothing can alter the course of it.

The debate was adjourned.

*Council adjourned till 10 a.m. on Saturday,
the 7th December, 1935.*

SATURDAY, 7th DECEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Saturday, the 7th December, 1935. His EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 6th December, 1935, were confirmed.

MOTIONS.

ESTIMATES, KENYA AND UGANDA RAILWAYS AND HARBOURS, 1936.

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS having moved:—

"That the Estimates of Revenue and Expenditure of the Kenya and Uganda Railways and Harbours Administration for the year 1936 be approved."

The Hon. the Treasurer having seconded.

The debate having been adjourned.

The debate continued.

DR. THE HON. A. C. L. DE SOUSA: Your Excellency, I am not going to take up the time of the House at this hour. All that I wish to do this morning is to put in an appeal to Your Excellency as High Commissioner and to the hon. the General Manager on behalf of certain sections of the Railway staff.

We all know that the presentation of this budget to this Council is a sort of mockery. We have no authority, no power, to alter one line or one word, in that budget, and that is why all that I have to say is only in the form of an appeal.

I particularly wish to draw the attention of the hon. the General Manager to the question, a very old one, of the artisans. This question has been brought up in this Council within my recollection on two previous occasions. I have before me, Sir, a petition which I received, a copy of which I understand is also being sent to other Government departments—for example, the hon. the Colonial Secretary and the hon. the General Manager—by the Labour Trade Union of Kenya, which comprises something about two hundred men working for the Railway. Their grievances have been placed

before this House by me last year and the year previous. I remember the hon. the General Manager referring to this section of his employees as casual labour. Surely two hundred men could not constitute casual labour for two or three years? He also said that the wages paid—not yearly wages, not even monthly, nor yet again weekly, but sometimes hourly wages—were based on the rates appertaining in the town given by private employers of labour. It seems a bit hard for us on this Council to be told that the Railway bases its scales of salaries on the lines of private employers.

The Railway has perhaps the greatest monopoly that could be given to any one enterprise and, considering the assets in land alone which the Railway has, I think it is a bit hard on this Council to admit that their policy should be based on the policy of the private employer. These people are paid a very small wage, they get no holidays or Saturday afternoons—I understand they are paid for the hours of work they put in on Saturdays—they have no houses given them and, what is most iniquitous in their case, is that very old degraded buildings (you really cannot call them buildings, but tinf-shanties) unfit for human habitation, are given them on a rent which is perhaps a little higher than a private employer in town would charge. I have the opportunity twice or thrice a week of visiting these homes in a professional capacity, and I think if those houses were situate anywhere else in the town boundary, the Municipal Council would prohibit people using them for ordinary habitations.

These people have been demanding that this temporary basis of hourly and daily wages should be abolished, that they should be provided with suitable housing, that their minimum salary should not be less than Sh. 200 a month, that some sort of scheme should be put into force similar to that which obtains for the permanent staff in order that gratuities or some other assistance should be provided for their old age, and that above all they should also be allowed to take the public holidays, and casual leave also given them as well as to the others.

The next thing I wish to refer to is the question of apprentices in the Railway workshops. This question was also referred to last year, and I do not know that the hon. the General Manager has made or is willing to make any provision for this very, very necessary service. You yourself, Sir, realize that there is a large body of young men who are now fitted for service and that the schools are overcrowded with them, and I think the hon. the Director of Education will agree that the problem of the overcrowding in the schools might be relieved to a certain extent by some of these young men being diverted from a literary and academic education into

one more profitable and more mechanical. The Railway is one of the biggest concerns in the Colony, and it should provide that training.

It should also provide hostel accommodation. Last year the hon. member said there was no hostel because there were no apprentices. Naturally there will be no hostel if there are no apprentices, but our claim to have a hostel is because we want apprentices and a hostel to house them.

In this connection I will instance the case of a young man in whom I have been interested for more than a year. He was born in this country, and his father had over thirty years' service with the Railway. I have no personal interest in the boy, but I have been knocking from pillar to post in the Railway to get a job for him. He was the only boy out of seven children his father could educate. The old man is now in India, and the boy was sent back here so that he could be the mainstay of his brothers and sisters. He knows English up to the sixth standard, and is a presentable young man. I wish I could have brought him here so that Your Excellency could have seen him. He is willing to put his hand to any manual work in the Railway, and yet the son of a man who gave his life to the Railway cannot even talk to heads of departments and has to put his case in writing, and go without employment for over a year. That is only one instance. There may be ten or more others who are equally as deserving, and I certainly think the least the Railway can do in the form of gratitude to men who have sacrificed their whole lives in the service of the Railway is to give consideration to these young men.

There is a further small point about local leave for the Asians in the Railway, and I hope the hon. the General Manager may be kind enough to consider the question of raising the period of that leave from ten to eighteen days, thus bringing it into line with the Asian Civil Service.

Another small point I want to make and which I did make but not in this Council, is with regard to holiday excursions for children. The Railway has very rightly admitted that there should be substantial concessions made for children from the highlands going to the coast for a holiday, and for several years these concessions have been given to a body which undertakes the holiday camp scheme for European children. Many people, however, do not want to use this institution, because some of them think it is a charitable institution as funds are collected, and some people have an honest objection to availing themselves of it, and I know many Europeans and many Asians who have been taking their children themselves to the coast for a holiday. I do not

think the Railway should draw the line between the children who go for a holiday on a public subscription and those who go at the cost of their parents, and everything possible should be done to encourage the latter by giving them the same concessions, because those children go with their parents who pay for the tickets.

There is another thing in which I hope I have the sympathy of the hon. the Director of Medical Services. The other day in his speech on the budget he put very vividly before us the need for medical services and the growing desire of the people to have those services, but he is unable to provide all their requirements. But, Sir, the Railway makes an enormous amount of money on the high freights on drugs. I will call them pharmaceutical drugs. The same remark also applies to proprietary medicines. We all know that in the modern home a very large part is played by these non-poisonous pharmaceutical drugs and, to a certain extent, by patent medicines. Great relief would be given if the hon. the General Manager could take these medicines from Class 1 to a more reasonable rate, so that patent medicines and drugs could be sold cheaper than they are now.

Lastly, I think this is a thing with which he will have great sympathy, and that is the question of railway passes. If for no other reason than that he is a member of this Council, the hon. member, through a spirit of comradeship, should give us all a free railway pass. This House spends a lot of time and money considering Railway matters. We, Sir, represent the Colony; this Council represents the Colony, and the Railway benefits to a large extent. The hon. member has come before asking for assistance to tide over his difficulties. We have done it, and he is likely to come again to add still more to his reserve fund. The least we expect from him as representatives of the people of the Colony—and surely as his colleagues in this House—is that railway passes should be issued to us free of charge.

THE HON. THE GENERAL MANAGER: First of all, Sir, I would like to thank this House for the way they have received these Estimates and for the various expressions of satisfaction with the figures that I have been privileged to place before them in my introductory speech.

I also, Sir, would like to thank the House on behalf of Mr. Robins for the very nice things that were said about him by various hon. members. I am very glad indeed to find that the services of such an efficient officer as Mr. Robins has proved himself to be, have been so much appreciated generally throughout the country.

Now, Sir, if I may turn to the various questions that have been asked and I would begin with the speech of the hon. member for Nairobi North. The first question he asked dealt with page 8 of the Estimates and referred to the item "Transfer of Assets" to Net Revenue Account and he asked why that item should be there. It is an unusual item and I am glad to have the opportunity of explaining it. As a rule expenditure apart from ordinary working expenditure is chargeable to the Renewals Fund or to the Betterment Fund or some Loan account. This kind of expenditure is not chargeable to any of those heads. It represents expenditure on moving an asset from one site or station to another and as there is no particular head to which that can be charged a special item in the Net Revenue Account had to be shown. Actually it refers particularly to a proposal which we are going to consider in the coming year of moving a number of our store sheds and offices to the main store depot on the opposite side of Workshops Road.

He also asked why the item Reserve for Depreciation of Securities is included—a sum of £5,000. It will be within the recollection of this House that in past years we have received considerable benefits to our net revenue from the appreciation of securities. The time has come when we can no longer expect benefits and we must begin to make provision for depreciation and it has therefore been thought wise to put by a small sum each year until we have, put by sufficient money to deal with that particular fluctuating account.

A further question he asked, Sir, was whether we could print in these estimates the actual revenue earned during 1934. I would suggest that would unduly complicate the printed estimates and would not serve any real purpose. The actual earnings for two years previous to the estimates under consideration are not really very relevant, but I may say, Sir, that those figures are very carefully examined by the Railway Advisory Council when the Memorandum on the Estimates is placed before them. Every possible guide is given to the Council when considering the estimates.

Referring to page 78, Sir, the hon. member asked why the contributions to the Reserve Accounts are shown at £43,112 when the actual amount transferred from the Combined Net Revenue Account is £38,112. The £5,000 difference between the two totals, Sir, is, of course, the £5,000 that I have referred to for the Reserve for Depreciation of Securities. The amount in the General Reserve is given in the column I have shown on page 78 plus this other reserve.

He also asked, Sir, what the heading Capital Account refers to in the table on the same page. That was explained

in my last Annual Report. This account arises from the fact that when assets are written off and not replaced, the value of those assets is taken from the Renewals Fund where the depreciation has been accumulating and is credited to a Capital head. If that asset had been replaced at once, of course the expenditure would have gone direct from the Renewals Fund to the purchase of the new asset, but if the asset has not to be replaced at once it is placed to the capital account where it is available when required at some future date.

He made one or two other minor points—one connected with staff engaged on a temporary basis for relief purposes. I should have understood the hon. member's question if those posts had been shown as permanent and not temporary. As a matter of fact it is our policy to keep our regular staff down to the absolute minimum and on occasion, especially with regard to actual supervision of works, it is necessary if staff have gone on leave to replace with temporary staff the vacancies that have occurred. These people are engaged for the particular job of work for which they are required and of course their services will be terminated as soon as the permanent man returns.

He also asked whether the proportion between substantive salaries of running staff and their running allowance is sound. There are two principles adopted by railways generally with regard to this matter. One is to have a fairly high substantive salary and a low running allowance and the other is to have a low substantive salary and a high running allowance. On this Railway, Sir, we rightly or wrongly have the latter principle—our substantive salaries are on the low side and our running allowances are therefore on the high side. That policy has the advantage, from our point of view, that if traffic fluctuates and is reduced the amount to be paid is also automatically reduced, whereas if there is plenty of traffic and trains run frequently, the running allowances of course increase, but an increased revenue is earned to meet them.

Another point which affects that issue is that the more efficiently our trains are run the higher will be the running allowances earned. For example, with the introduction of the caboose system, engine drivers are able to put in much longer mileages; therefore, their allowances are fairly high. But I suggest that the Administration get a very good return in that traffic is moved more quickly, smoothly, and more economically.

House allowances are higher, as the hon. member pointed out, and that is due, of course, to the fact that certain of

the staff, especially in Nairobi, are not housed, although, as the hon. member for Trans Nzoia said, we have vacant houses elsewhere. But vacant houses at Makindu are of no use to staff in Nairobi, and where there is a shortage of houses house allowance must be paid.

The hon. member also asked whether the special committee appointed by the Railway Council had yet reported. It has not. The issues they have undertaken to go into are very complex, and I am not sure that it is at all possible for an outside committee to do very much in that direction. The Railway Administration has from time to time commented on these particular matters, and the whole question will come up again for consideration.

The hon. member also asked what was the present position regarding the allowance paid the High Commissioner and his staff. All that I can say regarding this matter is that there is no change in the provision.

With regard to the Renewals Fund, I have been asked that the question of reducing the contribution shall not be allowed to drop. Well, Sir, it will come up again shortly. I have recently appointed a departmental committee to review the whole position of the Renewals Fund and show exactly how our contributions are working out. With the aid of the Hollerith machines we shall be able to present a very complete picture, and we hope then to have a further opportunity of raising this issue. Actually, it is of academic interest only, because, as I tried to explain in my speech, we have in making our rates reductions taken into consideration the fact that there is a sum of money available in the Renewals Fund which can be borrowed and which, therefore, is in a sense a reserve available for that purpose. I would like to explain that point, because I think the hon. member did suggest that we were contributing at too high a rate to this fund. That is not the position.

The rate is quite correct, but the money will not be required until after 1946 for various reasons. Rails, for instance, do not wear out under thirty years, and so on. Therefore, that being the case, and in view of the fact that after 1946 we shall have some relief from our loan charges, we thought it a fair proposition to suggest borrowing temporarily from the fund. But the amount will have to be repaid later. From the Renewals Fund point of view, the contribution is not too large, but the particular circumstances in which we find ourselves do suggest that we can borrow temporarily provided we replace the money later. I take it that technically the view of the Treasury at home is that while it is easy to borrow they are not at all sure we shall

be in a position to repay later. I think that is probably why they are nervous about agreeing to this particular suggestion.

The hon. member also asked whether we had applied the new formula to the other branch lines. The answer is in the affirmative because the new formula is applied to all branch lines. He asked, too, how near the other branch lines are to paying. The two that are paying are the Nanyuki-Naro Moru line, a very short branch, and of course, the Kitale branch line. The Thika-Naro Moru branch line, under the new formula, has had its losses reduced from £82,000 by the old method to £22,000 by the new method, so that a considerable reduction has yet to take place before it can be said to be paying. We ourselves are very surprised at these figures, because we had thought that the traffic had grown sufficiently to show much better results, but the development of cotton in the Sagana area will very much help. On the Thomson's Falls branch line the loss under the old formula is approximately £16,000, and under the new formula £8,000, so that the loss is still considerable. Solai very nearly shows a profit; under the old method the loss was £12,000, and under the new one it is £1,300. On the Butere branch, the loss under the old method was £19,000, under the new one it is £7,400. These four branches are thus still showing a loss, and are by no means near the point where profits will become available.

With regard to Government guarantees, the hon. member suggested that the Railway Administration might consider the suggestion of funding. That point has not come before the Railway Administration for consideration, but the hon. the Treasurer did give a very full answer on the whole question of Government guarantees. I have no doubt that if Government think it worth while to ask for special funding arrangements, that question will be submitted for consideration. I doubt, however, whether it will be of much advantage to Government.

The hon. member also referred to the question of development. Well, Sir, I can heartily support him in that plea, because the question of development does affect the Railway situation very seriously. In my Annual Report I quoted figures giving what we call "density" figures which show the traffic per mile, and compared with other railways in other parts of the world they are very low indeed. Anything that can be done to improve the vacant areas, particularly between Nairobi and the Coast, will have a considerable effect on Railway finances.

He also asked what were our relationships with the Tanganyika Railways and the position with regard to the Lake

traffic. Our relationship with Tanganyika Railways for many years now has been excellent. The General Managers have co-operated in every possible way on the question of standardisation, the purchase of stores, design of rolling stock, and all that sort of thing, and these questions have received the fullest consideration every year. We now, as a matter of fact, report to the Governors' Conference yearly on such matters as these. With Mr. Robbins going to Tanganyika as General Manager of the Railways there that practice will, of course, be continued, and with his knowledge of conditions here we shall be able to make even greater progress.

The question of the Lake traffic competition is a little complicated. As hon. members know, Lake traffic has been dealt with entirely by this Administration and from the beginning we provided all craft on the Lake, from the earliest days. Then Tanganyika was allowed to build a branch line to Mwanza which tapped that area and, from that date, quite naturally, the commercial population in Dar es Salaam and the Tanganyika Government have been anxious for the traffic at the southern end of the Lake to pass over their system. Our claim, of course, is that British capital has been invested in providing facilities there and that we should not be turned out without receiving adequate compensation. Such problems often arise between business concerns and would be dealt with on ordinary business lines. So far, however, we have received no suggestions of this nature.

The present position is, it has been agreed by the Governors' Conference that until the traffic on the Lake comes back again to the total that existed before the Mwanza line was opened, this question should not be considered, but when that stage has been reached negotiations should be reopened. From my point of view, I feel that when the time comes—which will not be long now, the traffic is increasing rapidly on the Lake—some system will be evolved which will be fair to us and at the same time recognize the right of Tanganyika to some benefit from the results of the development programme carried out by the Tanganyika Government. That question will come up in the next year or two, possibly even earlier.

The hon. member next asked that we should not consider the present reductions the last word but should consider the matter again at the end of 1936. I can assure him on that point, that this question will be examined every year, and there is no reason why we shall not be able to give further reductions in future; provided the prosperity of the country grows as it has been growing, I think we shall be able to continue this practice. Certainly that is our hope. But I must ask one thing: I must ask for the co-operation of the

general public in this connection, because on that depends very largely whether we can confine ourselves to essential services and not be forced to give extensive or extravagant services. That is a very important point, which quite naturally arises when we find ourselves in funds. People say: "Why not do this or that?" I think we should keep our aim on the question of cheap transport which, as the hon. member suggested, is what is desired by this country. By cutting down our expenditure as we have done in the past and hope to continue in the future, I am quite sure that we shall be able to make continued improvement in this way.

I think I have answered all the points raised by the hon. member for Nairobi North.

I will now turn to the question raised by the hon. member for Trans Nzoia. I am sorry the hon. member is not here this morning because I think he was under a misapprehension on one or two points. The first was that he appeared to consider that the adoption of the new formula was merely a question of efficient accounting. That is not the point at all. The formula that can properly be employed depends entirely on the level of operating costs. When our costs were brought down, by reorganization and by the elimination of the expensive methods of handling maize, it was possible to devise a new formula even more favourable than the old one. The point is that we could not adopt a formula of this kind until the cost of transport had been reduced to a certain level. For example, the new formula is based on actual out-of-pocket costs but until we could get the real costs of certain transport, particularly maize and cotton seed, down to the level of the out-of-pocket cost, it was not possible to introduce a new formula. The hon. member will remember that it took us three years and more to reorganize the maize traffic and it was therefore only a year ago that we were able to suggest that the new formula be brought in. The branch lines rates reduction follow automatically from that. He also seemed to think that the question of Government guarantees on branch lines was not a fair charge. The history of branch lines is well known to hon. members and therefore I need not repeat it, but the guarantee was given by this House. In Uganda the question never arose. We have never yet had a request from Uganda to build a branch line. The Soroti line to which the hon. member referred, whilst it is a branch from an operating point of view is not a branch line from the financial point of view. It was not asked for by the Government of Uganda. It was built with the specific idea of opening up cotton areas and I think out of special funds which were raised on very favourable and special terms through the agency of

the cotton industry at home. It is not therefore a branch line, nor has Uganda got a branch line in that sense in the territory. The Jinja-Namasaglai line is part of the main line in one direction and also part of the main line in another direction.

Another point the hon. member raised is taper rates, and he seemed to think that because our rates taper over longer distances than Uganda, for instance, which is at the long end of the line, is getting some advantage which is not fair to this Colony. He is entirely wrong in his views on that point. The question of taper rates does not concern boundaries in any way. It is really a traffic matter and it is designed in order to give us the biggest bulk of traffic we can get. If we had no taper at all much of the Uganda traffic would not be moved and that would be disadvantageous to Uganda, but it would also be a great disadvantage to this territory. It is scientifically designed and it is intended to bring about the largest amount of traffic we can get at.

The Ven. Archbishop raised the question again of travelling facilities for third class passengers and accommodation for female travellers. We are in a difficulty over that matter. I have been able to find no suitable way of meeting that difficulty but I would suggest that I think the difficulty itself has been rather over-emphasized. Those corridor coaches provide reasonable accommodation; but they do not, it is quite true, provide for segregation. I doubt whether in this country it is necessary and even if provided it would be made use of. They all herd together and travel in masses. To provide anything better than we do would increase the cost very much, and I suggest it is much better to give a cheap form of accommodation at a low rate rather than to provide more expensive accommodation and put the rate up.

He also asked whether the rates reductions would apply to the internal distribution rates. Some of them apply to external export but some do apply to local traffic. For instance the rate on blankets would apply to the transport of blankets throughout the country and in the same way in regard to iron and steel and the minimum goods charges reduction particularly would help that sort of movement.

The hon. Mr. Patel referred again to the question of motor competition. It seems to me that the idea of some hon. members of this Council is that it is the Railway that has asked for this for some particular private railway reason. This protection is asked for on behalf of the users of the Railway and the producers of this territory. It does not interest the Railway how it gets its revenue so long as sufficient is obtained to cover working costs and pay our loan

charges, but I suggest it does interest the producer of primary products whether we can or cannot give him low export rates on his produce. If we charge high rates on imports and get adequate protection against uneconomic motor competition we can quote low rates on exports. It is for the country to decide which policy is required and whether low rates are to be charged on imports and high rates on exports. It is from this point of view that this matter has to be considered, and whenever there is criticism of our legislation with regard to motor competition I think hon. members should suggest how the revenue is to be obtained and whether the solution is really in the interests of the country as a whole.

With regard to the membership of the Railway Advisory Council, I can only again say that the Order in Council lays down that two unofficial members be selected by Your Excellency's Government for membership on the Council. I would strongly deprecate from a Railway point of view making representation on that Council based on communities or special interests or anything of that sort. What we want are the two best brains that we can find in the Colony, and I suggest that if any Indian subject in this Colony qualifies in that way I am quite sure he will receive equal opportunity for consideration.

He also mentioned the question of the maize rate, and one other hon. Indian member dealt with that subject and drew attention to the question of whether this rate was now below cost and therefore contrary to the provisions of the Order in Council. I thought I had made that point plain when speaking to the Estimates that this was not a reduction in the rate. It is a rebate, which is quite a different thing. The rate still stands and is considered correct and sound but in the special circumstances of this industry a rebate out of our reserves is being granted and it is being granted because it is felt to be in the interests of the Railway itself to see that this industry does not go out altogether and I know that we are having the co-operation of your Government, Sir, in this direction, and that everything possible is being done to try and prevent land going out of use and that is to the Railway advantage as well as Government advantage.

He also drew attention to certain increases in expenditure over recent years. We are a growing service and as service grows expenditure must go up, but if the hon. member will read my Annual Reports he will see that unit costs are not going up—unit costs are going down—and surely that is the test as to whether extra expenditure is justified or not.

He also referred, Sir, to passenger fares. I mentioned that point in introducing the Estimates and I said that we

had considered reducing passenger fares but that it had to be postponed to a future occasion.

He also dealt with the question of accommodation on the same lines as the hon. and ven. Archdeacon. I do not consider the accommodation provided is hopeless in any way. For that type of traffic it is quite good. For long distances it is uncomfortable but it is clean and sanitary and lavatory accommodation is provided, and as I say this type of traffic cannot afford anything better at the present time. There is however room for an intermediate class and hon. members may know that some years ago before the slump we were actually considering the introduction of an intermediate class for the better class native and Indian traveller who cannot afford to pay the second class fare. We shall return to that question as soon as our financial position justifies consideration of how we can improve passenger accommodation.

He also asked that consideration of passenger accommodation should be given on the Nairobi-Mombasa service by putting an extra coach on the goods train when the passenger trains are not running. That means less earnings for that train and greater expenditure and I do not think the time has come to add to those facilities. No doubt at some future date we shall probably have to increase the number of passenger trains running to the coast but there is no justification for it at the present moment.

Now, Sir, I come to the very important matter raised by the hon. member for Nyanza. I thought for a moment in view of his eloquence and vehemence that Mr. Robins on the one occasion of his life and just before leaving this Administration for good, must have made a serious mistake in his rating proposals, but I do not think that is the case. The hon. member quoted from a table which evidently was compiled for the Coffee Board to show that certain rates between up-country stations and Nairobi had been increased. That is quite true and I gave a hint of the reason in my introductory speech. We had a system of zones for coffee rating and in the new scheme we have abolished that system with the full concurrence and support of the Coffee Board and have substituted a mileage scale which of course abolishes the zone principle completely. Now under the zone principle some of these up-country stations were obtaining very unfair advantages over the rest of the territory. For example, take a station like Eldoret, which was referred to by the hon. member. The average rate per ton mile from Eldoret to Nairobi under the zone system was 4.3 cents when the average coffee rate itself was in the neighbourhood of 14 cents and the amount of the Nairobi rate to the coast was actually

14.0 cents. So that some stations were undoubtedly getting benefits to which they were not entitled. That always happens with a zone system in force because the stations at the far end are better off than the near stations. That is one of the reasons why we have abolished the zone system, but there is another factor and that is that the rate is for coffee for export. It is not a local movement rate and you will see that if the rate to Nairobi is high the total rate to the coast where that coffee must go is lower than it was. I suggest the industry has got the full benefit of the reduction and that is in fact the position. The total rate to the coast in every case is quite considerably lower than it was before. Now the producer may say that is all very well but I send my coffee to Nairobi to be sold and I have to pay the Nairobi rate. That is quite true but the buyer in Nairobi knows that he is getting the advantage of the reduced rate because that coffee must go to the coast after he has bought it and he is therefore in a position to quote to the producer a better price in consequence. That fact was fully recognized by the Coffee Board and if the hon. member had gone on to read from the pamphlet in his hand he would have found this sentence. I will not read the whole paragraph but this is the relevant portion of it, referring to the total reduction in the rate to the coast:—

"That reduction is Sh. 16/35, and that is the amount that the Nairobi buyer saves when he ships his coffee to the coast. He can therefore afford to increase the price he pays by that amount. The Board have evidence that Nairobi buyers have increased their prices accordingly."

That is the answer of the Coffee Board itself to this question which I may say came up for consideration immediately after these rates came in.

THE HON. CONWAY HARVEY: In explanation, Your Excellency, may I point out, as I did originally, that it was the Executive of the Coffee Board and not the full Board that made those representations and of course subject to confirmation in due course.

THE HON. THE GENERAL MANAGER: I accept that explanation, Sir. I do not quite know the machinery of the Coffee Board but I understand that this is the opinion drafted by the Executive on behalf of the whole Board and no doubt if there are other points still requiring consideration when these come before the Board they will be dealt with and referred to the Administration. I would suggest that there is a further safeguard which I do not think is mentioned in

this memorandum, but coffee auctions are also held at the Coast. I believe the first was held yesterday. If a buyer in Nairobi does not give to the up-country producers the benefit of the reduced rate, his competitor in Mombasa certainly will and the producer does not stand to lose in any way. There is just one more sentence I would like to read which deals with the question of zone versus mileage rates:—

"This new method of rating on a ton mile basis, is considered the most equitable one, and one which helps the industry far more than a percentage reduction on the old rates would have done, bearing in mind the amount of relief available."

That is a very definite expression of the opinion of the Executive of the Board after giving full consideration to the whole matter.

So I think we can say that although, on the face of it, there appears to be a hardship, there is in fact no real hardship at all, and the difficulty can be got over quite satisfactorily in the ordinary commercial way. I am glad to have the opportunity of explaining the point because I notice letters have already appeared in the Press regarding it, and it is right that the matter should be fully explained.

The hon. member Mr. Puri dealt with the question of rates and business principles, and referred to the question of maize and maize rebate. I think I have answered that point, Sir, and explained in my opening speech that we could not give more attention to our high rates at the present time but that the matter would undoubtedly come up on a future occasion.

He also raised the question of Asian clerks being held up in the service in certain grades. You cannot have it both ways; we cannot have reduced costs so as to get reduced rates and at the same time give special facilities to our staff. Rightly or wrongly, it is the policy of the Administration to restrict the promotion of our staff beyond certain points unless vacancies occur, which applies not only to clerical grades but to engineers and so on. We have a policy of shorter scales and restrict promotions to higher grades unless vacancies exist which, I suggest, is quite a sound policy.

I now come, Sir, to the remarks of the hon. member Mr. Shamsud-Deen. I must confess at the outset I was not able to follow them, but perhaps that is explained by his own admission that he had not studied the Estimates, and not only that but had not studied any of my Annual Reports or any questions such as questions of policy, which have from time to time been explained in this House. Apparently he

was complaining that the Railway Administration was now in a position of prosperity. I do not know whether it would have suited him better to have had us bankrupt, as we nearly were in 1932. But I suggest he has the wrong point of view there. He suggests that if there were legislative control over the Railway Administration he would have had the financial position he desires, that is, I presume, some form of bankruptcy, but how that would have helped him I am in doubt. I cannot follow his arguments at all.

One point he did raise, concerning third class fares. Well, we have talked about them. Then there was the question of no payment to Government funds by the Railway—through Customs and other ways. I would again suggest to him that this Railway belongs to the country. If Government decide to impose Customs duties and such other charges, all that would happen would be that the rates would be increased, and users of the Railway taxed in another way. I suggest that that is unsound and that the present policy and system is quite right if cheap traffic is required.

The hon. member Dr. de Sousa raised various staff matters, and referred particularly to the question of payment of artisans on the hourly basis. I have explained once before in this Council, that that is the recognized system all over the world for paying this type of staff. The employment of such staff must vary with the actual work carried out. In some cases the work is continuous and employment is then, of course, continuous too, but with this type of labour the hourly or daily basis of pay is undoubtedly sound and economic. The wages paid to-day are intended to cover all such questions as leave, housing, and so on. It is true that we do rent certain houses, but only at the request of employees and only if houses are available. We have, as the hon. member said, certain very old houses which have been condemned over and over again and should be pulled down, but we have not done that for the same reason which I gave with regard to houses at Nakuru the other day. At the present time it is difficult for a certain section of the community to find cheap houses, and for the moment these provide a facility which should be continued.

With regard to apprentices in the workshops, our apprenticeship scheme is at present confined to Africans. The reason is that on the African side we have to provide for the future in some of these particular grades. We are able to get all the Asian staff we require in the workshops without an apprenticeship scheme, and it is unnecessary therefore to have such a scheme to replace any casualties that may occur in their section of the workshops.

The hon. member referred to a young man seeking employment with the Railway. I have so many of these young men before me that I do not quite know which one he refers to. But if it is the one I think he means, then we have considered his case very fully indeed, and have found he is quite incapable of giving us service in the Railway Administration. For that reason, and that reason alone, we have turned down his application. His father served in the Railway for many years, and if it were at all possible we would undoubtedly have given this young man employment, but at the moment we are not able to find anything suitable for his capabilities.

The local leave question, as I mentioned the other day, is under discussion, and I am not able to give the House any further information at the present time.

On the question of excursion rates for children, as the House knows we did quote certain rates for organized parties to children's camps and so on which go to the coast quite regularly each summer. I think we are justified in quoting them for specially organized parties. Much of the expenditure incurred in the camps is borne out of public subscription, and the Railway felt justified in quoting special rates accordingly, but it does not feel justified in quoting such reduced fares for the ordinary movement of children to the seaside.

The hon. member also raised the question of very high rates on drugs. It is true that most of the rates are Class 1, but I would suggest that if the hon. member would compare the proportion of the railway freight rate to the selling price of the drugs he would find we are not unduly high. It is a fact, I think, that most drugs sell at a very high rate indeed, and our rate bears a low relationship to that selling price. If the hon. member will look at the matter from that point of view it will give him another picture altogether. We do bring up castor oil for cattle at a cheap rate, but when it is brought up for consumption by human beings we charge the higher rate. The argument might be used that human beings are more valuable than cattle, but apparently the chemist trade are able to make a good profit out of that commodity when sold for human consumption.

With regard to card passes for hon. members, the hon. member probably does know that Government is charged for passes for certain members of the Council at a very low rate. Beyond that I do not think it is sound for the Railway Administration to go.

DR. THE HON. A. C. L. DE SOUSA: On a point of explanation, I wondered if the hon. the General Manager

considers Sh. 500 too high for a pass? I used mine twice this year and last year, and Government paid Sh. 1,000 on my behalf for me to go to Mombasa.

THE HON. THE GENERAL MANAGER: If Government pays for a railway pass for his use and he only uses it twice, then it is money thrown away. Many members, however, use their passes frequently. In any case, we have recently introduced a system whereby Government pays by warrant for the first few movements and therefore should not spend so much money. When the value in warrants equivalent to the cost of a pass has been reached, a pass will be issued without further payment. From the Government's point of view that is quite a fair arrangement. The hon. member has suggested that these passes should be issued free to members because they are representatives of the Colony. The Railway Administration is not interested in that matter. It is a question for the community at large. Does the community want to pay for such extra facilities or service? We suggest that this sort of special facility should be kept down to a minimum in order to keep the working costs at the lowest possible level.

I think, Your Excellency, that I have gone over very fully all the points raised in the debate. I am glad to have the opportunity of doing so this time because as a rule in replying there are only a few minutes to spare, but on this occasion I am afraid I have taken up a much longer time.

The question was put and carried.

MOTION.

PENSION—MR. L. E. GRAVES.

THE HON. THE TREASURER: Your Excellency, I beg to move the motion standing in my name, which reads as follows:—

"This Council approves the payment of an unreduced pension of £520/16/7 a year to Mr. L. E. Graves, who has retired from the service of this Colony with effect from the 1st of December, 1935, inclusive, in lieu of a reduced pension of £300/12/5 a year and a gratuity of £1,303/1/8.

This motion is on all fours with several other motions of a similar sort approved by this Council from time to time.

The particular officer in question entered the Imperial Postal Service in 1905. He was transferred to this Colony in 1914 as a Junior Postal Clerk and Telegraphist and retired with the rank of Senior Postmaster with effect from the 1st December, 1935. He originally opted to receive a reduced

pension and gratuity and now wishes to revoke that option, and it is considered to be in the interests of Government that he be allowed to do so.

THE HON. THE ATTORNEY GENERAL seconded.

The question was put and carried.

SPECIAL DISTRICTS (ADMINISTRATION) ORDINANCE, 1934— CONTINUANCE IN FORCE.

THE HON. THE CHIEF NATIVE COMMISSIONER: Your Excellency, I beg to move the motion standing in my name which is to the effect that the Special Districts (Administration) Ordinance, 1934, will continue in force to the 31st December, 1937:—

"Whereas it is provided by section 30 of the Special Districts (Administration) Ordinance, 1934, that the Governor may, by proclamation, declare that the Ordinance shall continue in force beyond the 31st day of December, 1935, with the approval of the Secretary of State and the Legislative Council:

And whereas the Secretary of State has signified his approval of the continuance in force of the Ordinance until the 31st day of December, 1937:

Now, therefore, it is hereby resolved that the Special Districts (Administration) Ordinance, 1934, shall continue in force until the 31st day of December, 1937."

Hon. members will remember that this Ordinance was applied to the Northern Frontier District in June, 1934, and its operations extend to the Samburu District which though in the Northern Frontier District is, for administrative convenience, under the jurisdiction of the Provincial Commissioner, Rift Valley Province.

The officer in charge of the Northern Frontier District and the Provincial Commissioner, Rift Valley Province, have reported on the working of the Ordinance and Your Excellency agreed that the results fully justified its retention beyond the end of the year.

The section which has been most used is section 17, which gives power to make orders in regard to the reservation of areas for certain tribes or people. Eight such orders have been made during the period in which the Ordinance has been in operation with most gratifying results. There has been for the first time in many years little unrest and no bloodshed in that rather terrible area south of Moyale and there have been a few of the usual clashes between the Somali

and Galla tribes. As a result of controlling the movements of tribesmen there have been no raids and few incidents in the north west area of the Marsabit district, while the restriction of encroachment from Turkana towards the south of Lake Rudolf has removed a constant source of friction. The officer in charge has just returned from a tour and reports that he had no complaints. On the other hand, some of the tribesmen expressed their appreciation.

Sections 8 to 13 and 16 have not been used at all. They refer to arrest and seizure of property, security for good behaviour and the power to make an order for a certain person to remain in a certain place until allowed out. It is considered necessary to keep these powers in case they are required should occasion arise owing to the international situation.

Arbitral tribunals established under section 5 have not met very frequently probably because there have been few disputes.

There have been some fines collected to the amount of about £390 and it is proposed that these fines be credited to a special Trust Fund for the benefit of the tribesmen.

Under section 18 passports are required for leaving the prescribed district and Your Excellency has just recently approved a simple form which will be of assistance to the Administration.

The working of the Ordinance has been smooth and it has been very convenient to the Administration and no hardship to the people. It is the view of Government that it should be extended. I beg to move.

THE HON. THE ATTORNEY GENERAL seconded.

The question was put and carried.

Council adjourned till 10 a.m. on Thursday,
the 19th December, 1935.

THURSDAY, 19th DECEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Thursday, the 19th December, 1935, His Excellency THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

OATH OF ALLEGIANCE.

The Oath was administered to:

Ex-Officio Member.

EDGAR GEORGE BALE, *Acting Commissioner of Customs.*

MINUTES.

The minutes of the meeting of the 7th December, 1935, were confirmed.

PAPERS LAID.

The following Papers were laid on the Table:—

BY THE HON. THE COLONIAL SECRETARY:

Report of the Standing Finance Committee on Schedules of Additional Provision Nos. 2 and 3 of 1935.

BY THE HON. THE CHIEF NATIVE COMMISSIONER:

Annual Report on Native Affairs, 1934.

NOTICE OF MOTIONS.

Notice of the following motions was given:

BY THE HON. THE COLONIAL SECRETARY:

That the Report of the Standing Finance Committee on Schedules of Additional Provision Nos. 2 and 3 of 1935, be adopted.

BY THE VEN. ARCHDEACON THE HON. G. BURNS:

This Honourable Council is of the opinion that the methods adopted in the collection of Native Hut and Poll Tax bears very heavily on certain sections of the native population residing in the Reserves, and would earnestly ask Government to devise some means by which those who are committed to prison or a detention camp for the non-payment of their taxes can be given work of such a useful nature as would justify Government on the expiry of their time in exempting them from further taxation for that year.

ORAL ANSWERS TO QUESTIONS.

LAND BANK TRANSACTIONS.

No. 62.—THE HON. A. B. PATEL asked:

"Will Government state—

- (a) the amounts placed at the disposal of the Land and Agricultural Bank;
- (b) expenses incurred in raising the amounts by way of loans or otherwise;
- (c) amounts advanced;
- (d) amounts considered irrecoverable; and
- (e) amounts already written off as bad debts, respectively during the years 1931, 1932, 1933, 1934 and 1935 under Ordinance No. III of 1931?"

THE HON. THE TREASURER:

(a) From 1930 Loan, £240,000.

From 1933 Loan, £260,000.

(b) The proportionate share of the expenses of issue and deduction for discount amounted to £7,035 and £4,849 respectively.

(c) 1931	...	...	...	£93,300
1932	...	...	...	105,400
1933	...	...	...	78,350
1934	...	...	...	166,365
1935 (Jan. to Nov. inclusive)	...	...	...	41,180
Total	...	...	...	£513,505

(d) No amounts are considered irrecoverable.

(e) Nil.

K.U.R. & H., CAPITAL EXPENDITURE IN UGANDA.

No. 74.—THE HON. CONWAY HARVEY asked:

"I. Will Government please state the total capital expenditure on the K.U.R. and II. within the borders of Uganda, detailing the amount of total expenditure under:

(a) Rail.

(b) Road.

(c) Water.

2. The amount of capital contributed towards the above by the Uganda Government?"

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: 1. The total capital expenditure on the Kenya and Uganda Railways and Harbours within the borders of Uganda to end of 1934 (excluding proportion of rolling stock and Lake Victoria craft, except where borne by Uganda Loans, etc.), is approximately as follows:—

(a) Rail (including piers)	£2,390,000
(b) Road	50,000
(c) Water	365,000
Total	£2,745,000

2. The amount of capital contributed towards the above by the Uganda Government is approximately as follows:—

(a) Uganda Loans and Extraordinary Expenditure	£1,015,000
(b) Accepted responsibility in respect of assets constructed in Uganda under Loan of 1924	1,463,000
Total	£2,478,000

The balance of £267,000 represents mainly expenditure from Betterment and Marine Insurance Funds.

NATIVE HUT AND POLL TAX.

No. 75.—VEN. ARCHDEACON THE HON. G. BURNS asked:

"Will Government please state the average number of natives who are kept in Detention Camps for the non-payment of Hut and Poll Tax—

(a) over the age of 17 years; and

(b) under the age of 17 years; and

(c) does work done by such natives relieve them from the necessity of paying their tax for the year in which they have been so detained?"

THE HON. THE CHIEF NATIVE COMMISSIONER: The average number of natives committed to detention camps each month from 1st November, 1934, to 31st October, 1934, for non-payment of Native Hut and Poll Tax was 658.

(a) and (b) No records showing the ages of the natives so committed are available.

(c) Work done in a detention camp by a native does not theoretically relieve him from the necessity of paying his tax for the year in which he has been so detained, but a native cannot be twice convicted in the courts for the same offence.

BANK AND COST OF LIVING STATISTICS.

No. 76.—THE HON. D. D. PURI asked :

"1. Will Government be pleased to state the reasons for the discontinuation of—

- (a) Bank statistics compiled by the Statistician to the Governor's Conference—after 1932;
- (b) Index numbers of the cost of living figures (or the retail price level) after September, 1933.

2. If the reply is for the reasons of economy, will Government state whether the vital importance of such statistics to the economic life of Kenya was kept in view before arriving at that decision.

3. Will Government state whether, it is intended to restore the continuity of these statistics in the near future?"

THE HON. THE COLONIAL SECRETARY : (1) (a) The post of Statistician to the Governors' Conference was abolished by the Secretary of State for the Colonies at the end of 1932 for the following reasons—

- (i) The Conference considered that the development of the East African territories had not at that time reached a sufficiently advanced stage to justify a system of co-ordinated statistical research;
- (ii) Because of the urgent need for economy in every direction.

In consequence of the abolition of this post, the compilation of Bank statistics was discontinued.

(b) The post of Statistician to the Government of Kenya was abolished at the end of 1933, on the recommendation of the Expenditure Advisory Committee. Certain figures in regard to retail price levels have been published since then in the Annual Reports for the Colony for 1933 and 1934, and in the Blue Book for 1934, but existing staff does not permit of the regular compilation and publication of such statistics.

2. The decisions referred to in the reply to the first part of the question were taken after full consideration of all their implications.

3. The answer to this part of the question is in the negative in so far as Bank statistics are concerned. In this connection I would, however, refer the hon. member to paragraphs 2 and 3 of Sessional Paper No. 1 of 1935.

DAIRY PRODUCE CONTROL BILL.

No. 78.—LT.-COL. THE HON. J. G. KIRKWOOD asked :

"What is the position of the proposed Dairy Produce Control Bill?"

In view of the delay which has occurred over the publication of the proposed Bill, will Government give an assurance that this Bill will be published with the minimum of delay?"

THE HON. THE COLONIAL SECRETARY : The Report of the Dairy Industry Inquiry Committee, including the draft Bill as an Appendix, will be published at an early date and interested bodies and the public generally will be invited to submit their criticisms to the Board of Agriculture.

The reply to the second part of the question is in the affirmative.

MOTION.

SELECT COMMITTEE OF TOWNSHIP PRIVATE STREETS ORDINANCE, 1924.

CAPT. THE HON. H. E. SCHWARTZ : Your Excellency, I beg to move :

"That a Select Committee of this Council be appointed to consider the provisions of the Township Private Streets Ordinance, 1924, and to report on such amendments as may be considered necessary."

As in the case of the other two motions moved by me earlier this session, I have proposed this motion solely for the purpose of withdrawing it, Government having agreed to accept it, it being understood that the Select Committee is asked for to deal with details of the Ordinance and not with main principles. On that understanding that the Committee will be appointed, I will, with the leave of the House, withdraw this motion.

The motion was by leave withdrawn.

BILLS.

FIRST READINGS.

On the motion of the hon. the Attorney General, seconded by the hon. T. D. H. Bruce, the following Bills were each read a first time :—

Non-Native Poll Tax (Amendment) Bill.

Police (Amendment No. 2) Bill.

Customs and Excise Revenue Allocation (Amendment) Bill.

Notice was given to move the second readings at a later stage of the session.

SECOND READINGS.

THE MORRIS PENSION BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency I beg to move the second reading of the Morris Pension Bill.

This Bill is necessitated by the fact that when the late Director of Education left the country he was immediately succeeded by the present Director. It therefore occurs that a pensionable office in this Colony was being held at the same time by two persons, namely the Director who was on leave and the Acting Director, as he had to be called for a few months. For that reason it is necessary to make provision for his pension, and this Bill does so. I may say that it is not iniquitous, as a similar case occurred last year when the Harragin Pension Bill was passed. Mr. Scott will not actually draw a pension for the time he was on leave, and the Colony will only be paying a pension to one person instead of two as in the case of the Harragin Pension Bill.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

THE ARCHITECTS AND QUANTITY SURVEYORS (AMENDMENT) BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move the second reading of the Architects and Quantity Surveyors (Amendment) Bill.

These amendments have been necessitated by a despatch from the Secretary of State in which it is pointed out that diplomatic inquiries have been made through the Foreign Office with regard to this Ordinance, certain foreign countries being of the opinion that it offends in law, if not in spirit, the Treaty of St. Germaine-en-Laye. The Bill is more comprehensive than it deserves to be, because I had to make a series of consequential amendments in that we are dealing with architects in one place and quantity surveyors in another, and lastly with engineers.

The sole effect of these amendments is to remove those parts of the Ordinance which made special reference to any particular British institute. We sought in the principal Ordinance to set out the various British Institutes whose diplomas would be accepted by the Board without let or hindrance and without further investigation. As we were unable to set out the like institutes in all foreign countries, it has been held by those in a position to judge that we were thereby giving preferential treatment to certain British institutions. The Bill before the House removes that, and makes it open to all to come here and be admitted in exactly the same manner.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

THE WATER (AMENDMENT) BILL.

THE HON. THE DIRECTOR OF PUBLIC WORKS: Your Excellency, I beg to move the second reading of the Water (Amendment) Bill.

As hon. members are well aware, the Water Ordinance came into force on the 1st of July of this year and, as is not unusual in cases of long technical Ordinances, it has been found as a result of experience in administration that certain amendments in detail are desirable. I do not propose to take up the time of the House by a long exposition of the implications of the proposed amendments, because in the case of an Ordinance with technical significance of this kind it would seem proper to leave those matters to be dealt with by the Select Committee which we propose to appoint.

The printed statement of the objects and reasons of the Bill is a fairly comprehensive one, and the Bill is strongly recommended by the Water Board who dealt with it at a number of their sittings.

The principal amendments are those in clauses 6 and 11.

Clause 6 is designed to give the Water Board power to waive the necessity for compliance by permittees under the repealed law with certain obligations, which they would otherwise have to fulfil, on changing over from a permit under the repealed law to a water right or sanction under the new law, if the Water Board sees fit to exercise that discretion. The permits granted under the repealed law are very diverse in character, and in some cases date back to 1907; some of them are little more than expressions of non-objection to diversions. In many cases there is no reliable information regarding the extent and nature of the diversion of water which is taking place; on the other hand, in many of the recent cases full information was submitted with the applications, showing in great detail the diversions which were proposed.

It will be realized that a water right under the new law is a very different sort of thing to a water permit under the repealed law. These permits under the old law were not appurtenant to the land at all, they were merely personal to the permittees, and could not be transmitted to heirs and successors. One of the chief objects of the new law is to grant water rights with a feeling of security, which are appurtenant to the land and can be transmitted to heirs and successors, and we must have full and accurate information before we can consider granting such water rights. Older members of this Council will recall the criticism which was levelled at the old water

law in the past, that because of this lack of legal security capital was actually being scared away, and people were unwilling to embark on enterprises of any magnitude. Fortunately there is no need for such misapprehension under the new law.

There is, however, some apprehension in the minds of permittees under the old law regarding the trouble and possibly expense to which they may be put in the change over from the old permits. I do not think they have grasped the difference between the permit under the old law and a water right under the new law. The difference is analogous to that between a temporary occupation licence of land and a lease of land. I should like to assure them that, in my opinion, the little trouble and expense to which they will be put will be more than justified and well worth their while. If this Bill passes, clause 6 will relieve them of some trouble and expense in cases where the Board finds it already has sufficient information as regards the details in sections 23, 26, 27, 28 and 29 of the principal Ordinance and will not put permittees to any more trouble than is essential.

Clause 11 is designed to give certain concessions to those applicants for water permits under the repealed law who had fulfilled adequately a whole or a part of their obligations but who, from one cause or another, had not received their permits before the new Ordinance came into force and the old law was repealed, and who desire a water right under the Water Ordinance. In many cases those applicants had submitted valid applications in detail but were held up by the necessity of scrutinizing the effect which the diversion would have on native reserves by the Local Board or Central Native Lands Trust Board, or other cause. This clause will give power to the Water Board to waive the necessity for submitting a fresh application, provided the Board is satisfied it has that information to fulfil requirements.

An important concession proposed in this clause is the reduction of fees otherwise payable by such applicants to one quarter of the prescribed fees. In an ordinary straightforward application, not complicated by the necessity for authority to enter lands held by others, easements or other circumstances, the fees payable would not be likely to amount to more than Sh. 15 or Sh. 20. That is a very small sum to pay for a water right. In other countries the fees amount to £100 or more.

The other clauses are I think largely matters of detail and might well be left to the Select Committee. If any question arises in debate I shall be pleased, of course, to answer those queries to the best of my ability.

THE HON. T. D. H. BRUCE seconded.

THE HON. CONWAY HARVEY: Your Excellency, I very cordially approve of the main object for which this amending Ordinance has been introduced, namely, to simplify and cheapen the acquisition of a proper licence under the Water Ordinance in place of the somewhat indefinite water permits which users have at the present moment.

I should, however, like to ask whether the provisions of this measure have been considered by the Water Board, a body which I understand particularly applies itself to water problems and which, being to some extent responsible for the administration of water legislation, in my humble opinion should have been consulted in regard to any amendments to the Water Ordinance, 1929, under which they function.

Of course, we all most cordially welcome the additional security we shall enjoy by reason of a fixed, permanent title to use water we require which may be on or near our farms, and I sincerely trust that the water authority will extend this most admirable principle of cheapening by doing everything within its power to simplify the form of application under the Ordinance which, to the majority of users of water, the farmers concerned, is really a jigsaw puzzle at the present moment, necessary though it may be from the point of view of the water authority. I would ask the hon. mover seriously to consider whether it is possible to simplify this form of application.

I do make one constructive suggestion in regard to cheapening the matter, and that is that it is a little short of a wicked swindle to make users of water pay a sum of Sh. 7/50 for a publication of this nature, just a few pages called Water Rules, 1929. Everybody applying for a permit must have a copy, and I suggest it is a wicked imposition that people should be mulcted of a sum of no less than Sh. 7/50 for a fooling little document of this nature. That is one constructive suggestion put forward for the consideration of the water authority. I may mention that, accompanying the Water Ordinance Rules, 1929, are 35 forms which are all included in what you get for Sh. 7/50, but of those 35 only two or three are pertinent to the particular application involved. I suggest that it is a wicked waste of public money on stationery and printing, and hope that that will engage the serious attention of the water authority.

Those hon. members who were in the Council about ten years ago, when the subject of water was first debated, more especially those who were here in 1929, will share my very vivid recollections of the very long discussions and debates which took place in regard to section 83 of the principal Ordinance. I suggest for the hon. mover's consideration that this, even now, requires most careful and intensive scrutiny and

19th December, 1935

intensive consideration by the Select Committee to be appointed. I notice in the objects and reasons that the change is supposed to be of narrower application than section 83 (1) of the Water Ordinance, 1929, which is supposed to be improved upon. In my humble opinion, Sir, the proposed change, instead of narrowing the application, is of very much wider significance than the clause it is intended to improve. Under clause 9 of this Bill under discussion, section 83 (2) states:

"For the purposes of this sub-section a native under contract with an occupier under section 4 of the Resident Native Labourers Ordinance, 1925, and the members of the family of such native, shall be deemed to be persons in the employment of the occupier with whom such contract has been made."

I suggest that that should be gone into most carefully by the Select Committee, because I should say that it goes much further than any legislation anywhere in the world.

How in the name of wonder can a farmer, domiciled at Koru, be considered to be responsible for the acts of a member of the family of one of his resident native labourers who may be living at Lamu or Mombasa whom he never saw and never will? Nevertheless, he is a member of the family contracted under the Resident Native Labourers Ordinance, 1925. I suggest for the consideration of the Select Committee that the scope of that provision may quite well be limited to those members of the family of the resident native labourer who may be under contract domiciled on the farm of the employer concerned.

I do not wish to occupy time by reading section 83 (2) which it is proposed to amend, but the matter is of very great and vital importance to all users of water, and will I trust seriously engage the attention of the Select Committee.

Apart from these points, I have nothing to add, and do most cordially support the measure for the reasons I have given.

VEN. ARCHDEACON THE HON. G. BURNS: Your Excellency, the only point that I want to make it to ask that consideration be given in the Select Committee to the needs of the natives, not only from the point of view of the full supply of water necessary to their well-being in the Native Reserves, but also to the purity of the water that may flow from where it is being used in certain manufactures and returned again into the stream, that the purifying of that water be given full consideration by the Board, so that the natives will enjoy the privileges they have heretofore enjoyed in the Native Reserves.

HIS EXCELLENCY: If no other hon. member wishes to speak, I will call upon the hon. mover to reply.

THE HON. THE DIRECTOR OF PUBLIC WORKS: Your Excellency, to answer the first question by the hon. Member for Nyanza, I think it will dispose of his fears that this matter has not been considered by the Water Board when I say that I regard this Bill as being the child of the Water Board. It is entirely due to the Water Board that this Bill has come before the Council and the Water Board considered it at a number of meetings.

The hon. member was concerned at the length of the form of application for a water right under the Ordinance. It is admittedly long, but, Sir, it will be found on going through the form of application that in the case of any diversion for any particular purpose, it is really only a small portion of the form which has to be filled in, and I do suggest to the hon. member that the little trouble in doing this, in order to give us the information which we seek regarding the details of the diversions which are taking place, is fully justified and worth the time which will be spent on it. Also it will help to remove any difficulties which permittees under the old law found in putting the correct interpretation on any of the requirements of that form.

As regards the plans which have to be submitted, we have under consideration methods which will simplify procedure and reduce the expense to applicants in the submission of their applications. That is a matter which will be considered by the Water Board at the next meeting.

I share the hon. member's view that Sh. 7/50 for the Rules is very high and I am taking this matter up with the Government Printer. I had hoped the Rules would be published at Sh. 1 per copy. (Hear, hear.)

I think the point raised by the hon. member about the resident natives under section 83 of the Principal Ordinance is one that can best be dealt with in Select Committee. It always has been an extremely controversial point though it has never seemed to me to be one of vital importance. The chances of a case coming before the court under that section, to my mind, are rather small, and I think the court will take a liberal view.

I am in entire agreement with the hon. and venerable Member, Archdeacon Burns, regarding the importance of seeing that water is not polluted. It is a noticeable difficult matter to deal with. We have pollution of streams going on at present throughout the whole of the coffee areas owing to the pulping of coffee and discharge into the streams. That

is a matter which the Water Board and the Coffee Board are in consultation about, but at present no way of getting over the difficulty has been apparent. There is no known definite filtration which appears to be suitable. Still, this is a matter which we have got to thrash out and it is vitally important to the coffee industry because polluted water is detrimental to the coffee itself.

I think those were the only points raised in the debate, Sir.

The question was put and carried.

APPOINTMENT OF SELECT COMMITTEE.

THE HON. THE ATTORNEY GENERAL moved that the Water (Amendment) Bill be referred to a Select Committee consisting of the following:—

The hon. the Director of Public Works (Chairman).
The hon. the Commissioner for Local Government,
Lands and Settlement.

The hon. T. D. H. Bruce.

The hon. Member for Kiambu.

The hon. Member for Nyanza.

The hon. Member for Ukamba.

Dr. the hon. A. C. L. de Sousa.

Ven. Archdeacon the hon. G. Burns.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

LOCAL GOVERNMENT (RATING) (AMENDMENT) BILL.

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT: Your Excellency, I beg to move that the Bill to Amend the Local Government (Rating) Ordinance, 1928, be read a second time.

There are three reasons for the introduction of this Bill. In the first place, in the interests of Government it is considered necessary to amend section 28 of the Principal Ordinance; in the second place, two requests have been made by the Municipal Council of Nairobi for amendments to the Bill: one, to amend section 24 of the Principal Ordinance, and one for the addition of certain clauses which appear in this Bill; and the last reason is a suggestion emanating from a question by the learned and gallant Member for Nairobi South for a very reasonable amendment to section 9 of the Principal Ordinance in the interests of ratepayers.

Dealing with the amendment to section 28 first, the proposals are contained in clauses 4 and 5 of this Bill, and I might perhaps take hon. members back for a moment to 1927 and 1928 when the Local Government Commission made certain recommendations in regard to Government's attitude towards financing local authorities and to the principal Ordinance of 1928 which is the Ordinance which put those recommendations into effect. One of the recommendations for financial assistance was that Government should pay on Crown land a contribution in lieu of rates to the same extent and on the same basis generally as a private owner of land. It was, however, in the Report recognized that certain interests which the Crown held in land must be exempted, things like land used for the purpose of hospitals, aerodromes and other public purposes of that nature. When therefore, Sir, the principal Ordinance was passed the phrase used in section 28 was that—"subject to such exceptions"—Government would pay rates and the interpretation given to the word "exception" was that it covered actual physical exceptions, and we could under that section properly exempt various lands. Consequently in 1929 and 1931 certain Rules called Valuation of Crown Property Rules were passed by the Governor in Council, at the time, for application to Nairobi and Mombasa, and in those Rules definite areas of Crown land were specifically exempted. Then later, about 1932, it appeared that areas of Crown land which were reserved for definite public purposes and also areas of land which were issued on temporary occupation licences for sports and other recreation purposes were being made liable for rates and it appeared to me that that was not in character with the principle upon which we had previously acted. I therefore proposed that Rules should be issued giving the Governor in Council power to exempt Crown land reserved for public purposes as well as Crown land actually used for those purposes. Exception, Sir, was taken to that suggestion (though the Rules were passed and have been operative for the last three years) on the ground that it was *ultra vires* the principal Ordinance, that the principal Ordinance referred to land used for public purposes and therefore that land reserved was beyond the scope of that Ordinance. Recently the actual legality of the 1932 Rules has come under doubt and it is now proposed to make it perfectly clear by the amendment which you will read in clause 4 that the Governor in Council may specifically exempt areas of land reserved for public purposes. I should say, Sir, that opposition to this proposal has been received from all the Municipal Authorities and also from the Nairobi Chamber of Commerce. The opposition is generally on the ground that the proposals contravene the recommendation of the Local Government Commission and the intention of the Legislature in 1928, that they offend general principles and practice, are inequitable and might inflict too

serious a burden on the rest of the ratepayers. I think, perhaps, the last criticism, which is the one put up by the Nairobi Chamber of Commerce, would perhaps be modified in the light of the position which now obtains in the Bill, because considerable restrictions have been made in the phraseology of the Bill. At first it did look as if Government wished to have a free hand to reserve land for any purpose whatsoever. Now we have altered that to land required for public purposes. The general argument in support of this provision is that Government, being the freeholder of land, is in a different position from Governments in most Colonies where local government rating is practised, and in young developing towns as we have in Kenya, Government is called upon for town planning purposes to make provision for the development of the future.

Moreover, Government also makes special contributions to Municipal Authorities which of course are not borne by the ordinary ratepayer and therefore it seems to me that Government can quite rightly and properly claim that where it is asked to make a reservation, that reservation should not be subject to a rating contribution.

If this principle is accepted the safeguards that misuse will not be practised are I suggest perfectly adequate. Not only the area itself but the purpose for which the area is required has to be approved by the Governor in Council and before making a decision he may hear objections by the local authorities if they wish to be heard.

Coming to the second reason, Sir, the variation proposed to section 24 of the Principal Ordinance is contained in clause 4 of the Bill, where it is proposed to delete the words of the Principal Ordinance: "to the extent of any rent due and payable by the tenant at the date of the demand." Representations have been made by the Nairobi Municipal Council that the retention of these words militates against the successful operation of the principal section. If you have to go into Court and prove exactly how much rent is owed before you can obtain an order from the Magistrate for payment of rates, then you come into difficulty, because in many cases rent is actually paid in advance and in most cases you cannot tell what is the particular amount due. Therefore they have asked, in order to make the power operative, that these words should be deleted. I should, however, say that objection to the section has been raised from Mombasa, where the Board think that the addition of these words might make for hardship on the actual tenants, and I am quite prepared to pursue that objection in Select Committee.

The second point on which the Nairobi Municipal Council have pressed for action is that covered by clauses 6 to 8 of this Bill. The general principle underlying these

clauses is that since the Crown in safeguarding its own rents is entitled to and does make this rent a first charge on property, so also a local authority, being merely a projection of the Crown, is entitled to make the collection of its revenues a first charge on property also. To some extent this principle is recognized already in section 86 of the Local Government (Municipalities) Ordinance where the transfer of property is forbidden or the registration of transfer, unless rates for the preceding three years have been paid. While that is some safeguard it is only a safeguard if the local authority can completely enforce payment of rates during the period of three years, but it has been represented in Nairobi and from Mombasa to a minor degree that the local authority is not in that position, that it is defeated by the fact, in some cases, that the value of land may be less than the amount of a mortgage or the mortgage amount may be undisclosed, and therefore they have pressed for the reinstatement of a former provision which is that rates should be a first charge on property. That provision existed in one of the amendments made to the old Nairobi (Rating of Unimproved Site Values) Ordinance, 1921, but when the new legislation was being considered in 1928 owing to the fact that the previous Ordinance had a certain amount of unhappy memories we omitted that provision and left the ordinary civil processes for the recovery of rates, hoping that the need would not arise for the reinstatement of the provision.

The proposal of course does not affect existing mortgages and it is required that the Court should be satisfied fully that the local authority has made every reasonable effort to recover its rates before asking for the order to be made.

Owing to the objections which were taken to the inclusion of this clause, the Bill was published for criticism. It was criticised by the Law Society and by the Nairobi Chamber of Commerce. The Chamber of Commerce opposed it by a majority and I have been informed that the Law Society recommended it also by a majority. Certain amendments have been imported since then and I understand that further objections have been submitted by the Law Society, although I have not received them actually officially from that body. In Select Committee there are certain amendments which I am quite prepared to consider, that is an amendment to clause 6 (2) in the penultimate line, to change the period of 30 days to 3 months; in clause 6 (4) to provide that notice should be by ordinary court process instead of the method contained now in the Bill, and in clause 8 (1) to delete all the words after the word "free", i.e. "from all encumbrances created over it and from all subordinate interests derived from it except such as are expressly reserved by the court at the time

of sale", and instead of those words to make provision that it should be free from all mortgages and charges under the Registration of Titles Ordinance. And lastly, in sub-clause (2) of clause 8, to make provision that the court and not the local authority should make the actual transfer of title.

The third reason deals with the interest of ratepayers. If hon. members will refer to clause 2 of the Bill, they will see there that we are now following English and Scotch practice and making it obligatory on the part of the local authority to give special notice to a ratepayer where his property has increased in value or where his property comes for the first time into the Valuation Roll, so that he will have that definite notice.

I beg to move.

THE HON. T. D. H. BRUCE seconded.

CAPT. THE HON. H. E. SCHWARTZ: Sir, I propose to oppose this Bill at all events in its present form. While like the ven. archdeacon's egg, it is good in parts, it is very offensive in other parts.

Clause 2 I naturally welcome as the hon. the Commissioner for Local Government was good enough to incorporate this clause as a result of a motion moved by myself, and with regard to clause 4 which is being so bitterly opposed by the Municipality, speaking purely for myself, I think that in the present form with the safeguards with which it is surrounded, there can be no real objection to it.

With regard to the other clauses I go so far as to say that some of them, Sir, are not only bad but iniquitous, especially clause 3 which provides in effect that you can call upon a tenant to pay the whole of the rates of a building irrespective of the length of his tenancy, and to quote two examples, if you have a building with a rateable value at £5,000, a tenant having a room at Sh. 20 a month can be called upon to pay sixty-two months' rent in advance irrespective of the fact that he may only have a tenancy for six months or a year. He is told "You can get this back by not paying any rent for sixty-two months and repaying yourself for the rent you would pay to the landlord what you have had to pay to the Municipal Council for rates." A person occupying an office in the Corner House, Nairobi, at the present day, can be called upon to pay twenty-three months' rent in advance. I gather from what the hon. mover said that he has at least, to put it no higher, an open mind and from the evidence given before the Select Committee with regard to the tremendous hardship this will entail on

tenants I do not think it will require a very clever prophet to foretell that when the Bill comes back the amendment to clause 3 will no longer be there.

Now, Sir, with regard to clauses 6 and 7 especially, which deal with the giving of a first charge to the Municipal Council, I personally am bitterly opposed to any such provision and I do not accept that because in certain ordinances, such as the Land Bank Ordinance, the Crown have the right to have a first charge over prior encumbrances, that the Municipality should necessarily be given the same right, because they are a sort of demi-Crown. They are nothing of the kind and a Local Government is a very different thing from the Government, one being the Crown and one not being the Crown. But in addition to giving a prior right—I speak subject to correction—which is retrospective in so far as anyone who has a mortgage on a property in Nairobi or Mombasa, we may find that ceases to be a first mortgage because rates due on that building have become due since the mortgagee loaned the money ranking as a first charge ahead of the mortgagee. The principle I believe in some places does exist; in many it does not. I think it will be found that when evidence is given before the Select Committee that there are many more places where it does not exist than where it does. Quite apart from the whole principle of making these rates a first charge, it is even proposed in this Bill to make it a first charge without registration. In other words, if you are asked to invest money in property in Nairobi and you go and make a search for title to find out prior encumbrances; you find there are none and you lend money, and all the time there is a first charge for unpaid rates which do not appear anywhere on the title in the Government registration office. How that can be supported, I really do not understand and I think I am correct in saying that the Law Society were unanimous in opposing any giving of a first charge without registration. Let us find out why there is any necessity for this at all in this part of the Bill. The real truth in my submission is that it is a *quid pro quo*, that the hon. mover wanted to soften down the opposition to section 4, so he thought he would throw them a sop by giving them a first charge without registration. It is a very peculiar thing that in the year 1928 when this Bill was introduced, perusal of Hansard will show that I think the hon. the Attorney General dealt with this matter and pointed out that Government had not decided to give a first charge which had been demanded by the Municipal Authority because they had considered there were sufficient safeguards without it, and he pointed out there were two: one of those being section 86, I think it is, of the Municipalities Ordinance, whereby the Municipal Council could refuse to transfer if the rates were not paid, and section 24

of the present Ordinance which gives the power to collect rents due to the landlord from the tenant to pay themselves the rates that were due. That was the position the Government took in the debate in this House in 1928. The Municipality of course were not satisfied and went on pressing for the introduction of this amendment, until in April last year, I think it was on the 22nd April, the hon. mover wrote a letter to the Municipal Council, in which he said he could see no reason for the introduction of this measure, that it was not justified by the circumstances and the whole of the rates outstanding in Nairobi amounted to only £114. Why that *rotte face* on the hon. gentleman's part? I believe he will tell us in reply that since that time the rates in arrear have gone up from £114 to some £2,500. That might sound a very good argument, but the truth is that the real reason for the rise in these arrears of rates is due to what might be called the Jeevanjee embroglio which held up everything. That has now been cleared off and the rates in arrear will shortly return to round about the figure they were when the hon. gentleman wrote that letter and said he saw no reason for the introduction of the measure.

I do suggest, very seriously, that the introduction of far-reaching amendments of this sort should be bitterly opposed. They can only be justified if very strong reasons are given and no reasons have been given at all. The hon. mover, who of all hon. members on either side of the House can make a case as good as it is possible to make it, has not given any reason whatever, except that the Municipal Council has made representations. If you ask this House to make far-reaching amendments of this sort without any justification, it is one that will not appeal to the common sense of the members of this House.

I do not notice that as regards sections 8 (1) and 8 (2) the hon. member has intimated that he proposes to repeal or amend them, so that the purchase of a property free from encumbrances shall no longer appear and purchasers of property sold for payment of rates shall be in the same position as other purchasers subject to encumbrances, and he has also realized that it is a quite impossible provision in section 8 (2) whereby after a sale the Municipality could transfer property even though it never had the title and never could have; such transfer must be done by a court or a vesting order. I hope when the Bill comes back from select committee it will be in such form that we shall be able to support it.

The hon. Member for Nairobi North, who is unfortunately absent to-day on important business elsewhere, asks me to say that he entirely agrees in the view I have put forward and would, were he here, also oppose the Bill in its present form

I would ask that the hon. Member for Nairobi North, the hon. Member for Mombasa, and myself should be the three people who would be allowed to sit on this Committee, and would also inform the Chairman, who will be either the hon. the Commissioner for Local Government or the hon. and learned Attorney General, that there is a considerable number of people who wish to give evidence. I promise to draw the attention of the Chairman to this, so that due notice could be given of an opportunity of them being heard.

Council adjourned for the usual interval.

On resuming.

THE HON. THE ATTORNEY GENERAL: Your Excellency, there is just one point I should like to clear up, because although I feel certain we shall reach some sort of agreement in Select Committee on this Bill, it does not get the publicity that speeches in this House get; therefore I think it only right to let hon. members know some of the facts with regard to the law on this matter.

I am also pleased to be able to speak on a motion that is not entirely Government but for and on behalf of the people who were elected by the people to represent them, namely, the Municipal Council. Their request, which you will find reflected in section 3, and which was characterized by the hon. Member for Nairobi South as bad and iniquitous, is really not quite so bad when you look into it as the hon. member would have you believe.

This Bill has been before us in some form or another for a considerable period, and I have only recently, having heard the discussion in another place on this Bill, taken the trouble myself to look up and see what was done in other places on this particular point, because it was suggested at that meeting at which I was present that this was some original action by the Municipal Council backed up by Government. In looking up the few records I have in my office, I can tell this House that a similar provision in the legislation of the following colonies can be found: the Gold Coast, Northern Rhodesia, Sierra Leone, Southern Rhodesia, Nigeria, and Trinidad. So that at any rate the Municipal Council in their request are following precedent.

The next thing I would like to point out is what these municipal councillors are trying to do: collect the rates, and, if they are not paid, the people who do pay them will have the rate raised in order to make up for the defaulters. This House should realize that by forbidding the Municipal Council

to take the powers they are seeking, all you are in fact doing is asking honest people to pay for those who will not pay.

The second point raised was with regard to registration, in clauses 6 and 7. What are we in effect saying there? The Municipal Council suggest that if you want to buy any land in the municipal area your first duty or the duty of your lawyer will be to ask the Town Clerk whether the rates have been paid. To ask the unfortunate Town Clerk, when the amount becomes due, to run along and register (the figure given me for Nairobi is a series of small sums amounting to £5,000), as a matter of practical politics, is I suggest ridiculous. If you have registration, that is what he will have to do. I again took the trouble to look up the law of other countries, and a first charge is created without registration in the following places: Trinidad, Southern Rhodesia, Sierra Leone, Alberta, Straits Settlements, and the Gold Coast, and maybe a hundred other places, but those I happened to find.

I think that when a municipal council ask to be accorded the same rights as elsewhere and are able to quote a list as amazing as that, they ought to be supported.

Regarding the other points made by the hon. member, as he has pointed out, they are Select Committee points and we will consider them in due course. I cannot, however, subscribe to his argument with regard to the £114 and £2,000. Assuming it is true, does it matter to the Municipal Council whether the £2,000 is the result of Mr. Jeevanjee's misfortunes or anybody else's? The fact is that at one time it was £114 and shortly afterwards happens to be £2,000. It does not matter what the cause was; the unfortunate Council is out of its money, and have told us that if they had the provisions we are now putting in they would not be in their present position.

Those, I think, are the only points of practical importance, and I do think this House should consider very seriously before opposing the motion, which is obviously going to be of such enormous assistance to an elected body which, although not the Crown, are doing for the Crown what the Crown would have to do if that body did not exist.

THE HON. F. A. BEMISTER: Your Excellency, there is one reason why I should like to oppose this Bill. In my opinion it does not go far enough. The position I have laid before the hon. the Commissioner for Local Government is this, that given an area allocated by Government for public purposes, such as playing fields (I speak entirely for Mombasa, Sir), I am of opinion that unless that area is permanently reserved for such public purpose, relief should not be given in the rating of that land.

To give an instance. I understand that the Railway, which is Government, have granted a piece of land for an aerodrome. In that grant, they save about £1,000 a year in rates. Given that in another fifty years that land will be used for their own purposes, they would have saved £50,000 out of rates; whether they have given it free or not, it does not make any difference. The same thing applies to a ground landlord who, in the Island of Mombasa, granted to a sports club properly constituted the free use of his land, 10 or 15 acres. As, in the Ordinance, it says so long as he does not do it for profit, he lets it to them free. Then, when this land becomes wanted and is saleable and there is a demand for land, he gives notice to the club to get off. But in those years he has saved all the rates.

The trouble is, I am informed, that this Bill does not touch that sort of thing, and I do think its intentions should be extended so that a ground landlord, if his land were leased, should pay the rates or, if he gives the land free it should be for all time and be a permanent lung to the town to which it is given.

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT: Your Excellency, in view of the speech of the hon. and learned Attorney General, there is nothing left for me to say in reply to the remarks of the hon. Member for Nairobi South. The point raised by the hon. Member Mr. Bemister is a point which has regard to the definition clause of the Ordinance which it is not proposed to amend in this Bill, but it is possibly a matter he may bring up before the Select Committee.

The question was put and carried.

APPOINTMENT OF SELECT COMMITTEE.

THE HON. THE ATTORNEY GENERAL moved that the Local Government (Rating) (Amendment) Bill be referred to a Select Committee consisting of the following:—

- The hon. the Attorney General (Chairman).
- The hon. the Commissioner for Local Government, Lands and Settlement.
- The hon. H. G. Pilling.
- The hon. Member for Nairobi North.
- The hon. Member for Nairobi South.
- The hon. Member for Mombasa.
- The hon. D. D. Puri.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

THE ARMS (TRAFFIC WITH ABYSSINIA) (AMENDMENT) BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move the second reading of the Arms (Traffic with Abyssinia) (Amendment) Bill.

This Ordinance has been in force for the last four years, but in fact it was never used, and it was found that it did not contain the necessary clauses with regard to punishment which one would expect to find.

It has a rather interesting history. A draft Bill was originally sent out by the Secretary of State, and three colonies had to introduce it. They were: Sudan, Somaliland, and ourselves. Our Bill and the measure of British Somaliland were exactly the same, but the Sudan Ordinance had additional sections which you will now find reflected in the Bill before you. Things have not been quite as bad as may seem through the Ordinance having no penal clauses, for in fact we have another measure in existence, the ordinary Arms and Ammunition Ordinance, and in practice it has been found that 99 out of 100 offences against the Arms (Traffic with Abyssinia) Ordinance were also offences against the Arms and Ammunition Ordinance which had the usual penal clauses, so that in effect we have been able to use the old Ordinance.

In view of the position of international affairs at the moment, it was thought it would be only right to have this matter cleared up, and therefore in this Bill we have incorporated the sections which appear in the Sudan measure, tightening up generally. In clause 2 the non-production of the necessary licence will be held to be prima facie evidence that you have no licence, and it also gives the necessary power to seize arms and munitions which might be suspected to be used in committing an offence against the Ordinance. The last section merely sets out the various offences and the punishments.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that this Council do resolve itself into committee of the whole Council to consider, clause by clause, the following Bills:—

Morris Pension Bill.

Architects and Quantity Surveyors (Amendment) Bill.

Arms (Traffic with Abyssinia) (Amendment) Bill.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

Council went into Committee.

19th December, 1935

1013

In Committee.

THE MORRIS PENSION BILL.

The Bill was considered clause by clause.

Clause 2.

THE HON. THE ATTORNEY GENERAL moved that clause 2 be amended by the deletion of the figures "10" in the first line thereof and the substitution thereof of the figures "11".

The question was put and carried.

THE ARCHITECTS AND QUANTITY SURVEYORS (AMENDMENT) BILL.

The Bill was considered clause by clause.

Clause 2.

THE HON. THE ATTORNEY GENERAL moved that clause 2 be amended by the substitution of a comma for the full-stop occurring at the end thereof and the addition of the following words:—

"and by the deletion of the word 'further' which occurs in the first line of the second proviso thereto."

The question was put and carried.

THE ARMS (TRAFFIC WITH ABYSSINIA) (AMENDMENT) BILL.

The Bill was considered clause by clause.

THE HON. THE ATTORNEY GENERAL moved that the following Bills be reported to Council with amendment:—

Morris Pension Bill,

Architects and Quantity Surveyors (Amendment) Bill,

and that the Arms (Traffic with Abyssinia) (Amendment) Bill be reported to Council without amendment.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

Council resumed its sitting.

HIS EXCELLENCY informed Council that the Morris Pension Bill and the Architects and Quantity Surveyors (Amendment) Bill had been considered clause by clause in committee of the whole Council and had been reported to Council with amendment, and that the Arms (Traffic with Abyssinia) (Amendment) Bill had been considered clause by clause in committee of the whole Council and had been reported to Council without amendment.

THIRD READINGS.

THE HON. THE ATTORNEY GENERAL moved that the—

Morris Pension Bill,

Architects and Quantity Surveyors (Amendment) Bill,

Arms (Traffic with Abyssinia) (Amendment) Bill

be each read a third time and passed.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

The Bills were each read a third time and passed.

*Council adjourned till 10 a.m. on Friday,
20th December, 1935.*

FRIDAY, 20th DECEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Friday, the 20th December, 1935, HIS EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 10th December, 1935, were confirmed.

PRESENTATION OF PETITION.

REMOVAL OF ALTERNATIVE TAXATION.

DR. THE HON. A. C. L. DE SOUSA: Your Excellency, I beg to lay on the table of this House this Petition. In my opinion it complies with the Standing Rules of this hon. House in that it is properly and respectfully worded. The number of petitioners is 925. The petitioners are European and Indian tax payers of Nairobi.

The Petition submits that a fair trial has been given to the Non-Native Graduated Poll Tax and that it has proved to be unduly harsh and oppressive . . .

CAPT. THE HON. H. E. SCHWARTZ: On a point of order, Sir, under Standing Rules is not the Petition laid without further comment and not read? . . .

HIS EXCELLENCY: The hon. member explains the gist of the Petition.

DR. THE HON. A. C. L. DE SOUSA: I may not have understood the hon. member but I think I am correct and I would draw attention to Rule No. 17.

HIS EXCELLENCY: Standing Rule No. 17 reads:—

"No speech shall be made when presenting a Petition other than such remarks as may be necessary to state the number and general description of the petitioners and substance of the Petition."

I think the hon. member is within that.

DR. THE HON. A. C. L. DE SOUSA: The Petition, Sir, submits that a fair trial has been given to the Non-Native Graduated Poll Tax and that it has been proved to be harsh and oppressive in so far as the small tax payer is concerned. The Petition asks for the repeal of the Ordinance and the substitution of another which will be equitable to all sections of tax payers.

I would beg leave to move that this Petition be referred to a Select Committee of this House.

THE HON. SHAMSUD-DEEN : I beg to second the motion.

HIS EXCELLENCY : The question is that this Petition be referred to a Select Committee.

CAPT. THE HON. H. E. SCHWARTZ : May I ask, Sir, as I have not had an opportunity of seeing the Petition, is it addressed to this House.

HIS EXCELLENCY : It is a Petition addressed to His Excellency the Governor and the hon. member wishes to lay it on the table of this House.

CAPT. THE HON. H. E. SCHWARTZ : With respect, Sir, I submit that a Petition laid on the table must be addressed to this House and if it is addressed to Your Excellency it has nothing to do with this House.

THE HON. THE ATTORNEY GENERAL : On a strict interpretation of Standing Rules and Orders I think it should be addressed to this Council, but as the hon. member has laid it before this House and Your Excellency is Chairman, it is laid before the Chairman.

THE HON. SHAMSUD-DEEN : If it is only a mere clerical error or omission, surely it can be altered by the hon. member presenting the Petition.

HIS EXCELLENCY : I rule that the Petition as it stands can be presented and laid on the table. The position is now that it has been moved to refer it to a Select Committee and the hon. Shamsud-Deen has seconded it.

THE HON. THE ATTORNEY GENERAL : Your Excellency, I feel sure the House will agree with me in this and as none of us has seen the Petition, I beg to move that this motion be adjourned.

THE HON. T. D. H. BRUCE : I beg to second.

DR. THE HON. A. C. L. DE SOUSA : I agree with that.

HIS EXCELLENCY : The motion before the House now is :— that the debate and the subsequent proceedings in regard to this petition which has been laid on the table and moved to be referred to a select committee, be adjourned under Standing Rule and Order No. 29 (ii), i.e. "A motion for the adjournment of the Council or of the debate."

The question is that the subsequent proceedings of this motion be adjourned.

The question was put and carried and the debate adjourned.

ORAL ANSWERS TO QUESTIONS.

KENYA LAND COMMISSION RECOMMENDATIONS.

Re *White Highlands*.

No. 69.—MAJOR THE HON. F. W. CAVENDISH-BENTINCK asked :—

"In view of the replies to Questions Nos. 20 and 47 during the last Session of Legislative Council, can Government now give any information as to what steps have been taken to implement the recommendations of the Kenya Land Commission set down in paragraphs 1441, 1440, 1469 and 1079 of the Report, which can be summarized as advocating that the White Highlands be safeguarded and declared by Order-in-Council?"

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT : This matter is still under consideration by the Secretary of State.

KENYA LAND COMMISSION RECOMMENDATIONS.

Re *Crown Lands Ordinance*.

No. 70.—MAJOR THE HON. F. W. CAVENDISH-BENTINCK asked :—

"In view of the reply to Question No. 23 during the last Session of Legislative Council, can Government now give any information as to what further, if any, steps have been taken to implement the recommendations of the Kenya Land Commission Report to render section 31 of Crown Lands Ordinance, 1933, and section 86 of Crown Lands Ordinance, 1915, inoperative both in existing and future leases?"

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT : Government has nothing to add to the answer given to Question No. 22.

THE HON. CONWAY HARVEY : On a point of order, Sir, when may I expect an answer to my question on the subject of Railway terminal charges on coffee.

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS : That question has been dealt with by me this morning, Sir, and the answer will be in the hands of Government to-day.

MOTIONS.

REPORT OF STANDING FINANCE COMMITTEE ON SCHEDULES OF
ADDITIONAL PROVISION NOS. 2 AND 3 OF 1935.

THE HON. THE COLONIAL SECRETARY: Your Excellency, I beg to move the motion which stands in my name that the Report of the Standing Finance Committee on Schedules of Additional Provision Nos. 2 and 3 of 1935 be adopted.

The Standing Finance Committee considered the items in these Schedules one by one and recommended the approval of such expenditure as had not already received the specific approval of this House.

I may add, Sir, that the opportunity was taken to put before the Committee one item of £4,850 to cover the cost of survey and some construction and preliminary charges in respect of the Lolgorien-Muhoru Bay Road, and I wish to correct a typing error that appears in the Report laid on the table of the House where that road is spoken of as the Lolgorien-Muhoroni road. Hon. members will be aware that loan funds from the Colonial Development Fund have been approved to cover the cost of construction of certain roads in the mining areas and certain expenditure against those loans has been already incurred and is now being incurred. As the loans from the Colonial Development Fund are appropriated to revenue it is necessary for this House to vote expenditure against that revenue.

Your Excellency, I beg to move.

THE HON. THE TREASURER seconded.

The question was put and carried.

LEVY ON OFFICIAL SALARIES ORDINANCE, 1931.

THE HON. THE TREASURER: Your Excellency, I beg to move:—

“Be it resolved that the Levy on Official Salaries Ordinance, 1931, shall remain in force until the 31st day of December, 1936.”

This motion is one of several on the Order Paper of the Day in connection with the revenue side of the Provisional Estimates for 1936. The yield from the Levy on Official Salaries in 1934 amounted to £18,188, the estimate for this year is £46,500 and the amount inserted in the Provisional Estimates for next year is £47,000. The conditions which render it desirable to continue the operation of this Ordinance are well known to very hon. member of this House, and I therefore do not propose to detain Council at this stage by elaborating on the motion.

I beg to move.

THE HON. THE ATTORNEY GENERAL seconded.

MAJOR THE HON. F. W. CAVENDISH-BENTON: Your Excellency, in speaking to the budget on the budgetary proposals I did ask whether Government could possibly consider whether any alleviation could be given in respect of the Local Civil Service. I note that the amount that this measure is estimated to produce next year is £47,000 and I believe the amount contributed by the Local Civil Service would be somewhere between £3,500 and £5,000. I would like to ask the hon. the mover as to whether any inquiry could be made or any measures taken to help the members of the Local Civil Service, it being remembered that their terms are very much less generous than those of what is known as the Overseas Service.

THE HON. D. D. PURI: Your Excellency, I beg to move an amendment to the motion, that is, to add at the end the words “and shall apply to officers enjoying a salary of over £600 per annum”.

HIS EXCELLENCY: You are moving an amendment, is any hon. member seconding it?

THE HON. SHAMSUD-DEEN: I beg to second it, Sir, but I reserve the right to speak afterwards.

HIS EXCELLENCY: Yes, you have.

THE HON. D. D. PURI: Your Excellency, as this hon. House is aware the levy on Official Salaries was imposed as a temporary measure on the same basis as the temporary taxation. I feel, Sir, that it is a hardship and should be abolished and that some scheme . . .

THE HON. THE ATTORNEY GENERAL: This is a resolution Sir, that the Levy on Official Salaries Ordinance shall remain in force, and it means Your Excellency, that the hon. mover of this amendment is out of order in that it is not possible to debate individual sections of the Ordinance. It is merely that it be extended for a certain time and the only amendment that one can foresee is that the time be extended say to the 31st January instead.

HIS EXCELLENCY: I rule that the hon. member's amendment is out of order.

THE HON. F. A. BEMISTER: Your Excellency, with your permission I rise to oppose this motion absolutely and entirely. A few days ago it appeared to me the question was put in this House: “When is a freehold not a freehold”, and it seemed

to me the answer was: "When the Government was interested". Now Sir, we have a riddle put and that is: "When is a contract not a contract", and the answer is again: "When the Government is interested".

Sir, the whole incidence of this tax is known and admitted by everybody to be a breach of the actual contract entered into between Government and its employees. I say the same thing now as I did when the tax was first imposed. I consider, Sir, that in keeping on this tax the Government are using means whereby they are hiding an actual deficit in their budget. It is a wrong principle and a wicked principle. This levy on salaries cannot be called a cut. It saves the Government entirely from reorganizing their machine and from really examining their expenditure, and all the time they are making people suffer a breach of contract which none of them ever anticipated when they joined the Service. But, Sir, though the words can hardly be extravagant enough to explain the Government's attitude with their Overseas Service, where in the world can the Government defend its action with regard to the Local Civil Service? The Local Civil Service was floated or inaugurated, in fact arranged entirely at a time when prices were low and salaries were low. They were on a new basis with the clear intention that local people should have a salary according to the terms laid down. But what do we find? Immediately these men are re-engaged there is 5 per cent or 7½ per cent taken off it. Actually after this House in the middle of the depression had designed a system of rates of wages which was considered fair and equitable at the time, and then the Government seizes the opportunity to take back a few extra pounds from the lower paid men in order to try and show a surplus. That is their only idea. They have broken their contract with the Overseas men. They have started and fudged the poor wretches employed under the Local Service merely for a fictitious advantage and I oppose it entirely.

THE HON. SHAMSUD-DEEN: Your Excellency, I wish fully to support the general principle enunciated by the last speaker and say that the levy as enforced in the Administration other than the Railway Administration of this Colony has been really enforced with a vengeance. As I stated the other day not only it is applicable to the lower paid staff but it is carried to the extreme of absurdity when the levy is also enforced on workmen paid on an hourly system, not even daily. As a matter of fact it is a great pity that the Government cannot see their way to embody in this Ordinance the principle which has been suggested by the hon. member for Nairobi North as well as the hon. Mr. Puri, which are really the same thing.

that if we cannot do away with the levy altogether—as Your Excellency remarked in your opening speech to this Council this Council seems to be the only exception in the whole of the British Empire—if we must keep it on for another year, let us bring about a moderation by exempting the lower paid staff from what has, I think, quite rightly been described by the last hon. speaker as a breach of contract.

HIS EXCELLENCY: If no other hon. member wishes to speak I will call upon the hon. mover to reply.

THE HON. THE TREASURER: Your Excellency, Government did take note of the suggestions of the hon. member for Nairobi North in connection with the Local Civil Service, but it was found in practice extremely difficult to understand what he meant by the Local Civil Service. Apart from the people who were in the Local Civil Service there are, of course, native employees who always have been local and a large number of temporary occupants of posts, and I rather fancy when he first raised the point he meant only the clerks who were engaged on the Local Civil Service terms as set out by the Committee which sat. I do not quite know why he should single out the Local Civil Service. This is in fact a tax and nothing else. It appears on the revenue side of the estimates and I cannot agree with the hon. member for Mombasa that it is a breach of contract, because it is possible for Government at any time to impose a tax and this is no more a breach of contract than some alteration in Customs tariff which is brought into operation after an officer has been engaged.

So far as the suggestion of the hon. member for Nairobi North is concerned, it certainly seems to me that there is an equally strong case for alleviating the position with regard to the Overseas Civil Service because, as pointed out by Your Excellency, this is one of the very last Colonies in which the levy is in operation now and if it happens that officers in particular posts are to be at a distinct disadvantage merely by reason of the fact that they are in Kenya, it seems to me there is a case for the Overseas Service equally as strong as that of the Local Civil Service.

HIS EXCELLENCY: The question is that the Levy on Official Salaries Ordinance, 1931, shall remain in force until the 31st December, 1936.

The ayes have it.

THE HON. F. A. BEMISTER: Divide, Sir.

CAPT. THE HON. H. E. SCHWARTZ : On a point of order, Sir, I submit that no member of the official side of the House has the right to vote us, with the exception of General Sir Godfrey Rhodes, they have a direct pecuniary interest. I must ask you to consider that. Exactly the same point arose in the time of your predecessor, General Northey, when he ruled, and I submit rightly, that they could not vote.

HIS EXCELLENCY : In the circumstances that this is a matter of taxation, I hold that the Official Members are entitled to vote.

The division was then called.

The question was put and carried by twenty-six votes to eight, one member not voting.

Ayes.—Mr. Bale, Major Brassey-Edwards, Mr. Bruce, Ven. Archdeacon Burns, Messrs. Fazan, Fitzgerald, Gardner, Harragin, Harvey, Hosking, Logan, Montgomery and Morris, Dr. Paterson, Mr. Pilling, Sir Godfrey Rhodes, Major Riddell, Capt. Schwartz, Lord Francis Scott, Messrs. Sikes, Vidal, Wado, Walsh, Waters, Welby and Wright.

Noes.—Mr. Bemister, Major Cavendish-Bentineck, Messrs. Mangat, Patel, Puri and Shamsud-Deen, Dr. de Sousa and Dr. Wilson.

Declined to vote.—Sir Robert Shaw.

CAPT. THE HON. H. E. SCHWARTZ : Would it be out of order, Sir, to ask whether we can be informed what the voting was amongst those who according to Standing Rules and Orders were allowed to vote.

HIS EXCELLENCY : The proceedings as carried out are in order.

ENTERTAINMENTS TAX ORDINANCE, 1931.

THE HON. THE TREASURER : Your Excellency, I beg to move that the Entertainments Tax Ordinance, 1931, as amended by Ordinance No. 46 of 1933, shall remain in force until the 31st day of December, 1936.

Section 10 of the Principal Ordinance provides that the Ordinance shall remain in force until the 31st December, 1932, and shall then expire, provided that the Governor may by Proclamation with the approval of this House declare that the Ordinance shall remain in force until a date to be fixed by such Proclamation. Extensions of the Ordinance have been approved from time to time to cover the years 1933, 1934 and 1935, and extension to the end of the year is now sought.

As regards the financial result of the operation of this Ordinance, the yield last year was £3,846 as against an estimate of £4,600. During the present year £3,910 has been collected to the 31st August as compared with £3,708 in the same period last year. The estimate for the whole year of 1935 being £5,000. In the Provisional Estimates for 1936 a sum of £6,000 has been inserted under this head.

I may say, Sir, that the Ordinance operates smoothly and the cost of collection and administration is extremely small.

THE HON. THE ATTORNEY GENERAL seconded.

THE HON. SHAMSUD-DEEN : Your Excellency, I only wish to say that it would be more honest, economical and sensible, if instead of extending this Ordinance from year to year, we followed the example of the Transport Ordinance and extended it for three years, because Government I do not think ever intends to remove this tax once it has been introduced. My experience in this House is that when the Education Tax was introduced it was expressly said that it was temporary only for a year. It has now been in existence for, well, nearly twelve years. I really do not see, Your Excellency, where the sense comes in, in wasting the time and money of this House by extending it from year to year. It would be much better if we could find out some way of extending it for three years, it would be more in keeping with the intention of Government.

HIS EXCELLENCY : Does the hon. mover wish to reply?

THE HON. THE TREASURER : It would be better for this House to do as the hon. Mr. Shamsud-Deen suggests and possibly in future it might be the sensible thing to do, but it certainly seems to me at the present time, when the whole field of taxation is under review by Sir Alan Pim, that this is hardly the opportunity to vary the procedure which we have followed for the past three years.

The question was put and carried.

LICENSING ORDINANCE, 1934.

THE HON. THE TREASURER : Your Excellency, I beg to move:—

“That the Licensing Ordinance, 1934, amended by Ordinance No. XIV of 1935, shall remain in force until the 31st day of December, 1936.”

This is also a motion in connection with the revenue side of the provisional estimates for 1936.

The yield in 1934 from the Ordinance in force at that time was £33,113, and as hon. members will recollect the Ordinance was thoroughly overhauled at the end of last year. The yield this year will approximate very closely to that realized in 1934, although at the time of the passing of the Ordinance it was hoped that the sum of roughly £60,000 would prove the net sum and it appeared in the Estimates for 1935. In the provisional budget for 1936, the sum of £35,000 has been included under this head.

Representations were made to the Standing Finance Committee in regard to the immediate amendment of the Ordinance on which this tax is based, the principal proposal being a reduction of 50 per cent in the fees under Schedules A and B, an all-round reduction of 10 to 15 per cent on all licences, and the imposition of a single licence fee to cover a number of branches of business operating in the territory. Certain members of the Committee thought it might be advisable to appoint a small *ad hoc* committee to go into the matter immediately with a view to the alleviation and re-adjustment of the Ordinance. Government has come to the conclusion that no useful purpose would be served by the appointment of an *ad hoc* committee at this particular juncture, more particularly in view of the fact that the Ordinance was examined in 1933 and again in 1934 and that it comes directly within the terms of reference of Sir Alan Pim. Until his report is received, Government's intention is to leave the system of fees undisturbed.

THE HON. THE ATTORNEY GENERAL seconded.

THE HON. LORD FRANCIS SCOTT: Your Excellency, in view of the fact that this Ordinance and the continuation of the next tax which is on the Order Paper, the Graduated Non-Native Poll Tax, are two of the taxes agreed to as a temporary measure while Government adjusted their expenditure so as to allow of the budget being balanced without this extra taxation, and in view of the fact that Government have not yet reduced taxation to such an extent that they can take off these taxes, and in view of the further fact that the European elected members have stated their case very clearly on several occasions, on behalf of all the elected members I would say that we do not intend to take any further part in the debate on this Ordinance or on the next one on the Order Paper. (Hear, hear.)

The European elected members then withdrew.

The question was put and carried.

BILLS.

SECOND READINGS.

THE NON-NATIVE POLL TAX (AMENDMENT) BILL.

THE HON. THE TREASURER: Your Excellency, I beg to move the second reading of the Non-Native Poll Tax (Amendment) Bill.

Apart from verbal amendments, the sole object of this Bill is to extend its life for a further period of a year. This Bill is another in the series of actions on the part of the Council necessary to provide revenue for the provisional budget for 1936. The yield of the tax in 1934 was £68,807, of which approximately £35,000 accrued under the old non-native poll tax. During the present year £60,000 is expected to be realized, and in the provisional estimates for 1936 a similar sum of £60,000 is included as revenue from this source.

THE HON. THE ATTORNEY GENERAL seconded.

DR. THE HON. A. C. L. DE SOUSA: Your Excellency, we have got to oppose the motion before us, and I was wondering if it were possible for you, Sir, to appoint a committee of the House? I have an amendment which would go a long way in alleviating distress without impairing the revenue which Government hope to derive from this source.

THE HON. THE ATTORNEY GENERAL: On a point of explanation, Sir, the House will have to go into committee to deal with the Bill. The hon. member has asked that it be referred to a committee of the House, but it will be before the House in committee.

DR. THE HON. A. C. L. DE SOUSA: In that case I will reserve my remarks until the committee stage.

The question was put and carried.

THE POLICE (AMENDMENT No. 2) BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I move that the Police (Amendment No. 2) Bill be read a second time.

I feel that this Bill is self-explanatory in that it merely gives police officers who happen to be carrying out the duties of prison officers the same protection and powers granted to prison officers. As you are well aware, in this Colony, particularly in the out districts, it is very often necessary for police officers to perform the duties of prison officers, and it has just been discovered that they are not protected in the same way when performing those duties.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

THE CUSTOMS AND EXCISE REVENUE ALLOCATION
(AMENDMENT) BILL.

THE HON. THE ACTING COMMISSIONER OF CUSTOMS: Your Excellency, I beg to move that the Customs and Excise Revenue Allocation (Amendment) Bill be read a second time.

This Bill is designed to rectify an anomaly in the existing procedure under the Customs and Excise Revenue Allocation Ordinance whereby Uganda is debited with duty in respect of goods re-exported from Uganda on which no drawback is due or claimed. By the existing practice Kenya gets practically the whole benefit of the duty on goods re-exported from Uganda under the conditions mentioned in the Ordinance, as well as the benefit of the duty on goods re-exported from Kenya. The modified procedure proposed in the Bill provides that the benefit of the duty for essentially Uganda transactions shall accrue to Uganda, while Kenya retains the duty arising out of Kenya transactions.

THE HON. THE TREASURER seconded.

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that this Council do resolve itself into committee of the whole Council to consider, clause by clause, the following Bills:—

Non-Native Poll Tax (Amendment) Bill.

Police (Amendment No. 2) Bill.

Customs and Excise Revenue Allocation (Amendment) Bill.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

Council went into Committee.

In Committee.

THE NON-NATIVE POLL TAX (AMENDMENT) BILL.

The Bill was considered clause by clause.

DR. THE HON. A. C. L. DE SOUSA moved:—

That the Bill be amended by the addition thereto of the following new clause:—

"Section 8 of the Principal Ordinance is hereby repealed and the following is substituted therefor:—"

THE HON. THE ATTORNEY GENERAL: On a point of order, Your Excellency, the position is that whereas we are seeking to amend the principal ordinance in two particulars the hon. member is now proposing an amendment to some other section of the ordinance which, if carried, will mean recasting the whole ordinance.

DR. THE HON. A. C. L. DE SOUSA: I submit it is not so. What is before us is the Non-Native Poll Tax Bill. It may be continued for one year or ten years, but the substantive motion is the tax, and the substance of the ordinance is the schedule laying down the rates. I am moving an amendment based on the substance of the ordinance.

HIS EXCELLENCY: What is the amendment?

DR. THE HON. A. C. L. DE SOUSA: It is to halve the tax on incomes up to a limit of £500, and after that to double the tax, so that the total revenue will be almost the same.

THE HON. THE ATTORNEY GENERAL: On a point of order, would the hon. member state what the amendment is that he is proposing? At the moment I realize what he intends to do but I do not know how it is to be done. Will he state which section is to be amended and in what respect?

DR. THE HON. A. C. L. DE SOUSA: Section 8 of the principal ordinance. I have a schedule here. Shall I read it?

HIS EXCELLENCY: Yes.

DR. THE HON. A. C. L. DE SOUSA: This is my schedule:—

"8. The tax shall be charged at the following rates:—

Where the taxable income does not exceed £100 ...	SA.
15	15
Where the taxable income exceeds—	
£100 but does not exceed £200 ...	20
£200 " " £300 ...	30
£300 " " £400 ...	40
£400 " " £500 ...	50
£500 " " £600 ...	280
£600 " " £700 ...	360
£700 " " £800 ...	440
£800 " " £900 ...	520
£900 " " £1,000 ...	600
£1,000 " " £1,100 ...	680
£1,100 " " £1,200 ...	700
£1,200 " " £1,300 ...	840
£1,300 " " £1,400 ...	920
£1,400 " " £1,500 ...	1,000
£1,500 " " £2,000 ...	2,000
£2,000 " " £2,500 ...	3,000
£2,500 " " £3,000 ...	4,000
£3,000 " " £3,500 ...	5,000
£3,500 " " £4,000 ...	6,000
£4,000 " " £5,000 ...	8,000
£5,000 " " £6,000 ...	10,000
£6,000 " " £7,000 ...	12,000
£7,000 " " £8,000 ...	14,000
£8,000 " " £9,000 ...	16,000
£9,000 " " £10,000 ...	18,000
£10,000 ...	20,000."

HIS EXCELLENCY: This is a further amendment to the main ordinance.

THE HON. THE ATTORNEY GENERAL: I would just like to point out to the House that although in fact this is an amendment to the main ordinance it would be altering the incidence of the taxation entirely. The most important part of the ordinance, as members realize, is the incidence of taxation in section 8, and the hon. member is suddenly springing on us an entirely different incidence which it is difficult to gather the result of in a moment. It is clear, of course, that incomes up to £500 will pay less, and those incomes which are greater will pay a great deal more. Apart from any other argument, I think it most unfair on the public generally to have an amendment suddenly made in committee without any opportunity being given to consider the very important principle involved, and I suggest that Government must resist this at any cost.

THE HON. SHAMSUD-DEEN: May I ask the Attorney General, in that case, what would be the proper time to invite attention to any amendment so that the public should not be taken by surprise? I think it would be an interesting point of procedure.

THE HON. THE ATTORNEY GENERAL: Not at all. If an hon. member wished to show his good faith, his motion would be laid on the table and put down at the proper time after Your Excellency had given the public sufficient time to consider the effect of it if adopted.

THE HON. SHAMSUD-DEEN: According to the procedure laid down in Standing Rules and Orders, the proper time to move an amendment is in committee, when amendments are moved to a draft Bill. Every member has the right to move an amendment in the committee stage. It can be thrown out, but you cannot say this is not the proper time to move it.

THE HON. THE ATTORNEY GENERAL: I never suggested an hon. member cannot move one, but I do suggest that Government cannot accept it for the reasons given, because in effect it is an alteration of principle although in the guise of an amendment to detail in committee.

DR. THE HON. A. C. L. DE SOUSA: May I explain the object with which I have moved the amendment, and it will be clear to the hon. and learned Attorney General? My object is to halve the tax on incomes under £500 and double the tax on those over that limit. The public is with me in this matter. Of the total number of taxpayers, 22,081, you will be surprised to see that the relief I am trying to effect affects 21,574 Europeans and Africans and to double the tax on the incomes of 1,410, those whom we may call the privileged few, so that there is nothing to lose. Government will get the same amount. The question of principle does not arise, it is merely giving the alleviation which we require.

HIS EXCELLENCY: I will put the amendment to the vote.
The question was put and lost.

THE POLICE (AMENDMENT NO. 2) BILL.

The Bill was considered clause by clause.

THE CUSTOMS AND EXCISE REVENUE ALLOCATION (AMENDMENT) BILL.

The Bill was considered clause by clause.

THE HON. THE ATTORNEY GENERAL moved that the following Bills be reported to Council without amendment:—

Non-Native Poll Tax (Amendment) Bill.

Police (Amendment No. 2) Bill.

Customs and Excise Revenue Allocation (Amendment) Bill.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

Council resumed its sitting.

HIS EXCELLENCY informed Council that the following Bills had been considered, clause by clause, in committee of the whole Council and had been reported to Council without amendment:—

Non-Native Poll Tax (Amendment) Bill.

Police (Amendment No. 2) Bill.

Customs and Excise Revenue Allocation (Amendment) Bill.

THIRD READINGS.

THE HON. THE ATTORNEY GENERAL moved that the above three Bills be each read a third time and passed.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

The Bills were each read a third time and passed.

SEASONAL GREETINGS.

HIS EXCELLENCY: Council will adjourn till Monday, 30th December, at 10 a.m.

Before we adjourn, may I wish you all a very Happy Christmas?

*Council adjourned till 10 a.m. on Monday,
the 30th December, 1935.*

MONDAY, 30th DECEMBER, 1935

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Monday the 30th December, 1935, His EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

ROYAL AIR FORCE TRAGEDIES.

HIS EXCELLENCY: I am sure that all hon. members will join with me in expressing our deep sympathy with the Royal Air Force detachment stationed in Nairobi in the terrible tragedy which took place yesterday and with the relatives of the unfortunate young men who lost their lives. I am asking that this expression shall be placed on the records of the Council.

RULING.

Re BREACH OF PRIVILEGE.

HIS EXCELLENCY: A matter has been brought to my notice to which I propose briefly to refer this morning.

You will recollect that on the 20th of this month, the day on which I adjourned Council, a motion was moved to reimpose the levy on official salaries during 1936. Before the question was put the hon and gallant Member for Nairobi South rose on a point of order. He contended that official members of Council were debarred from voting on the grounds of direct personal pecuniary interest. As President I ruled against him, remarking that the levy was in effect a measure of taxation and of State policy.

On the following morning, the 21st, there appeared in the "East African Standard" a letter signed by the hon. and gallant Member, Captain H. E. Schwartze. I will merely read the last paragraph of that letter which runs as follows:—

"Under Standing Rules and Orders no Member is allowed to vote on any matter in which he may have a direct pecuniary interest, and there can be no doubt whatever that the Ruling from the Chair that official members could vote on the motion to tax their own salaries was entirely wrong, and the reason given by the President for allowing them to vote, which was to the effect that this was a taxation measure, was, of course, completely irrelevant."

I hope at an early date to be able to make a communication from the Chair dealing with this matter.

MINUTES.

The minutes of the meeting of the 20th December, 1935, were confirmed.

PAPERS LAID.

The following Papers were laid on the Table:—

BY THE HON. THE COLONIAL SECRETARY:

Report of the Standing Finance Committee on the Provisional Draft Estimates of Revenue and Expenditure for the year 1936.

BY THE HON. THE DIRECTOR OF PUBLIC WORKS:

Report of the Select Committee appointed to consider and report upon the provisions of a Bill to amend the Water Ordinance, 1929.

NOTICE OF MOTIONS.

BY THE HON. THE COLONIAL SECRETARY:

That the Report of the majority of the Standing Finance Committee on the Provisional Draft Estimates of Revenue and Expenditure for the year 1936 be adopted.

BY THE HON. THE DIRECTOR OF PUBLIC WORKS:

That the Report of the Select Committee appointed to consider and report upon the provisions of a Bill to amend the Water Ordinance, 1929, be adopted.

ORAL ANSWERS TO QUESTIONS.

Re K.U.R. & H. ROLLING STOCK.

No. 80.—THE HON. D. D. PURI (ON BEHALF OF THE HON. SHAMSUD-DEEN) ASKED:

"Will the Hon. the General Manager be pleased to give the following information?"

(1) The number of locomotive engines possessed by the Kenya and Uganda Railway, giving various classes of these engines and their approximate cost to the Railway and the present day value?

(2) The number of wagons and trucks, brako vans and other rolling stock for carriage of goods, giving their various classes, the cost and present day value?

(3) The number of carriages for passengers, giving their various classes, their cost and present day value?"

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: The reply to the Hon. Shamsud-Deen is as follows:

(1) Full details regarding the number of locomotive engines by classes are shown on page 144 of the General Manager's Annual Report for 1934. The approximate cost, as shown on the books of the Administration, is £1,427,701. It is not possible to give the present day value without a considerable amount of statistical investigation. This, as a matter of fact, is in hand in connection with an inquiry into the present position of the Renewal Fund, but the information will not be ready for several months.

(2) Full details of the numbers and types of Goods stock are shown on page 116 of the General Manager's Annual Report for 1934. Their approximate cost, as shown on the books of the Administration, is £1,903,762. For the reasons already given, the present day value is not available.

(3) Full details regarding the number and types of Passenger coaching stock are shown on page 115 of the General Manager's Annual Report for 1934. The approximate cost, as shown on the books of the Administration, is £558,801. For the reasons already indicated, the present day value is not available.

"TERMINAL" COFFEE CHARGE.

No. 81.—LT.-COL. THE HON. J. G. KIRKWOOD asked:

"How does the Hon. the General Manager, K.U.R. & H., justify the imposition of a "terminal" charge of Sh. 8/96 per ton in respect of coffee consigned to Nairobi from stations west of Nairobi?"

THE HON. THE GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS: No terminal charge is imposed in respect of coffee consigned to Nairobi only from station west of Nairobi.

I believe, however, that the hon. member is referring to the terminal charge which is levied on coffee consigned for export, but with instructions to be diverted at Nairobi for milling for marketing purposes. In such cases, a terminal charge of 40 cents per 100 lb. or Sh. 8/96 per ton is imposed to cover the cost of so diverting the traffic.

The justification for raising such charge lies in the fact that it is the declared policy of this Administration to give the cheapest possible rates for primary produce consigned to the Coast for export. In order to do this, it is essential that such traffic should be conveyed to the Coast with the minimum of delay, in order that the costs of movement may be kept as low as possible and in order to release vehicles for further use as early as possible. It is unnecessary to explain

that, normally, traffic to an intermediate station would be consigned at local rates, which are considerably higher than export rates.

To meet the requirements of the industry, however, some years ago it was agreed to introduce a milling-in-transit rate which was, in effect, the export rate plus a charge to cover to some extent the cost of diverting such traffic for milling or marketing purposes during its transit to the Coast.

The extra cost involved includes the following items :—

- (1) Loss of use of wagons.
- (2) Occupation of siding accommodation in the station or marshalling yard.
- (3) Cost of shunting in the marshalling yard.
- (4) Additional clerical work.

It will be clear that these costs cannot be calculated with mathematical accuracy; moreover, these costs fluctuate according to the amount of traffic being dealt with at the time, particularly as regards the loss of use of wagons. During the busiest season such losses may involve considerable sums of money.

Taking all these factors into consideration, the rate chargeable cannot be considered unreasonable, particularly as this system carried with it certain concessions giving material benefits to the industry.

For the information of the hon. member, I can, however, add that, for other special reasons, this charge is now receiving detailed examination and the whole question will be considered by the Railway Advisory Council at an early meeting.

MOTION.

GUARANTEED MAIZE EXPORT PRICE.

THE HON. THE DIRECTOR OF AGRICULTURE: Your Excellency, I beg to move the motion standing in my name, notice of which was given by circular since the last meeting of the Council :—

"Whereas it is desired in view of the depressed condition of the maize industry, due to the large world crop of maize and the low price resulting therefrom, to assist the native and non-native maize-growers in the Colony to secure a reasonable price for the present season's crop without unduly prejudicing the consuming interests :

Now therefore it is hereby resolved that a sum not exceeding £12,500 be made available from the revenues of the Colony to guarantee, as far as possible, the free on rail export price stated hereunder :—

1. The guarantee shall apply only to :

- (a) maize harvested from the crop planted in 1935 ;
- (b) maize exported between the first day of January, 1936, and the thirty-first day of July, 1936, inclusive, to destinations other than Canada, Arabia and the part of the Eastern Coast of the Continent of Africa lying south of Port Said and north of Beira.

2. (1) The guarantees stated below shall be subject to a payment of not more than £12,500.

(2) The guaranteed price shall only apply if the receipts of the Kenya Farmers' Association (Co-operative) Limited for export of K.2 grade shall fall short of an average return of Sh. 4/50 per bag of 200 lb. free on rail grower's station.

(3) When the export receipts of the Kenya Farmers' Association (Co-operative) Limited fall short of Sh. 4/50 per 200 lb. free on rail grower's station in respect of K.2 maize, the guarantee shall operate to increase the price to Sh. 4/50 per bag free on rail grower's station, and all grades other than K.2 shall receive the same guaranteed addition of price; provided that the total amount payable to all exporters shall be divided between them in proportion to their exports.

3. The Government of the Colony shall have an absolute discretion to withhold the payment of the guarantee, or any portion thereof, until it is proved that the maize exported has been surplus to the requirements of the Colony.

And it is further hereby resolved that the Treasurer of the Colony be authorised to operate the said sum of £12,500 subject always to due inspection, prior to the making of any payment from such sum, of all Customs records and exporter's records relating to the shipments of maize in respect of which any sum is to be paid.

The motion, Your Excellency, deals with assistance to the maize industry, and it resolves that a sum not exceeding £12,500 be made available from the revenues of the Colony to guarantee, as far as possible, a minimum export price free on rail grower's station of Sh. 4/50 for maize K.2 grade, and related prices for other grades.

Hon. members will recall that in your opening address this session, Your Excellency mentioned that there were some really sound farmers who had nearly come to the end of their

resources and who needed some temporary assistance to tide them over the next difficult eight or nine months. You stated further, Sir, that after your visit to farming areas upcountry you had placed certain suggestions before the Standing Board of Economic Development, and that Board duly considered the suggestion that some assistance be given the maize industry and recommended the adoption of a measure on the lines of the motion now before the House. That was, provided the funds could be found to support the scheme without diminishing the budget surplus in the Provisional Draft Estimates.

I understand that the adoption of this motion will not unbalance the 1936 budget and that, if the findings of the Standing Finance Committee are adopted by this House, there will still be a surplus balance of £9,750 after allowing for the sum of £12,500 for assistance to the maize industry. Thus the sympathy which you expressed in your opening address is translated into action in the motion now before the House.

The position in which maize producers find themselves is an unenviable one. The crop is estimated to be nearly two million bags, just over one million European grown maize and some 900,000 native grown maize. Of this amount, it is estimated that some 700,000 bags will have to be exported. The London price of maize has fallen to as low as 16/3 per quarter, which is equivalent to the low price of Sh. 2/75 f.o.r. grower's station, and that price actually includes 70 cents for the cost of the bag. This price of Sh. 2/75 a bag is well below the average cost of production in the case of European grown maize, and it is an inadequate return for the labour expended in the case of native grown maize.

If nothing is done for the growers, a large number of European growers will be left without funds to carry on their farming operations. After the disasters of drought, and locusts, these farmers have now no reserves with which to withstand any temporary setback. Native farmers, too, are being discouraged. They think of the higher prices they used to get and of the encouragement they have been given to produce more crops. But although the contribution from the Kenya and Uganda Railways and Harbours which, I think, is equivalent to 48 cents a bag for maize exported, has improved the position of maize for export, it is not surprising that maize growers are still facing the coming selling season with grave anxiety.

The proposal before the House is a temporary expedient to deal with the present emergency. As hon. members have already been informed, efforts are being made to put the maize industry on a sounder basis with greater diversity of production. But these, of course, require time and capital. Measures of amelioration are under consideration by the Agricultural

Indebtedness Committee, by the Board of Agriculture, and in connection with the marketing of native produce. But the proposal now under consideration is designed to help the maize producer for the next few months, and no more. It is, I repeat, an exceptional emergency measure.

There are several points in connection with this motion I wish to deal briefly with.

The first refers to the amount of the guarantee, which is £12,500. This was the sum obtained by calculating what sum would be required to guarantee a price of Sh. 4/50 a bag f.o.r. grower's station for K.2 grade maize. Taking into consideration the probability of sales to special markets later in the season at slightly higher prices than those ruling in the London market at present, it was calculated that the sum required to implement the guarantee of Sh. 4/50 a bag was £12,500. In other words, it is estimated that Government's contribution will be £12,500. If prices recover, it may be less. On the other hand, although the sum of £12,500 is calculated in this way, it may prove to be too small a contribution, that is to ensure the export price of Sh. 4/50 a bag, but the contribution from the revenues of the Colony will in no case be allowed to exceed £12,500. The figure of Sh. 4/50 a bag is regarded as a reasonable minimum return to the grower, sufficiently low not to encourage increased production in the next season but it is high enough to ensure a bare return to the average farmer.

It is anticipated, Sir, that the effect of this measure on local prices is that they will be increased, with the result that the European and native growers will get a higher price for the maize for sale locally than they would without the guarantee. Local prices may not be advanced to so high as Sh. 4/50 f.o.r. grower's station, but are expected to approach that figure. Although the additional return to the native grower per bag is not likely to be as high as that to the European grower per bag, the total additional return to the native growers is estimated to be greater, because the greater proportion of native maize will be sold on the local market and the greater proportion of the European grown maize is likely to be exported.

The higher local price will have some effect on the other main agricultural industries of the Colony, such as tea, sisal, and coffee. But it has been estimated that the effect is not likely be considerable. In the case of the coffee industry, for example, about one-third of the coffee farmers grow their own maize, about one-third buy from native growers near by, and the remaining one-third buy from European growers. Coffee growers who buy maize will still be able to obtain their supplies at a low and reasonable price.

I should like to call the attention of hon. members to section 3 of the motion which says that Government can withhold payment of the guarantee until it has proved that the maize exported has been surplus to the requirements of the Colony. That was put in, Sir, merely in case of accidents, and it is believed that this proviso will not be operative.

There is no doubt in my mind that, under normal conditions, maize is a sound, economic crop in Kenya, and there are few areas in the country which are not entirely suited for maize production. Although the costs of marketing are somewhat higher in Kenya than other maize exporting countries, the yields here are on the whole higher and the costs of production lower. As a means of supplying a suitable food crop to the native population, the maize crop is, of course, essential. The main disability under which the industry suffers is low prices on the world market, which is largely caused by the assistance given to maize producers in other exporting countries. Unfortunately, Sir, there are no visible signs of any rise in world prices. The period of high prices, 1920 to 1930, was abnormal. Farmers in this country, therefore, would be unwise to bank on any rise in price.

It is obvious that farmers must take stock of their position. Some who are favourably situated and maintain consistently high yields and are near the railway and so have lower marketing costs, will be able to continue production, but those who are unfavourably situated and who are unable to produce at present prices except at very considerable loss, would be unwise to continue to rely on maize production. The assistance given under this measure, under which general taxation is called on to support the maize industry, cannot be expected to be continued from year to year, and Government has no intention of repeating the guarantee in subsequent years.

In conclusion, Sir, I should say that I consider the maize growers are fully worthy of help. The efficiency of maize growers is high, the costs of production in the European areas is very low, and it has been brought down in recent years through the increasing efficiency of the maize farmers. The native farmers are also making considerable improvement in the quality of their maize. The quality of maize exported from this country is very high, and it is the best maize that is sent to the London market. I hold, Sir, that except for the assistance that is given in other maize exporting countries maize in Kenya is a sound industry, but under the abnormal conditions that we have at present I think this motion should be supported by all members of the House. It is purely a measure that will give a breathing space to a large number of farmers.

THE HON. THE ATTORNEY GENERAL seconded.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Sir, before speaking to the motion, under Standing Rules and Orders No. 43 (xi)—which says

“No member may speak on any matter in which he has a direct pecuniary interest without disclosing the extent of that interest”—

I wish to inform this House that I am directly interested in this motion, as I am interested to the extent of between 3,000 and 4,000 bags of maize this year. Further, of course, under Standing Rule and Order No. 41, if this matter goes to a vote I am, presumably, precluded from voting.

Sir, this motion, in my opinion, should be looked on from the broadest point of view, and that point of view is that those farmers to whom the hon. the Director of Agriculture has paid a tribute for both efficiency and the manner in which they have got their costs down, should be helped to remain on the land. That is of primary importance to the whole country.

Secondly, Sir, there is this question: that unless something is done to help the maize industry at the present moment, there will be large amounts of maize produced by natives in this country which will never come on the market at all. If something is done, it will enable that amount of maize to come on the market through the better quality of maize produced by natives being able to be exported, which does mean additional money circulating in the country and benefiting not only the native producers themselves but the whole country.

I have heard it said that many of these farmers are not worth assisting, because they are incompetent. I think that argument has been refuted this morning by the hon. mover, and I was very pleased the other day to hear from the agricultural expert now in the country that he was very much impressed with the efficient methods of the maize farmers of Kenya, their knowledge, and how best to produce their crops.

It is perfectly true that the difficulty of the present situation is not a local matter for Kenya. We do produce high quality maize, we do produce a high yield per acre compared to other parts of the world, and our costs of production are low. But in the present state of the world there is an excess of production owing to the very large crops which came from the Argentine during last year and this year, while practically every country producing maize is heavily subsidised in some

way or other; the farmers are therefore able to sell their maize at a lower price, and show a profit, than we in this country are able to do.

Now, Sir, I would like to point out a few things in connection with this motion. First of all, the price of Sh. 4/50 a bag is not even up to the cost of production, which was put down by the Maize Inquiry Committee recently as standing at Sh. 4/75; I should think that probably a fairer figure would be Sh. 5 taking it all over. Secondly, it is going to benefit producers by putting a definite value on the maize they produce so that when they go to their banks or wherever they get their money from for carrying on their farms they can say "I have so many thousands or hundreds of bags of maize," and the banks will accept that as having a definite value which, under present circumstances, the maize probably has not. Thirdly, of course it will raise internal prices of maize and bring a good deal more maize actually on to the market, while of course there will be more exported from the country.

Now, Sir, all these points are of benefit to the industry as a whole, but I should like to emphasise the fact, as already pointed out, that this is only a palliative for the present time. It is not a solution of the whole question of the maize industry, nor does anybody claim it is. It is to help farmers, both European and native, who have actually got their maize grown at the present moment, and will not apply to any newly-grown crops next year.

In my opinion, the right way of dealing with the maize industry is some form of Control Board on the lines of the Wheat Control Board and, at any rate, I think the question of an export quota system must be gone into very much more thoroughly than it has so far. Those are the proper ways of dealing with the industry, but they could not be put into force in time to help the present crop. Therefore, this motion put forward by Government is the best way of helping the maize growers to carry them over this year.

Now, Sir, I think, and Government obviously think, that it is the right thing to try and help these farmers, and of course in helping one lot of farmers one must see that there is not any undue hardship brought to bear on other branches of farming, and one has to consider, therefore, how it is going to affect other industries.

The three chief industries which require maize for their labour are the coffee, sisal and tea industries. The sisal and tea industries have both supported this motion. Unfortunately the coffee industry have not seen their way to do so, but I should like to point out, Sir, that in my opinion it will affect the coffee industry very slightly, if at all. The majority

of sound coffee planters have forward contracts providing for their posho requirements for at least six months ahead and any who have done that will obviously not be affected by any rise in price which may take place. A large number produce their own maize and therefore the only ones which will be affected are those somewhat improvident planters who live from hand to mouth trusting to get their maize at the cheapest possible rates from the natives round about. They may find they have to pay the native who produces that maize a little bit more. Those who rely on getting their supplies from the European producers have had a definite offer put to them from the Kenya Farmers' Association at a very reasonable price, so that they will not be adversely affected, and the result is that the adverse effect on the coffee industry is very small indeed and will in my opinion have no material effect at all.

I am very sorry and regret very much the coffee industry have not seen their way to come into line and take the broader and longer view. Of course, one realises that at the present moment the coffee industry is suffering under the very low prices for coffee which they export and therefore have to be very careful in supporting any motion which might put up their costs in any way whatsoever.

I am very glad, Sir, that Government have seen their way to bring this motion before this House and I do trust it will be supported and carried by a very large majority.

MAJOR THE HON. G. H. RIDDELL: Your Excellency, I rise to oppose this motion and in doing so I want to make it clear at the outset that I, in common I am sure with everybody on this side of the House, am completely and entirely in agreement with the necessity, the urgent necessity of safeguarding and assisting temporarily the maize industry. I wish to make that quite clear.

To start with I myself represent a coffee district and it is my duty to put before this House the position as we coffee planters see it. Now we stand charged I think for not taking the broad view and I join issue with those people who say one should take the broad view, because the view we take is that we are quite willing to foot the bill to the extent of £12,500 *pro rata* to our position in this Colony. But what we are not prepared to do, what we are not prepared to subscribe to, is to let the maize industry put their hand in the pocket of the coffee planter over and above their share. If the maize industry require, and I think it does require, a subsidy of £12,500, let us spread that over the whole of the taxpayers of this Colony and not differentiate as between one section and another. I have figures to support that statement.

Now the facts are very clearly stated in the memorandum that the Coffee Board submitted to the Maize Growers in October last year and they are expressed in the following resolution which, with the leave of the House, I will read out:—

"While this Board is sympathetically inclined toward assisting the maize industry, it is not prepared to recommend the coffee industry to make up to the maize industry the difference in price between the export value and the cost of production.

It is, however, prepared to agree to a pool of all maize grown in Kenya and to a fixed local price for a period of years which will give the grower a reasonable profit (such as Sh. 1 per bag) over the present cost of production by European growers of maize sold in the country; and, further, this Board considers that if the Maize Inquiry Committee insists that the export trade should be subsidised, then any subsidy should, on principle, be provided by the Colony as a whole and not by the consuming interests alone."

and they go on further to say:—

"Every reserve and every resource of the coffee industry is required to-day for the proper maintenance of its plantations, and however sympathetic it may be to other producers, it is not in a position to render them financial assistance."

That was the position of the Coffee Board in October and from which they will not retract.

I believe it is acknowledged by the advocates of this motion that the effect on the coffee industry will be to raise the price they have to pay per bag of maize somewhere in the region of one shilling—other hon. members can afterwards criticize those figures. If that is so, the requirements of the coffee industry in respect of maize amount to 176,000 bags per annum and that makes the cost to the industry amount to £6,600 in a full year. Now the figures which the hon. Director of Agriculture gave us were that one-third of the maize required by the coffee industry was purchased from Europeans, one-third from the natives, and one-third was grown. Those are not the figures that have been given to me exactly. The figures given to me are that 75 per cent of the maize that is required for the coffee industry is purchased locally. Now if that is so,—I am not wading through a large series of figures—the actual cost of this motion to the coffee industry will be in the region of £3,850, and if that is so, if it is accepted, it is spread over 396 estates and therefore it is an average per capita charge of £10 per estate which is heavy. Of course those facts and figures are to be criticized.

Well now the question is whether some means cannot be found to subsidize the maize industry in such a way as not to penalize the coffee industry to this extent. The other point that the Coffee Board raise is that they are not satisfied that in fact the native maize cannot be used for their industry entirely in terms of the resolution I have already quoted. They say in their memorandum:—

"The Coffee Board further fails to be convinced by the arguments which suggest that the native maize grower would be unable to fulfil the internal requirements of the Colony."

The resolution that was passed only the other day, after examining the proposals of the hon. Director of Agriculture, was as follows:—

"That, in view of the economic condition of the coffee industry, this Board regrets that it can only agree to the proposed maize subsidy provided that the coffee industry is safeguarded from bearing any share in the resulting rise in the internal price of maize."

I imagine that would be very difficult to do but that is the standpoint of the Coffee Board and I wish people throughout the country, especially the hon. members of this Council, to realize that the standpoint of the coffee industry as a whole is not inimical to the maize growers and not out of sympathy, but it is not in a position to stand any further charges. The coffee industry has one millstone round its neck which the maize industry has not and that is, that in times of stress when the cost of production is higher than the price of the article produced, it is not possible for the coffee planter to go out of business in the same way that it is for the maize grower. The maize grower can allow his land to lie fallow. The coffee planter cannot.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Where does he get his income from?

MAJON THE HON. G. H. RIDDELL: So that is the position as I see it, Sir, and my opposition is only that of the average coffee planter represented by the Coffee Board in terms as I have put before this House.

THE HON. CONWAY HARVEY: Although I do, Sir, to some very considerable extent represent coffee planters and I do happen to be one of the oldest members of the Coffee Board, I should like to make my position perfectly clear, both in my personal capacity and in my representative capacity. In regard to this matter I do wholeheartedly support this gesture on the part of Government which I believe is amply and adequately justified by the circumstances of the case.

I must associate myself with the opening remarks of the Noble Lord in so far as Standing Rules and Orders are concerned in this matter. I should like to disclose the fact that I have a very considerable pecuniary interest myself inasmuch as I have a crop of 2,000 bags, but under Rule No. 41 I am precluded from voting on this question if a division is taken.

It is a little unfortunate that my hon. and gallant friend who spoke last suffered from the disability of a somewhat stale brief, and I would, Sir, commend to himself the desirability of getting up-to-date figures in regard to the proportionate consumption of local maize, and with respect I suggest the hon. mover was perfectly right in the figures he gave, and that my hon. friend who spoke last was incorrect and it makes all the difference in the world.

There is one other point which he omitted to mention and which is of very great importance. Until this year, never in the history of the Colony has the native maize grower grown sufficient maize to supply Kenya requirements. That is a point which is important and must be borne in mind when we consider the enormous importance of the maize industry as a basic industry and its repercussions on every industry in the Colony.

There is one other point I should like to mention now as I think it is pertinent to the debate. Many hon. members will remember that in the year 1929 when there was a shortage of maize in the Colony, coffee planters and sisal growers and other consumers were very concerned at their steadily rising costs. Government, rightly or wrongly, stepped in and did in fact fix a maximum price. Thousands of bags of maize at that time, especially in Trans Nzoia, for which Sh. 20 could have been secured, in the interests of the consumers Government decided to fix a maximum price at a figure varying from Sh. 13/50, during the first months of the year 1929. I suggest it is only right and proper that the consuming interests should now play their part and make the very trifling contribution they are asked to make in helping the maize growers tide over the next six months. In actual fact it means this, if the local price rises as much as Sh. 1 a bag, which is highly improbable, and I should say 40 or 50 cents would be nearer the mark, if it does rise Sh. 1 the actual increased cost in respect of posho to the grower would be the enormous sum of 33 cents per head of labour per month.

VRN. ARCHDEACON THE HON. G. BURNS: Your Excellency, I find myself in rather a difficult position because I am one of those who do not believe in subsidising an industry that cannot carry on by itself or at least make a great effort

to carry on by itself, and yet although that is my basic principle with regard to this matter I am going to support this measure. I am going to support it for two reasons. I am here with my colleague representing native interests. Of course I will be told, as it is customary to be told, that we are all representing native interests. Well, I hope we are, but the reason why I will give my support to this measure is because I am convinced of two things. First of all, if the crop of maize that is, I understand, a very heavy one in the country, cannot be exported and sent to any market, is to be placed on the local market, the slump in maize will be such that not only European but African growers will not get anything for their maize. That is one of the chief reasons why I support this measure. The next reason is that I have, after considering the matter very thoroughly, come to the conclusion that if the maize is exported and should prices overseas recover, although we have not been given much encouragement from the hon. Director of Agriculture in that respect this morning, but should prices in any way recover, it will also enable the internal price of maize in the Colony to rise. But this is where my difficulty comes in Your Excellency. We are told that people who employ a large number of natives and who themselves are in distress because of the low prices they are receiving for their produce—I refer to the coffee industry—cannot see their way to any extra price being paid for maize. The thing, Sir, that troubles me is this, that the Kenya Farmers' Association has made an offer to these people to supply them at a given price with all the maize they require. That is the thing, Sir, that makes me afraid that the people that I have the honour to represent will be cut out, that the price that they might get from any rise in the internal price of maize may be taken away from them. If the internal price of maize was to rise in any way, even to the extent of 50 cents per bag, I would be happier about the whole thing.

Then it has been stated that naturally the maize that would be supplied to those industries that are using posho would be the surplus of the maize of the European growers of the country and not of necessity the native maize that is grown by the natives in this country. That again, Sir, points rather to the fact that the native is going to and will have to suffer in this way. If there is a fair market and the natives get *quid pro quo* for what they are giving in this subsidy, then I shall be very happy indeed, but if it means that the Europeans are going to get their profit of Sh. 4/50 a sack or at least a price established plus 40 or 50 cents—I may be wrong and will stand correction of course—which the railway reduction in rates will bring them, and the native is not going to get anything out of this deal only what he pays, then, Sir,

I feel it will be very, very hard on the native indeed. But I do not think that will be so. I cannot imagine European maize growers in this country, who are being kept on their farms by all the taxpayers including the natives of the Colony, will allow the native to be put off his farm in time and prevented from growing the crop which he has grown for many years and I do not believe myself—I have such faith in the European farmers—that they will try to push the native out and so push him out of producing this which is practically the only thing that he has to depend upon for paying his taxes and other things.

With these remarks, although I am not very happy about it, especially as the hon. Member for Kiambu spoke as he did speak, yet I am convinced that it will be to the benefit of the whole country to subsidise the maize industry to a small extent not exceeding £12,500 and so push out of the Colony a certain amount of maize grown, whether by European producers or African producers, and so reduce the quantity that will be cast on the local market for sale to all and sundry who may need it. It is for that reason and for that reason only. I do, Sir, wish to emphasize very strongly that I am against subsidising from public funds an industry, but I believe that this is going to be for the benefit not only of the farmers who are to be thus helped, but also of the natives who I hope will have some little gain from the subsidy.

THE HON. SHAMSUDD-DEEN: Your Excellency, I am not going to begin by saying that I am against subsidising local industries and then go on to support the thing. I am going to oppose this motion for the simple reason that in my humble opinion it is uneconomical, unworkable and unjust as applied to the taxpayer in general. I must also say Your Excellency that I am not actuated by any antagonism to the industry or towards the unofficial members of this House, as was expressed the other day by an hon. member, and I wish to take this opportunity of refuting the remarks made that I said that the sooner the European farmer clears out of this country the better. I never said anything of the kind because I never had it in my mind and I hope the hon. member who said I made those remarks will find it proper to withdraw them. It is not my mentality at all. I personally think there is room enough in this country for all—natives and Europeans—and in spite of the fact that the European agriculturists have got the monopoly of agriculture, I always have every desire to give them every possible help in their enterprise, because I think that according to the circumstances they really constitute the backbone of the whole country.

Now, Your Excellency, I wish to come back to the motion itself, now that I have made that plain.

I do not know whether it has been made clear to this House that this is not the first occasion when the taxpayer has been asked to subsidise an industry. In 1929 a subsidy was granted to the maize industry and what is most important is that that industry was told that was the last occasion on which such a subsidy would be given. Now here is a proposition before this House which means that when the Government said in 1929 it was the last time any subsidy would be given to the maize industry, they did not mean what they said, and yet in the circumstances when the deals are made Your Excellency yourself has repeated that this question of subsidy will again be considered.

Taking an optimistic view of things, we will grant that it will help the European maize growers to remain on the farms. It will also help the natives by getting them larger proceeds for their maize, though that will only be an incentive to native growers to grow more, because no amount of propaganda by the district officer or anybody else will convince them that the prices they got in 1936 are only temporary, that Government only raised them by artificial help. It is impossible to make natives understand that. They will remember that instead of getting a shilling a bag in 1936 they got Sh. 4 or Sh. 5, and they will grow more, and we shall be confronted with the same problem again as to what is to be done with the surplus maize.

The whole proposition really amounts to this: that the taxpayers in general are asked, in addition to their already heavy taxation under which they labour in this Colony, to support the maize industry by bearing an additional burden. That is what it comes to. The Noble Lord tried to make it clear that it would not fall on the coffee industry, but that few farmers who were living from hand to mouth were trying to buy maize from the natives. If that is so it is a very wrong thing to do. But my submission is that this will fall on all taxpayers, on all employers of natives, whether they are directors or in private industries, or employers of domestic servants; it will fall on all taxpayers and raise the cost of living in this country.

I have not been able to understand, when we say we guarantee Sh. 4/50 a bag f.o.r., as to how it is going to be any help to the maize grower at all. The Noble Lord has told us that the cost of producing is from Sh. 4/75; that means a maize producer will be suffering a loss of 25 cents a bag. Is Government going to take over the responsibility of marketing this maize which will have been practically bought at Sh. 4/50? I suppose not. In that case, you will only encourage the maize growers to indulge in a gamble in the world's markets by sending out a certain quantity of maize

in which they are not sure what price they will get. Again I say, I do not know whether the hon. the Director of Agriculture made it clear, the shipping lines have almost unaccountably with the reduction in the railway rates, increased the shipping freights. I think Government was asked to make some representations on that matter, but I do not know what the result was. But supposing a maize grower, being encouraged by the subsidy, sends a large quantity of maize into the world markets and finds that with increased shipping freights and falling prices he has lost more than he would have done had he kept the maize in the country, it is a definite wrong and injury done to the maize grower under this stip.

My chief reason for opposing this motion is that our margin of theoretical surplus in the budget is so narrow that it does not permit of a sum of £12,500 being given for this purpose. If we had a margin of about £100,000 we could have afforded it. In the original Estimates the surplus was £1,000,000, about the amount proposed now to be given the maize growers. When the Estimates were returned by the Standing Finance Committee I understand the surplus was slightly increased. Above that it is mere theoretical surplus. As some hon. members suggested, it was "guesswork" and I think we should be aware the margin was so narrow that we cannot afford to play the game with an amount like £12,500.

It is a very doubtful indeed if this is any help or maize growers at all. At the most they will benefit to an extent of about one shilling a bag, but I doubt very much whether that will keep them in the farm. It will be like giving an almsman a few pence to buy him for a few minutes but not enough to assist a hungry man able to go to his work. It is a temporary way of no use to the party concerned.

I am the doubtful if this is not the thin end of the wedge. £12,500 really means a subsidy of a shilling a bag for about a quarter of a million bags, but I have a suspicion at the back of my mind that we shall be again confronted with another request to increase the amount, and I do not know where it will end. Of course, as far as export is concerned, I do not think it will be any help to the maize industry at all, because I do not think the maize trade comes up to the market which this subsidy is applicable to.

It has been said by the hon. the Director of Agriculture that in the future the maize industry under normal conditions is an economic proposition. I cannot understand that. A European who to compare with maize growers he is an economic very difficult problem, because the actual growing of maize in a maize field costs anything at all, if it does not

anything he does not count the cost. The maize is transported say from Limuru to this place on the back of a bibi, the cost of which is not counted at all. How on earth are Europeans to compete with natives in these circumstances? In the case of a highly specialised industry like coffee, it is forbidden the natives and is given all assistance by the Agricultural Department, yet it does not pay because the prices on the world markets have fallen. Maize, I think, is the last industry that could profitably be followed by European farmers, who have to rely on hired labour, who find there is no living to be had out of it and that the whole thing is an economic failure.

I do not think, Your Excellency, that this subsidy is going to be any help to the maize growers, nor is it a fair proposition to add to the heavy burden of taxation. This is really another form of taxation put on to the already heavy burden borne by the Asian community of this Colony.

MAJOR THE HON. SIR ROBERT SHAW: Your Excellency, I will not keep you or hon. members very long, but I find it essential to associate myself with the measure of opposition to this motion registered by my gallant friend the hon. Member representing Kiambu. It may appear to be paradoxical if I continue to say that I have always been a strong sympathiser and supporter of maize growers in this country and have strenuously fought those who say it is not an economic crop to produce; I have endeavoured from time to time in such arguments to point out what a large contribution of the Colony's wealth the production of maize is. Therefore I greatly welcome the remarks of the hon. the Director of Agriculture when he so clearly pointed out that this is the view he shares, and I hope his statement to that effect will long be remembered and will be long used, strongly used, as support for the maize industry of this Colony.

However, Sir, I notice that he describes this measure as a temporary and emergency one; it was also described by the Noble Lord as a palliative, and, of course, it is only under such conditions that such a measure could possibly be introduced by Government.

What I do find lamentable is that after five years of depression we should still be talking of palliatives and temporary and emergency measures. The hon. the mover has told us of far-reaching and sounder measures of supporting the maize industry which I hope to see put into force ere long, but still we have to find palliatives. I find it also lamentable that after all this time our thirteen million pound

on which they are not sure what price they will get. Again I say, I do not know whether the hon. the Director of Agriculture made it clear; the shipping lines have, almost simultaneously with the reduction in the railway rates, increased the shipping freights. I think Government was asked to make some representations on that matter, but I do not know what the result was. But supposing a maize grower, being encouraged by the subsidy, sends a large quantity of maize into the world markets and finds that with increased shipping freights and falling prices he has lost more than he would have done had he kept the maize in the country, it is a definite wrong and injury done to the maize grower rather than help.

My chief reason for opposing this motion is that our margin of theoretical surplus in the budget is so narrow that it does not permit of a sum of £12,500 being given for this purpose. If we had a margin of about £100,000 we could have afforded it. In the original Estimates the surplus was, I think, about the amount proposed now to be given the maize growers. When the Estimates were returned by the Standing Finance Committee I understand the surplus was slightly increased. Above that it is mere theoretical surplus. As some hon. member suggested, it was "guesstimate" not estimate, but anyhow the margin was so narrow that we cannot charge the public revenues with an amount like £12,500.

Then I am very doubtful indeed if this is any help to maize growers at all. At the most they will benefit to an extent of about one shilling a bag, but I doubt very much whether that will keep them on the farm. It will be like giving an injection to a dying man to revive him for a few minutes but not enough to assist a hungry man able to go to his work. It is a temporary way of no use to the party concerned.

I am also doubtful if this is not the thin end of the wedge. £12,500 really means a subsidy of a shilling a bag for about a quarter of a million bags, but I have a suspicion at the back of my mind that we shall be again confronted with another request to increase this amount, and I do not know where it will end. Of course, as far as export is concerned, I do not think it will be any help to the maize industry at all, because I do not think the native maize comes up to the market which the subsidy is applicable to.

It has been said by the hon. the Director of Agriculture that, in his opinion, the maize industry under normal conditions is an economic proposition. I cannot understand that. If a European tries to compete with native growers he is up against a very difficult problem, because the actual growing of maize by a native hardly costs anything at all; if it does cost

anything he does not count the cost. The maize is transported say from Limuru to this place on the back of a bibi, the cost of which is not counted at all. How on earth are Europeans to compete with natives in these circumstances? In the case of a highly specialised industry like coffee, it is forbidden the natives and is given all assistance by the Agricultural Department, yet it does not pay because the prices on the world markets have fallen. Maize, I think, is the last industry that could profitably be followed by European farmers, who have to rely on hired labour, who find there is no living to be had out of it and that the whole thing is an economic failure.

I do not think, Your Excellency, that this subsidy is going to be any help to the maize growers, nor is it a fair proposition to add to the heavy burden of taxation. This is really another form of taxation put on to the already heavy burden borne by the Asian community of this Colony.

MAJOR THE HON. SIR ROBERT SHAW: Your Excellency, I will not keep you or hon. members very long, but I find it essential to associate myself with the measure of opposition to this motion registered by my gallant friend the hon. Member representing Kiambu. It may appear to be paradoxical if I continue to say that I have always been a strong sympathiser and supporter of maize growers in this country and have strenuously fought those who say it is not an economic crop to produce; I have endeavoured from time to time in such arguments to point out what a large contribution of the Colony's wealth the production of maize is. Therefore I greatly welcome the remarks of the hon. the Director of Agriculture when he so clearly pointed out that this is the view he shares, and I hope his statement to that effect will long be remembered and will be long used, strongly used, as support for the maize industry of this Colony.

However, Sir, I notice that he describes this measure as a temporary and emergency one; it was also described by the Noble Lord as a palliative, and, of course, it is only under such conditions that such a measure could possibly be introduced by Government.

What I do find lamentable is that after five years of depression we should still be talking of palliatives and temporary and emergency measures. The hon. the mover has told us of far-reaching and sounder measures of supporting the maize industry which I hope to see put into force ere long, but still we have to find palliatives. I find it also lamentable that after all this time our thirteen million pound

transport system is unable to carry our maize to the coast at a time when we can really get some price for it. We cannot sell at a time when the market is favourable; we have to sell when it is convenient for the Railway to carry it down.

I am not so definitely opposed to a system of subsidising as the hon. and reverend member Archdeacon Burns is. I believe it may quite easily be shown in any country—and I think it has been proved in many during the recent depression—that the necessity of subsidising certain industries has unquestionably produced very great benefits, but no matter in what way we look at this I am afraid it can only be described as a measure to rob Peter to pay Paul. If this artificial price is placed on maize—and it is artificial no matter how the grower needs it, it remains artificial—it means that the internal price to the consumer will be raised and the consumer will have to contribute actually to this subsidy. It is therefore robbing Peter to pay Paul. And I happen to represent Peter here, and it is my duty to tell you that Peter objects and that I cannot support this motion unless it can be shown that in effect there will be no robbing of Peter's pocket.

Council adjourned for the usual interval.

On resuming.

THE HON. A. B. PATEL: Your Excellency, I rise to oppose this motion, and I desire in doing so to voice the feelings of those consumers who do not grow maize and those people in the country who believe that maize growing is not a sound industry; in any event, it has not so far shown any prospect of being a sound industry. I also desire to point out what the country has done heretofore in helping the maize industry.

It is a question as to how far this country can go on bearing the burden of maintaining an industry which does not show reasonable prospects of being self-supporting in the near future. It is well known that the maize industry has in the past been helped with large sums, apart from all sorts of props with which the white farming community have been supplied from time to time by Government, the maize industry especially having received assistance during the last decade. In 1923 the import duty on maize meal was increased in order to assist the maize industry at a time when, as the hon. the Director of Agriculture mentioned, the price for maize was abnormally high. Even during the time when the price for maize was abnormally high, the railway export

rate was reduced in order to help the maize industry at the expense of other users of the railway. As the hon. the mover mentioned, the prices of maize were abnormally high from 1920 to nearly the end of 1929, and in spite of that and all the assistance maize growers received in this country it is well known they were unable to build up any reserves to meet a time of depression.

In the years 1929, 1930, and 1931, Government supplied large sums of money for the maize industry, and I would like to quote some figures from a memorandum submitted by Sir Humphrey Leggett to the Joint Parliamentary Committee in 1931:—

“Coming to the latest illustration of the unfortunate position of the farming industry, the Kenya Government found it necessary, in 1930, to persuade the Railway Administration to grant a still further real subsidy to the wheat and maize industries to the extent of £53,900, part refund of Railway Export rates, and £15,500 of refunded Port storage charges, and the Government made a refund of grading and conditioning charge to the amount of £12,155. Thus in 1930 these industries received a direct cash subsidy of over £80,000, and for 1931 a sum of £108,000 has been set aside by the Kenya Treasury to be issued by way of recoverable advances, free of interest, to the maize farmers, being actually loans without security, and to be recouped at some indefinite future date by an export tax on the industry when maize reaches a price level which would have to be something like £2 per ton above current prices, and actually higher than the normal pre-war price of the article. It therefore seems doubtful whether these advances may ever prove really recoverable. One of the effects of this financial assistance is to put up the price of maize for local consumption by an amount equal to the difference between the net export value and the amount of the subsidy, and all local consumers, whether European, native, or Indian, find the working cost of feeding themselves and their labour *pro tanto* increased. This affects Government departments, plantation owners, and, in fact, all who do not grow their own supply. It has been estimated by Major Grogan in the Kenya Legislative Council, that this is equivalent to a further indirect subsidy to the maize industry, by other sections in Kenya, to the extent of £100,000, and that if this is added to the direct and indirect Government and Railway subsidies of 1929-30, it means that the maize industry will have received about £300,000 subsidization during these two years, in addition to export rail transit at below cost of carriage.”

That shows, Your Excellency, that the maize industry has not only been spoon-fed but has been assisted to an extent which has really become a burden on the whole country. Moreover, we know that, including rebates by the Railway Administration, there will be roughly £30,000 given in 1936.

Considering all these amounts, in my opinion, Your Excellency, this industry cannot in the near future become self-supporting, and it is a wrong principle to maintain any industry which has no prospect of becoming self-supporting but is likely to remain always a burden on the whole country. I have every sympathy with the maize growers, but the interests of the country must be supreme over any small section of the population and, in the interests of the whole country, and its consumers of maize, I beg to oppose this motion.

THE HON. A. C. HOYE: Your Excellency, in supporting the motion I should like, first of all to make my position clear, namely, that I am largely interested in maize, and I do not know how Standing Orders affected this motion. It has been suggested, Sir, that we who are interested in maize should be debarred from voting. I should like if Your Excellency would give a ruling on that.

Now, Sir, in supporting the motion, I feel this first of all: I am extremely glad that the motion has been introduced in this manner, because it becomes a Government measure and therefore is ensured of a safe passage through the House.

Sir, I represent a large number of maize growers and if it was not for action such as this motion proposes to take I can assure you, Sir, that a great many would be in a very desperate position, which I know you, Sir, fully realize as a result of your recent tour round the country.

Now the real issue is this, Sir: Are those people who have settled out here, who have been producing maize for some years and who have fought against every sort of economic distress during the last year or two, are they worthy of being saved, or are they not? If worthy, something has got to be done, and I believe Sir that this motion before the House, when it is passed, will give those people a very great sense of confidence and relief. I do not say for one moment that it is going to cure all their ills, but what it is going to do, it is going to give them breathing space. It is going to give them some sense of security that the crops they are about to harvest are at least going to be worth Sh. 4/50 f.o.r. grower's station for K.2 maize. It gives them definite security in dealing with financial matters with bankers as the Noble Lord has already pointed out and it certainly does give them an opportunity to consider their own individual position as to whether they are going on to grow maize or not.

I very largely agree with the remarks of the hon. member in which he said maize growing as a primary industry was not what it used to be and it is only in favoured circumstances where you have got heavily yielding land and close proximity to rail that maize growing as a primary industry could be payable, and I think, that—coming from the hon. the Director of Agriculture—should be given the widest publicity.

Now, Sir, when we talk of providing an opportunity for a change-over to mixed farming, I hope that when we get the Report of the Agricultural Indebtedness Committee that we shall get some information as regards their ideas of a change-over in farming, because it is impossible to think that we are going to get a change-over to mixed farming without finance. Finance will have to be made available somewhere and Sir I would have welcomed some indication from the hon. the Director of Agriculture in connection with the change-over, as to what his ideas are. I believe that when the question comes of changing-over from a lot of these maize areas, it will be the dairying industry that will come to the fore. I believe the Director that if the agricultural authority here, namely, the Director of Agriculture, was to get down to it, a really first class case could be put up for an application to the Colonial Development Fund for a loan for fencing and dipping and I think that would go a very long way towards getting to the change-over which is so absolutely necessary.

Sir, if it was not for this motion before the House, if action of some sort was not taken on these lines, there is no doubt whatever that there is a tremendous amount of maize being grown which would never be harvested, and if hon. members on the other side knew how maize farmers are watching this motion before the House to-day, they would realize the vast importance of it. I am sure they do. As a matter of fact this motion is being watched all over the country because it means just everything towards a great number of excellent fellows that should be saved for this Colony and if it was not for this measure it would be nothing but disaster facing them. I very strongly support the motion and I realized at once that the moment this motion came before the House there would be opposition from the coffee interests, but when you get down to it, from the figures quoted this morning by the hon. Director of Agriculture, namely, that only one-third of the total of the coffee industry requirements are really purchased through the natives; one-third, he said, was grown by the coffee farmers themselves, and one-third has been purchased from the Europeans, the price of Sh. 4/50, as has been said here this morning, does not even equal the cost of production as regards European grown maize. So really the only figure affected is the third which concerns the maize

purchased through the native growers. Surely when one realizes that that is on one side of the scale, and on the other side is the saving of a very large number of worthy colonists here, there can be no question that any one who has the real interests of the Colony at heart must support this motion.

The Hon. D. D. PURI : Your Excellency, the last speaker has said that those maize growers who have been established in this country and reduced to this plight are entitled to assistance from this House. I submit that everybody will have a feeling of sympathy for them, but the question is have they been reduced to this plight owing to any fault of Kenya or its residents, or whether they are the only people who have been reduced to this state. Knowing as we all do it is due to commodity prices in the world markets they have come to this position and every one of us members on this side of the House and even the other side have suffered owing to the depression prevailing at present. It is not the maize industry alone—it is the coffee industry, the sisal industry, and every business man, Sir, has to some extent suffered. So if the maize growers are entitled to assistance, then Your Excellency, I submit, that by every rule of the game every one of us is more or less entitled to some consideration if there is any extra money to be distributed and to be given away.

Coming to the original motion, Your Excellency, I feel it would have been much better if in the fourth line of this motion the words "native and non-native maize-growers" were deleted and substituted by the words "European maize-growers". In my opinion it is absolutely a misnomer to bring in the word "natives" in such a resolution, and at the end of this debate, Sir, I will see and perhaps the hon. the Director of Agriculture will let us know to what extent, if any, the natives will benefit by the distribution of this £12,500. It has been adduced in argument, Sir, that the native is going to benefit considerably. I admit that some of the natives who grow maize will get a bigger price, but who uses this 1,200,000 bags which will be the balance after export? We are told that the European crop will be one million bags and the natives' 900,000, out of which 700,000 are likely to be exported. Who uses these 1,200,000 bags? None of the Europeans and none of the Indians. It is the natives and as we know that the internal price of maize will be automatically increased immediately we get out of this House, as was the case when the railway rebate of £18,000 was moved for the maize industry and in the next hour there was a rise of 50 cents per bag, and to-day it will be the same. So actually few of the natives will benefit by the increase in price. For the remaining 1,200,000 bags it will be either the coffee

industry, the sisal industry or the tea industry or generally the natives who will be penalized to this amount which will go to somebody else.

Your Excellency, perhaps it is not known that even up to to-day 500 bags of maize go from Thika to Kitui where there is a sort of famine. Now those natives if they are even called upon to pay Sh. 1 extra, what will it mean to people who really live on very little, enough to keep themselves alive? And looking to the advantage of a few natives you will agree that it is a big disadvantage and even robbery. Sir, when those natives will be called upon to pay the extra price.

Another thing is that this resolution has been brought before this House at this time of the year when only four or six weeks ago people have entered into contracts to supply maize or maize meal to farmers, Government and other people, on consideration that there will be a bumper crop and no artificial increase in price. I submit that to bring such a resolution at this juncture really means that those people will not only be deprived of their legitimate profit, but they will be out of pocket when they know that what they are so supplying there is an artificial rise in the price. I ask, Your Excellency, is it just to bring such a resolution? If it was the intention of Government to do such a thing, I feel they should have given a much longer notice, say two or three months, so that people would really know that there would be an increase in the internal price of maize.

The Noble Lord, the hon. Member for Rift Valley, has said that this will put money into circulation. I may be a very poor student of economics but I really do not know how it will put money into circulation. If money was to come from outside, if there was an increase in the world market and more export, there is every reason to believe it, but this is coming out of the revenue of this country and will be paid to the Europeans and those natives as I have just said have got to find the money to pay. So actually apart from being a benefit there will not be the slightest chance of any money being put into circulation. I submit, Sir, that instead of putting money into circulation it will have a big repercussion on the local market and people who have already entered into contracts will feel that they have been cheated to a certain extent and the effect on the natives will be that they will be reduced to a certain extent. In this connection I may mention that the Department of Agriculture in its circular B.A.12 of 1933 circularized a resolution by the Tea Growers Association to the effect that in the opinion of the Association *posho* in effect forms part of the wages of the natives. Thus, if the industry has got to pay more for their maize or *posho*, the effect of that will be there will be so much less to the native

and we can all fully understand what that means. Therefore, with these remarks, I beg to oppose the motion before the House.

Lt.-Col. THE HON. J. G. KIRKWOOD: Your Excellency, in rising to speak to the Gilbertian motion before the House, following on the Gilbertian debate, it is not necessary for me to say that I support the motion. It is a Government motion and it has to go through. It is not a subsidy and it is a misuse of the English language, as I understand it, to call it such. It is a contingent liability of Government to pay £12,500 under certain conditions and I am definitely of the opinion that those conditions will never arise, that in fact Government will not be called upon to pay a penny. I think that is Government's idea as well as my own and it is really a waste of time to bring the motion before the House. It is only a palliative and only a drop in the ocean and will not help the industry. If Government are sincere, why not pass a Sale of Maize Ordinance on the same lines as the Wheat Ordinance? It has been done for one commodity—there is a precedent—why cannot it be done for another? I am perfectly certain it would be better to permit the sale of maize on those lines rather than have a subsidy such as this, but what I call a contingent liability. From the figures given by the hon. the Director of Agriculture, I understood him to say that he estimated 700,000 bags of European maize would be exported under this subsidy, I think that would work out at about 35.7 cents per bag, but does he allow in that 700,000 bags the maize being exported to Canada which does not come under the subsidy? I quite realize that it is not advisable to subsidize maize exported to Canada because if that is done they would lose the preferential tariff they get in Canada. I think the 700,000 bags can be cut down very much lower so it will be something very much less than 35 cents a bag. I do with all seriousness, Your Excellency, advise Government to get busy and consult the industry and pass a Sale of Maize Ordinance as soon as possible. As a permanent and substantial measure it gives co-operation measures and co-operative sales. It covers the whole of the maize of the Colony and if they cannot get that measure, this so-called subsidy will not help the industry whatever.

I do not want to go into details as to who will pay, but it is undoubtedly true that if the European maize growers benefit, the native benefits.

I also wish to criticize the Government on the fact that they encourage the natives through the agricultural officers in the reserves to grow maize. I would also like to ask whether it is their policy to encourage natives to increase their crops in the future and I think European producers should be

warned in that direction by Government. It is quite obvious as regards legislation that palliatives are inadvisable unless absolutely necessary. The only advantage of this measure is the fact that European producers or non-native producers—I presume the Asiatics in this Colony are very large producers of maize, they are always claiming to be farmers and want to get into the Highlands. I have no doubt they have a few hundred thousand bags they wish to export. I wish to refer, Sir, to the Kenya and Uganda Railway—I must apologize, I have lost the trend of my thought.

I wish to congratulate the Inter-Colonial Railway Council for allowing the rebate of Sh. 5 per ton on export maize for 1936. It is a very great help indeed and much appreciated by the whole of the maize industry and a much greater help than anything that Government in its wisdom has proposed to do up to now. I must however again ask the hon. the General Manager of the Railway to consider how far he can go about March in supplying trucks beyond the peak period allowed. As probably Council is aware it will be somewhere in March that the Konya farmers will wish to export maize to Canada by charter and if they cannot get trucks to load the boats at Kilindini within a reasonable time, it will mean paying storage or paying demurrage on keeping the boats at Kilindini. Probably I will be accused of abusing the generosity of the Railway Council and the General Manager but it is one of the outstanding things in the near future that will help the industry, probably more so than the subsidy. It does not pay the subsidy and it will realize a reasonable price. I think that is quite obvious and if anything can be done on the Railway side, that again will be greatly appreciated by the maize industry during 1936. The point, Sir, is that it cannot go until about March and it cannot go after June, because by that time the maize is weevil eaten and cannot be exported to Canada, and I do ask consideration for that in the very near future and if an assurance could be given this morning it would be a great help to those people who are struggling at the present time.

I probably should have said that I am also a maize producer, but as I have expressed my view that this subsidy will never operate, I have no financial interest. (Laughter.)

I would like also to draw this Council's attention to the fact that I represent the area of the chief maize producers in this Colony. They are also third on the list for increase in coffee and have been for some considerable time, but the coffee producers in the Trans Nzoia are not parasites. They grow their own maize for their own requirements, have their own market, their own labour and produce their own maize and I see no reason why the Kiambu or any other coffee

planter, if he thinks he can save money, should not produce his own maize. Otherwise he is likely to be designated a parasite living on the native producer.

The debate has been quite Gibertian this morning. Two hon. members on this side of the House took very much the same line that Government always takes towards agriculture: "We sympathize with them; we are sorry for them; we would like to assist them" but they did not tell us that they were afraid to lose votes at the next election.

I did not think, Sir, to go into a detailed academic speech on this occasion. I hope the measure is going through. To sum it up, it is a contingent liability on Government. It will probably help the non-native producers with their contingent liabilities with their banks. They will be able to budget on Sh. 4/50 l.o.r. basis, but I am definitely of opinion that Government will never be called upon to pay any of this £12,500. I have made claims and statements in this House with regard to the maize industry in the past and I make another definitely. I hope I am right for the sake of Government. We do not want subsidies and unless Government can see its way in the near future to pass an Ordinance on the same lines as the Wheat Ordinance, the maize industry is dead and the longer it keeps going the more people will go bankrupt if Government will not be honest as to what their intention is as regards maize.

I also would like any information as to Government's intention as regards helping the maize farmer to change over to mixed farming. Is there any information from the Secretary of State? I understand he has been asked with regard to the Land Bank. Also whether any announcement can be made in regard to this.

With those few remarks I do not think I need detain the House any longer.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: Your Excellency, my real excuse for intervening in the debate is that I represent the consumers, and it has been suggested that a great many of them are opposed to the motion. I, however, support it. I support it especially in view of the fact that this motion comes from Government, and it shows that since last July Government at any rate to a very large extent have changed their attitude as regards agriculturists in this country. I proposed a motion last July trying to draw attention to the absolute necessity of doing something for the various branches of farming. The motion was received, I say, with incredulity at any rate, and I am delighted to see that that point of view is now no longer held.

At the same time, I am not terribly happy at the trend of the debate, because I am rather afraid that Government may feel that having done this, it is all they need. I should like to say that had Government really had a policy to deal with the situation during the last four years, when it had ample warning that something was necessary, it would not be necessary at the last moment to rush through an emergency measure, a temporary palliative, of this kind. I hope, Sir, when we get the Report of the Agricultural Indebtedness Committee, that we shall have an opportunity in this House to again debate the whole basic situation in which the agriculturist finds himself in this country.

We are going to give a very small subsidy to a very important industry to try and help it over a short period, and we are told that this is to give time—why it should be necessary now I cannot think—to try and do something more permanent. I think that in devising ways and means of doing something more permanent we have, as the Noble Lord said, to have a long view, and in my mind our policy should be divided into three parts.

First comes the question of the reconstruction of the foundation of the individual agriculturist's position in this country, and that to my mind can only be done either by means of a bond issue or by making a large sum of money available to help that man get back again on to his own foundation. Secondly, comes the step referred to in this debate several times, after the consolidation of his position, money for the change over if he is growing a crop considered uneconomic. Unless that is coupled with the first step it is merely going to be a waste of money, because you cannot help a man to change over whose basic position is so bad that nothing can help him. Thirdly, you have got to combine both of these with an agricultural policy, a thing we have never had in this country.

We have got to make up our minds that certain areas are suitable, in spite of what has been said, for maize. We have got to do something more than find this money to help the maize grower. We have got to help him to put his industry right and, secondly, in giving money for the change over we have got to tell him what to change over to, and by this time we ought to know.

Having said that, I would only terminate by saying that I do hope Government, if things do not get better (as we hope they will), will continue the policy they have initiated to-day, and will really say "We will do all we can to help encourage the industries of this country." It is up to all industries within reason to pull together, and not to try and score a point off one another. (Hear, hear.)

THE HON. THE DIRECTOR OF AGRICULTURE: Your Excellency, every member of this House who has spoken on the motion, whether he has been in favour of it or against, has expressed his sympathy with the plight of the maize grower. I was doubtful in one case of one member, but he did, just at the end of his speech, express his sympathy with the maize growers, so that I think everybody has done that. All that this motion proposes to do to-day is to make that sympathy concrete. It is very pleasant for sympathy to be expressed, but it is much more effective if that sympathy is put in concrete form.

The hon. Member for Kiambu mentioned the attitude of certain coffee planters to this motion. I think the rough figures I gave to him were fairly accurate, and the opinion of those who have been into this question very carefully to see what effect this motion will have on the coffee industry is that it will not be considerable. It will not be anything like the contribution or guarantee which is to be given by Government or the contribution made by the Railway by means of the Sh. 5 rebate per ton. The hon. Member for Nyanza also mentioned that it was a very, very small amount per head labour per month.

The hon. and reverend member said he would be much happier if he could be assured that the native grower would benefit by the adoption of this motion. I am quite certain in my own mind that the native grower will benefit, and I would not have been in favour of this motion myself if I thought he would not benefit.

A rise of 50 cents a bag has been mentioned. I should think the average rise in price for native maize is likely to be about that figure.

The hon. member Mr. Shamsud-Deen definitely opposed the motion, and said the scheme was uneconomic, unworkable, and unjust. I do not quite follow his arguments in that connection. The scheme is perfectly easily worked. There is no difficulty in its administration. In schemes of a similar nature though not quite the same, the administration has been quite smoothly done.

The hon. Member for Ukamba also said we were robbing Peter to pay Paul. All I can say in that connection is that we are robbing Peter of very little.

The hon. member Mr. Patel quoted, I think, from the debate in 1930, when it was stated that the contribution to the maize industry was in the neighbourhood of £300,000, but I think my predecessor on that occasion gave it as his opinion that the contribution which he had worked out was between £60,000 and £70,000.

Various speakers have stated that this measure should not be supported because maize is not an economic crop. That, of course, is a matter of opinion, but I have stated, and other members have, that under normal conditions maize would be an economic industry. Where maize grows well and transport facilities exist, maize is likely to continue to be an economic industry for some time.

The hon. Member for Uasin Gishu asked whether I had any information to give in regard to the possible change over of primary maize producers to any other kind of farming. I understand that subject is receiving the consideration of the Agricultural Indebtedness Committee. My personal view is that the dairy industry must play a very large part in any schemes of reconstruction. When I say dairy industry, I am not thinking of that as a primary industry, but in co-operation or combination with other crops such as maize and coffee.

I did not quite follow the arguments of the hon. member Mr. Puri who, on the one hand, stated that this measure would not benefit native growers and, on the other hand, deplored the fact that natives of Kitale would have to pay more for their maize. I regret I could not follow his argument.

THE HON. D. D. PURI: I did not say they would not be benefited. I said they would be benefited to a certain extent.

THE HON. THE DIRECTOR OF AGRICULTURE: They might.

He also raised the question of contracts that have already been made, and there again I fail to follow his argument, because local contracts are not disturbed by this motion.

I agree with the hon. Member for Trans Nzoia that this £12,500 is not to be regarded as a subsidy: it is definitely a guarantee. The Economic Development Board, who carefully worked out what this amount should be, came to the conclusion that Government's contribution would be £12,500, and if it is not as much as that then Government will not have to pay, and the native producers will still be getting the same price, about Sh. 4/50, whether Government pays them any contribution or not.

I have been asked whether we propose to encourage the over-production of crops in the native reserves. Of course, whenever Government or anybody else encourages natives to grow more, the natives unfortunately always want to grow more food crops first. It is something that you cannot prevent. It occurs not only in Kenya but, so far as I know, in every other native country. You always have that initial stage. They very often grow too much, but all the agricultural and

administrative officers in the reserves are encouraging natives to grow other crops for sale, such as groundnuts and so on, and we hope that this stage of over-production of maize will not continue.

Several members who have spoken to this motion have expressed their dissatisfaction with the fact that this measure goes no further than it does. They are anxious for other measures of a more permanent nature to be brought into operation. What I can say in that connection is that measures are under consideration by Government and various committees. At the moment I ask hon. members to consider this measure purely on its merits. There is nothing subtle about it, and what may happen afterwards has nothing to do with this particular measure. All that this measure sets out to do is to give the maize farmers a breathing space, and they are definitely in need of assistance at the present time. We have heard of rises in the prices of other products, such as butter, sisal, and so on, but coffee, and especially maize, are still in a bad way, and it is for this reason that I ask hon. members to support this motion.

HIS EXCELLENCY: Before putting the question, it appears that some hon. members would like a ruling as to whether they are debarred from voting because they are personally pecuniarily interested in the subject matter of the motion. To my mind, the basic factor in this case is that this motion has been introduced as a matter of State policy by the Government in order to assist a great number of people in this country. It would appear to me to be absurd that an hon. member who is not only here in his own interests but is representing his constituents should be debarred from voting on this measure because he grows 10, 20, 50 or a 1,000 acres of maize. I therefore rule that hon. members are not debarred from voting, but if any hon. member has any scruples on the matter he naturally can refrain from voting.

The question was put and carried by 28 votes to 7.

Ayes.—Messrs. Bale and Bemister, Major Bransay-Edwards, Mr. Bruce, Ven. Archdeacon Burns, Major Cavendish-Bentick, Messrs. Fazan, Fitzgerald, Gardner, Harragin, Harvey, Hoey and Hosking, Lt.-Col. Kirkwood, Messrs. Logan, Montgomery and Morris, Dr. Paterson, Mr. Billing, Sir Godfrey Rhodes, Lord Francis Scott, Messrs. Sikes, Vidal, Wade, Walsh, Waters and Welby and Dr. Wilson.

Noes.—Messrs. Mangat, Patel and Puri, Major Biddell, Mr. Shamsud-Deen, Sir Robert Shaw and Dr. de Sousa.

BILLS.

FIRST READINGS.

On the motion of the hon. the Attorney General, seconded by the hon. T. D. H. Bruce, the following Bills were each read a first time:—

Traffic (Amendment) Bill.

King's African Rifles Reserve Forces (Amendment) Bill.

STANDING ORDERS SUSPENDED.

THE HON. THE COLONIAL SECRETARY moved that Standing Orders be suspended to enable the 1936 Appropriation Bill to be passed through all its stages without due notice.

THE HON. THE ATTORNEY GENERAL seconded.

The question was put and carried.

Standing Orders having been suspended.

1936 APPROPRIATION BILL.

THE HON. THE COLONIAL SECRETARY moved that the 1936 Appropriation Bill be read a first time.

THE HON. THE TREASURER seconded.

The 1936 Appropriation Bill was read a first time.

THE HON. THE COLONIAL SECRETARY: Your Excellency, I beg to move the second reading of a Bill to provide a sum of money for the services of the year ending the 31st December, 1936.

Normally, Sir, a Bill of this nature follows on the debate in this Council on the Report of the Standing Finance Committee on the budget. That debate this year has not yet taken place, but it will take place in the near future. In the meanwhile, it is necessary that this Bill should become law before the end of the year in order that funds may be available for the services of the year 1936 on the 1st of January. If, as a result of the debate on the Report of the Standing Finance Committee, any amendments to this Bill become necessary, I have Your Excellency's assurance that an amending Bill will accordingly be introduced. It is further realized that still further amendments may become necessary in the course of this year as a result of the recommendations of Sir Alan Pim.

This Bill is based on the recommendations of the Majority Report of the Standing Finance Committee which has been laid on the table this morning. It will be noticed that whereas the draft Estimates submitted to the Council contemplated a gross expenditure of £3,303,234, the Bill now before Council provides for a total of £3,318,176, that is to say, an increase of

£14,892. On the other side of the account, the Majority Report of the Standing Finance Committee recommends an increase in the Revenue Estimates from £3,312,072 to £3,327,926, an increase of £14,954. The estimated surplus remains therefore approximately the same, £9,750, instead of £9,088 as in the draft Estimates.

The main item in the increase in expenditure is the sum of £12,500 for a guarantee to the maize industry which has just been approved by this Council. The main item in the increase in revenue is an increase of £7,500 in the Customs estimates which, in view of existing conditions, the Standing Finance Committee unanimously believed to be justified.

THE HON. THE TREASURER seconded.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Your Excellency, under the circumstances which prevail owing to the fact that there has not been time to complete the debate on the Report of the Standing Finance Committee, there was no alternative but for Government to introduce a measure to enable them to spend money next year. At the same time, I think you will understand the point of view of members on this side of the House, that as we have put it in the Minority Report, recommending a lesser sum than is budgeted for in the Bill before the House, we are unable to vote in favour of the motion as it stands. I do not propose to debate any individual items, as that will naturally be done on the Report of the Standing Finance Committee.

THE HON. SHAMSUD-DEEN: Your Excellency, I have a feeling that it seems like putting the cart before the horse to pass the Bill first and discuss it at a later stage. Unless hon. members are expected to wade through the Majority and Minority Reports while the discussion is proceeding in this House, I do not think anyone has had the slightest opportunity of studying anything in these Reports. I should have thought that at least an opportunity should have been given to hon. members to go through the Report of the Standing Finance Committee. Otherwise it becomes a matter of form, that we all have to vote in favour of this, and then whether Government pleases to bring in an amending Bill afterwards or not will not be in the control of this House.

However, I have no intention of obstructing the passage of this measure, but I thought at least that one day would have been given hon. members to express their views on the Report of the Standing Finance Committee.

MAJOR F. W. CAVENDISH-BENTINCK: Your Excellency, while associating myself with the remarks of the Noble Lord I formally oppose the motion, if it is only to draw attention to the fact that it is entirely and absolutely wrong to try and

force through the deliberations of the Standing Finance Committee in a short time at the end of the year. Those on the Committee representing the unofficial community feel our responsibility is very great, but to have this responsibility in some ways belittled by an attempt being made, as was also the case last year, to rush through the deliberations of the Standing Finance Committee on the budget, is to my mind absolutely wrong and unconstitutional.

VEN. ARCHDEACON THE HON. G. BURNS: Your Excellency, I am going to vote for the passage of this Bill on the understanding and on the promise made by the hon. the Colonial Secretary on behalf of Your Excellency after the discussion that is to take place when Council next meets if there is any necessity arising after that discussion, that a Supplementary Bill will be brought in.

LIEUT.-COL. THE HON. J. G. KIRKWOOD: Your Excellency, I wish to associate myself with the remarks passed by the Hon. Member for Nairobi North and for that reason I am opposed to the motion before the House.

THE HON. THE COLONIAL SECRETARY: Your Excellency, the hon. Mr. Shamsud-Deen suggested that the Report of the Standing Finance Committee should have been allowed to remain on the table for one day to give hon. members some chance of discussing it. The point is that it has to lie on the table for four days before it can be discussed. Four days would take us into next year. Therefore Government had no alternative but to introduce the Bill either to-day or to-morrow.

The hon. Member for Nairobi North has stated that it was Government's intention to rush through this measure. Government had some reason to think that somewhere about one and a half months might be enough for the deliberations on the budget. Actually the Government was wrong. The deliberations took longer. It was a reasonable estimate and deliberations were decided after full the date of the introduction of the budget was decided after full consideration. It could of course have been taken before, but Government wished to have all the data possible in its possession as to the financial position and financial prospects and so far from being in the least repentant in taking this budget at a rather late date, I maintain Government has performed a service to the country, because, in the meantime, it has obtained fuller information as to the position and revenue, and because of that and because the Standing Finance Committee were able, by unanimous opinion, to find further revenue, we felt we were justified in spending a certain amount of more money and in providing £12,600 for the maize guarantee.

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that this Council do resolve itself into a Committee of the whole Council to consider, clause by clause, the 1936 Appropriation Bill.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

Council went into Committee.

In Committee.

THE 1936 APPROPRIATION BILL.

The Bill was considered clause by clause.

THE HON. THE ATTORNEY GENERAL moved that the 1936 Appropriation Bill be reported to Council without amendment.

The question was put and carried.

Council resumed its sitting.

HIS EXCELLENCY informed Council that the 1936 Appropriation Bill had been considered, clause by clause, in committee of the whole Council and had been reported to Council without amendment.

THIRD READING.

THE HON. THE COLONIAL SECRETARY moved that the 1936 Appropriation Bill be read a third time and passed.

THE HON. THE TREASURER seconded.

The question was put and carried.

The 1936 Appropriation Bill was read a third time and passed.

Standing Orders having been resumed.

MOTION.

REBATE ON POWER KEROSENE.

LEUT.-COL. THE HON. J. G. KIRKWOOD: Your Excellency, I rise to move the motion standing in my name:—

"Be it resolved that this Council sympathises with the agricultural producers in their protest against the increased price of power kerosene, and urges Government to consider sympathetically the granting of a rebate on power kerosene used for transport of agricultural produce."

What has brought this to a head is that many months ago the oil companies arbitrarily increased the price by 7/6 a unit and what disturbed the producers was the fact that they were made aware of certain interviews that the oil com-

panies had with Government and they did feel that Government had concurred in this increase in the price of power kerosene to agricultural producers, and it still seems to me that here is still something we have got to learn. We know definitely that interviews took place and as a result the unit price of a large drum of paraffin (40 odd gallons) was increased by 7/6. They then instituted a rebate and where they were satisfied that it was for a tractor on a farm they have dropped the increased price to the farmer on that kerosene. But at the same time when the increase was made, it was made generally on power kerosene and consequently the price against the lorry has gone up 7/6 a unit and they do not get the rebate.

I think it was very arbitrary and very disturbing to think that Government had anything to do at all with sanctioning or agreeing in any shape or form to an increased price by the oil companies. What I am asking for Sir is mentioned in the first part of my motion: "that this Council sympathises with the agricultural producers in their protest against the increased price of power kerosene." If Government are not committed to some agreement or sympathy with the oil companies in putting up the price, there can be no disagreement with Government on the first part of the motion. They have always expressed their sympathy with the producers and I presume they will do it again.

The second part "urges Government to consider sympathetically the granting of a rebate on power kerosene used for transport of agricultural produce." That, Sir, I maintain will give Government an opportunity of demonstrating practically the sympathy they so often express and do so little, and I do ask that Government will agree to this motion to give a rebate for power kerosene used wholly and solely for the transport of agricultural produce from the farm to rail the head. I cannot tell the hon. the Attorney General how it can be done. I think it can be done by rules made by the Governor in Council, but it is for Government to find the ways and means.

It was in November, 1927, that the motion was first moved for the rebate on agricultural fuel. In March, 1928, there was a further motion moved. In November, 1927, the Select Committee on the Estimates estimated a loss in revenue of £10,000 to Government. The actual losses, Sir, in 1929 were £11,300 which exceeded the estimate. In 1930 it was £11,767; in 1931, £7,468; in 1932 it dropped to £3,687; in 1933, £2,103 and in 1934, £3,382. So it is quite obvious the Government have not lost the amount of revenue they anticipated and there is still a big margin. I have no doubt the hon. Treasurer can give an approximate estimate. But

it does seem from the figures quoted that it demonstrates again the position of the agricultural producer. The rebate has dropped from £11,300 to £3,882, which means that the agricultural producer is no longer able to afford power paraffin to any extent for agricultural purposes.

There is another argument on behalf of the producer and that is the arbitrary method insisted on by Government that the returns should be made quarterly. Consequently the farmer does lose quite a deal of his rebate by not claiming in time. I have had experience of that but the Treasurer will perhaps reply to that. I remember one instance when I came to his office in which I did succeed in getting the producer a small cheque. It is I think absolutely essential in the present situation of the agricultural producer that he should get every possible consideration. It is going to mean little to Government, but a good deal to the producer if he knows that Government not only does sympathise with his position but is prepared to consider any reasonable and constructive suggestion put up to help.

With those few remarks I will simply ask Government to accept the motion in the terms in which I have put it before the House.

MAJOR THE HON. SIR ROBERT SHAW seconded.

THE HON. THE TREASURER: Your Excellency, in the first place I might say that I do not in the least know where the hon. member got the information in regard to what I presume was some confidential discussions between the oil companies and Government. As he must know Government have no control over the price of kerosene and therefore is not in a position to consent or to agree or to not agree in reducing the price. Government, as he says, is always sympathetic and sympathises with them if there is an increase in price, but Government is not empowered to fix a price.

So far as the second part of the motion is concerned, I regret that Government is unable to accede, purely for technical reasons, as it is impossible to discriminate between power kerosene which is used for transport purposes and power kerosene used for other purposes. The hon. mover obviously had in mind the transport of produce from the farm to the station, but he will of course understand that a limitation of this sort is wholly impracticable and that if the underlying principle is accepted it must be applied with discrimination and should obviously extend not only to power kerosene but also to petrol. When considered from this angle hon. members I am sure will agree that the proposal is quite impracticable as an efficient check could not possibly

be exercised over claims for rebate in respect of the duty paid on kerosene used in transport not only between farm and station but also in the reserves and throughout the country. Although a reduction in handling costs is much to be desired Government is not in a position to assist in the manner suggested for the reasons I have given.

I may say, Sir, that many years ago when I was in the service of the United Kingdom Customs, an attempt was made to give a rebate of half the duty on account of petrol used by medical practitioners in the performance of their duties. This was a much easier proposition but in fact it was very speedily dropped as it was found to be unworkable.

As regards the general question of use of power kerosene in use by transport vehicles, hon. members will remember that in motor taxation it was generally agreed that the most equitable form would be to charge a relatively low licence fee and a petrol consumption tax in order that payment should bear some relation between the amount paid and the amount of use of transport over the road system. Petrol was not taxed merely because it was petrol but because it was the motive power for transport purposes. Since then, however, power kerosene has come into the market and is now used in considerable quantities for driving motor vehicles. The total tax on kerosene is 20 cents; the total tax on petrol is 65 cents. The actual cost of kerosene being about half of that of petrol.

In these circumstances I do not think that power kerosene users have any very considerable cause for complaint, if it is remembered that in the United Kingdom and elsewhere an especially heavy licence fee is charged on motor vehicles made suitable for use of kerosene as the motive power and in addition to that in the United Kingdom if a motor vehicle is made suitable for use of power kerosene or a mixture of power kerosene and petrol, it is looked upon as an offence and the person doing so is liable to prosecution.

As I have said, Sir, Government is unable to accept the motion.

LIEUT.-COL. THE HON. J. G. KIRKWOOD: Your Excellency I must say in reply that I am very disappointed indeed and my remarks made before I sat down have been amply justified that Government give lip service to the agriculturist and when it comes to a practical proposition it is turned down.

The hon. the Treasurer has made a mountain out of a mole hill. He states that it would be difficult or impracticable to differentiate between the ordinary paraffin used on

the farm and the agricultural use in the lorry. I must say I am astounded at his suggestion that if you differentiate between paraffin in a tractor and in a lorry or in a car, why you could not differentiate between paraffin used for agricultural purposes in a lorry from the farm to the station.

THE HON. THE TREASURER: The point I tried to make was that if it is applied to transport between farm and station, it must be applied to the whole of transport of produce throughout the native reserves and the countryside.

LIEUT.-COL. THE HON. J. G. KIRKWOOD: The hon. Treasurer's remarks do not impress me at all. Under the present Ordinance to get a rebate you have got to make an affirmation before a District Officer and pay Sh. 2. You get revenue by those methods and you also, if you prove your case, get payment. The only difficulty is that Government will not assist the agricultural producer at all.

In his opening remarks the hon. the Treasurer said he did not know where I got my information from with regard to the oil companies interviews. I can only interpret that as meaning that those interviews, which I said took place, did not take place. I say definitely they did take place and it is admitted that they did have interviews with Government, but they do not go so far as to say how far Government was implicated. But they saw Government on more than one occasion and the result has been an increase in the price by 7/6 per unit to the lorry used for transport of agricultural produce from the farm to the station. It is only another concrete instance of the futility of trying to put up anything constructive at all under the present Government and all I can say, Your Excellency, is that the sooner this Government ceases to exist the better I shall be pleased and I should say every other agricultural producer in this Colony.

The question was put and lost.

BILLS.

THE HON. THE ATTORNEY GENERAL gave notice to move the second and subsequent readings of the following two Bills at a later stage of the session:—

The Traffic (Amendment) Bill,

King's African Rifles Reserve Forces (Amendment) Bill.

Council adjourned till 10 a.m. on Tuesday,
the 7th January, 1936.

TUESDAY, 7th JANUARY, 1936

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Tuesday the 7th January, 1936, His EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council in prayer.

RULING.

Re BREACH OF PRIVILEGE.

HIS EXCELLENCY: Hon. members of Legislative Council. On the 30th December I referred to a letter criticising a ruling of the President of this Council written by the hon. Captain Schwartz and published by him in the *East African Standard*.

I am now in a position to express my views on this matter and I much regret that owing to his departure for England Captain Schwartz is not present to hear them.

Before I touch upon the propriety of his action I will deal with the ruling itself. Rulings from the Chair generally have to be given forthwith and under our Standing Rules and Orders they have, at the time, to be regarded as final. This in my judgment does not debar representations being made to the President after the sitting if there is genuine doubt as to whether the ruling correctly interpreted the Standing Rules and Orders or the usages and practices of the House of Commons. I have known many such cases during the thirteen years in which I have presided over Legislative Councils, and it has been my practice in such cases, after consultation with those concerned and with my legal advisers possibly, to make a communication as soon as possible from the Chair either upholding or amending the ruling according to circumstances. In difficult cases I have even referred the matter for advice to the Home authorities.

This procedure is in accord with the established principle that "whatever matter arises concerning either House of Parliament ought to be discussed and adjudged in that House to which it relates and nowhere else." Now when I delivered my ruling on the 20th December I had no misgivings as to its correctness but when I saw Captain Schwartz's letter in the public press I decided that it would be desirable to obtain authoritative advice from home, for his statement, so hastily and so emphatically promulgated outside this Council, "that there was no doubt whatever that the ruling from the Chair was entirely wrong" could not be ignored. I have just received a cable informing me that my ruling was perfectly correct.

Hon. members are no doubt aware that this Council does not possess the powers and privileges enjoyed by the House of Commons, so no question of dealing with a breach of privilege

arises. I must therefore leave it to hon. members themselves, as jealous guardians of the rights and privileges of this honourable Council, to judge as to the propriety of Captain Schwartz's action. In my opinion it was a regrettable breach of British Parliamentary traditions.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Sir, the hon. Member for Nairobi South before he left here asked me, on his behalf, to say that if the ruling was given adversely to him, he wished to say that of course he thoroughly accepted it and wished to withdraw his letter.

HIS EXCELLENCY: Am I to presume that this is intended to be an apology?

LT.-COL. THE HON. LORD FRANCIS SCOTT: Yes, Sir.

HIS EXCELLENCY: I am very glad to hear that. That is a satisfactory ending of this matter.

MINUTES.

The minutes of the meeting of the 30th December, 1935, were confirmed.

PAPERS LAID ON THE TABLE.

The following Papers were laid on the Table:—

BY THE HON. THE ATTORNEY GENERAL:

Interim Report of the Agricultural Indebtedness Committee.

Report of the Select Committee appointed to consider and report upon the provisions of a Bill to amend the Local Government (Rating) Ordinance, 1923.

NOTICE OF MOTION.

Notice of the following motion was given:

BY THE HON. THE ATTORNEY GENERAL:

That the Minority Report of the Select Committee appointed to consider and report upon the provisions of a Bill to amend the Local Government (Rating) Ordinance, 1923, be adopted.

ORAL ANSWERS TO QUESTIONS.

MOMBASA WATER SUPPLY.

No. 79.—**BY THE HON. A. B. PATEL:**

"Will the Government please inform this House—

- (a) the average annual expenditure and the average annual receipts of the Mombasa Water Supply during the last three years (1932, 1933, 1934);

- (b) the present reasonable value of the assets of the Mombasa Water Supply;
- (c) the average quantity of water thrown away per week;
- (d) is the Government aware that the Zanzibar authorities are able to supply water to ships at a cheaper rate than Mombasa, in spite of the fact that water at Zanzibar is carried from the shore to ships in dhows while at Mombasa the water can be and is supplied to ships directly from the pipeline and in spite of the fact that in Mombasa surplus water is thrown away into the sea;
- (e) the rate at which water is supplied to residents in Mombasa;
- (f) the rate at which water is supplied to shipping?"

THE HON. THE DIRECTOR OF PUBLIC WORKS:

(a)		Receipts	Expenditure
1932	...	£31,421	£7,037
1933	...	£33,999	£7,432
1934	...	£36,053	£7,623

The expenditure figures do not include overheads, and interest on, and redemption of, capital; nor have contributions been made from profits to the Renewals Fund since 1932.

(b) This matter is at present under consideration by Government. No valuation of the assets has been undertaken since February, 1934.

(c) A record of the overflow at the Service Reservoir and water used for cleansing the mains and other works is not available.

(d) The charge made by the Kenya and Uganda Railways and Harbours to the shipping companies is Sh. 3 per ton. The rate at present charged at Zanzibar is (from a telegram received from the Director of Public Works, Zanzibar) Rupees 2 (or Sh. 3) per ton. The charges are therefore identical at both places.

(e) Sh. 3 per thousand gallons.

(f) The rate charged by the Mombasa Water Authority to the Kenya and Uganda Railways and Harbours for water for supply to shipping is Sh. 6 per thousand gallons and by the Kenya and Uganda Railways and Harbours to the shipping companies Sh. 3 per ton (equal to Sh. 13/39 per thousand gallons).

BILL.**SECOND READING.****TRAFFIC (AMENDMENT) BILL.**

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move the second reading of a Bill to amend the Traffic Ordinance, 1928.

Hon. members are well aware that this Bill came into being as the result of a motion which was moved by the hon. Member for Nairobi South, and accepted by Government thereby necessitating this amending legislation.

The sole effect of this amendment is to permit owners of motor vehicles to take out licences monthly if they so desire instead of yearly, half-yearly or quarterly. It has not been possible to make the right absolute as it would have been quite impossible from a practical point of view to have done it. It has therefore been made discretionary for the licensing officer to issue a monthly licence when he thinks fit, and I trust that he will always see fit to issue a monthly licence in the circumstances set out by the hon. Member for Nairobi South when speaking to the motion.

The reason why this Bill is being rushed through at this moment is because, as you all know, the year has started and it is necessary to get the necessary licences out and it must be done at once in order that the licences may be printed and sent out to the out-lying offices.

I beg to move.

THE HON. THE TREASURER seconded.

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that this Council do resolve itself into a Committee of the whole Council to consider clause by clause, the Traffic (Amendment) Bill.

THE HON. T. D. H. BAUCH seconded.

The question was put and carried.

Council went into Committee.

*In Committee.***THE TRAFFIC (AMENDMENT) BILL.**

The Bill was considered clause by clause.

Clause 1—
Short title.

THE HON. THE ATTORNEY GENERAL moved that Clause 1 be amended by the deletion of the figures "1935" which occur in the second line thereof and the substitution thereof of the figures "1936".

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that the Traffic (Amendment) Bill be reported to Council with amendment.

The question was put and carried.

Council resumed its sitting.

HIS EXCELLENCY informed Council that the Traffic (Amendment) Bill had been considered clause by clause in committee of the whole Council and had been reported to Council with amendment.

THE HON. THE ATTORNEY GENERAL moved that the Traffic (Amendment) Bill be read a third time and passed.

THE HON. THE TREASURER seconded.

The question was put and carried.

The Traffic (Amendment) Bill was read a third time and passed.

MOTION.**PROVISIONAL DRAFT ESTIMATES, 1936.**

THE HON. THE COLONIAL SECRETARY: Your Excellency, I beg to move the motion standing in my name:

"That the Majority Report of the Standing Finance Committee on the Provisional Draft Estimates of Revenue and Expenditure for the year 1936 be adopted."

As the main principles of this Budget were exhaustively debated in this House on the motion to refer the Provisional Draft Estimates to the Standing Finance Committee, I do not propose, in dealing with the Majority Report, to add a great deal to what is contained in the printed report of the Standing Finance Committee. The Majority Report has recommended a few changes in detail but none in principle, if I may except one important item of expenditure, namely, a sum of £13,500 to guarantee the price of maize. To this I shall refer later.

On the Revenue side the Majority Report recommends an increase of £14,954 over that visualised in the Draft Estimates. The largest item in this increase is a £7,500 increase in the estimates of Customs revenue. Information which has now become available since the Estimates were drafted points to the probability of the Customs revenue for 1935 reaching a sum of something over £690,000, or about £60,000 more than the Sanctioned Estimates for the year. In these circumstances, the figure of £639,000, which now appears in the Estimates, may seem to be unduly moderate. In the event, it may well prove to be so, but as is stated in the Committee's Report there are a number of factors in the situation which are still uncertain, and in the present state of our surplus balances

it is just as necessary now as it was last year to estimate on a conservative basis. The Committee was unanimous in believing that an increase of £7,500 over the draft estimate is warranted but, in view of all the circumstances, did not consider it safe to estimate for more.

Under head II—Licences, Duties, and Taxes—the Committee recommend an increase of £1,000 in the revenue to be derived from the petrol tax and an increase of £500 in that to be derived from the entertainment tax.

Head IV—Posts and Telegraphs—has been increased by £1,000 in the light of information supplied to the Committee by the Postmaster General.

Head V—Earnings of Government Departments—shows an increase of £4,000, accounted for as to £1,000 by an increase under "Prison Industries", which is justified in the light of actual revenue in 1935; as to £500 by increased revenue anticipated to accrue from the Printing Department; and as to £2,500 by revenue from the Coast ferries, to which reference is made in paragraph 24 of the Majority Report, and which is counterbalanced by a corresponding increase on the expenditure side.

I now turn to the Expenditure Estimates.

The Committee have recommended a net increase in gross expenditure amounting to £14,892 which, taken in conjunction with the additional revenue recommended, provides for a surplus on the working of the Budget of £9,750, as compared with £9,688 in the Draft Estimates.

Under Head IIIA—Agricultural Department Extraordinary—the Committee, with one dissentient, recommend an increase of £12,500 for the provision of a guaranteed price for maize exported from the Colony. As this expenditure was approved by Resolution of this Council a few days ago, it is unnecessary for me now to explain the reasons for this recommendation.

Under Head VIII—Education Department—there is an increase of £1,000 on account of grants-in-aid paid in respect of Indian education. The necessity for this increase is explained in the printed Report.

Under Head XVI, Item 4, it will be noted that the Committee rejected a proposal to include provision for anti-malarial services in Nairobi. I understand from my hon. friend the Director of Medical Services that possibly the Committee did not fully appreciate the great importance of the proposed measure to the health of residents in Nairobi and visitors to Nairobi. I understand also that the Municipal

authorities are anxious for this provision to be made and, in any case, we have a rather Gilbertian situation; that half the necessary cost is already provided in the Municipal estimates, while the other half, which should be supplied by Government, does not occur in the Colony's estimates. If the Municipal authorities, or the hon. the Commissioner for Local Government on their behalf, wish to pursue the matter further, I will undertake that it will be placed on the agenda of the Standing Finance Committee for the next meeting for reconsideration. If on reconsideration the Committee is persuaded to reverse its previous decision, the necessary provision can be made, with Your Excellency's sanction, by way of a special warrant.

Under Head XVII—Medical Department Extraordinary—the majority of the Committee recommend the provision of £1,500, being Government's share of the cost of the construction of a cottage hospital at Kitale, as explained in paragraphs 82 to 84 of the Report. At the time when this matter was discussed in Committee, our evidence was that the money would be required during 1936 and the Committee unanimously agreed that Government was under an obligation to provide it. It would appear from the Minority Report that information which has become available since the Majority Report became available tends to show that this expenditure may not be necessary during this year. If that is the case, Sir, then the money will be saved so far as this year's expenditure is concerned, but it will only be postponed.

Under Head XVIII, Military, I think that I ought to refer to paragraph 86 of the Majority Report, in which it is recommended that a committee should inquire into the needs of the Kenya Defence Force. In view of the fact that the functions and needs of the Defence Force and its place in the general scheme of the defence of the country are at the moment engaging the attention of the Imperial authorities, and as I understand Your Excellency is expecting to receive instructions from these authorities in the not far distant future, it will be inadvisable to come to any decision as to the appointment of any such committee or as to its terms of reference if appointed, pending the receipt of those instructions. I thought, Sir, I should make that plain as I am moving the adoption of the Majority Report without amendment.

Under Head XXII—Public Works Department—we recommend certain reductions in consequence of the decision whereby main trunk roads in certain areas will be maintained by District Councils on a contract basis. European Elected Members go further, and recommend that certain savings be effected by the establishment of a Local Authority at Kitale and an extension of the system of District Councils. The

Committee unanimously agreed with those reductions and trusts that in due course they will eventuate; we hope that the greater part of the savings contemplated may accrue during 1936, but they cannot be reflected in the Estimates because as yet no Local Authority has been established at Kitale and because negotiations for the extension of District Council areas have not yet reached finality.

Under Head XXVIII—Public Works Recurrent—the only item to which I need refer is an increase of £2,500, balanced by a corresponding increase on the revenue side on account of the Coast ferries. As explained in paragraph 23 of the Majority Report, the position is that Government has agreed to take over those two ferries, Likoni and Mtongwe, with effect from the beginning of the year. That is to say, Government has agreed to take them over temporarily, and their future is still uncertain; it is under consideration. The main point to which I wish to draw attention is that freeing the ferries, as explained in the Majority Report, will be a costly business, if indeed the freeing of the ferries is ever agreed to.

Turning to Head XXXV—Colonial Development Fund—since the Estimates were first drafted His Majesty's Treasury has sanctioned certain loans for the purpose of replacing wooden telegraph poles along 260 miles of routes by iron poles and for the provision of trunk telephone facilities in certain areas. The proposals are explained in paragraph 125 of the Majority Report, and in paragraph 126 it is stated that the Imperial Government has agreed to a loan of the total sum asked for for the trunk telephone facilities. It is anticipated that expenditure amounting to £6,350 will be incurred on this account during 1936 and, in consequence, this sum is added to both sides of the Budget, because loans from the Colonial Development Fund are credited to revenue and voted as expenditure. A loan of half the amount required for the replacement of the wooden telegraph poles has also been approved, and as it is expected to spend £3,000 on this work during 1936 there is a net increase in the Budget of £1,500. Government is advised that this expenditure is inevitable, that the wooden poles require early replacement, and that the facilities enjoyed by the public will be adversely impaired if this provision is not made.

The provision for a bridge over the Tana River between Embu and Kitui has been recognised unanimously by the Committee to be necessary. But it is considered that, in view of the fact that the bridge will facilitate the administration of an area recommended by the Carter Commission to be handed over to the Kikuyu native reserve, the financial provision is a fit and proper charge against the Parliamentary grant of £50,000, always provided it is recognised that, should

that sum prove insufficient to give effect to the recommendations of the Commission, it will have to be supplemented from Government resources.

The Committee recommend the approval of the loan expenditure set out in Appendix P with certain additions consequential on a resolution recently approved by this House.

I now come to the Minority Report.

That Report differs from the Majority Report mainly in recommending a reduction in taxation amounting to £30,100, and sundry reductions in expenditure which, taken together, would result in an estimated surplus of £13,561.

On the taxation issue, I feel that it would be waste of time for me to add anything to what has been said already, but the suggested economies in expenditure appear to call for some comment, and I propose to refer briefly to some of the more important of those proposals and to give reasons why Government could not see its way to adopting them.

Under Head II—Administration—a reduction of £500 is recommended in Item 25, African Tropical Services Course. The figure appearing in the Estimates, £3,250, is to provide for the cost of those at present undergoing the course who will come out here next August, and for those who may be appointed next October and will come out here in August, 1937. Under existing Colonial Office arrangements, no reduction in this item is possible.

There is also a recommendation that by co-ordination of Native Labour and Registration activities, a saving of £1,000 might be effected. Whether or not the amalgamation of these services in any way is desirable is a matter of doubt; it is also a matter of some doubt if £1,000 could well be saved if they were amalgamated. In any case, this is a question which is engaging the attention of Sir Alan Pim, and pending his report Government has decided to continue the existing system.

Reductions are also recommended in the provision appearing for Chiefs and Headmen and Hut Counters. The argument for reduction in expenditure here is that delegation of tax-collecting activities by district officers to chiefs and headmen should not lead to increased expenditure. I think hon. members, however, will agree that if illiterate chiefs or headmen are entrusted with the task of collecting tax it is quite essential they should have clerks who can read and write to help them. If they are not provided with such clerks, chaos is inevitable. Although there is, on the face of it, an

increase in expenditure, as a matter of fact that increase is more than counterbalanced by increased efficiency—which ultimately means increased revenue—because the collection of tax by chiefs and headmen will give district commissioners and district officers more time to devote to their other duties. And I have often heard it said by hon. members opposite—and said with a great measure of truth—that the time of district officers is too much taken up with the collection of native hut and poll tax which, after all, is a mechanical process, to the detriment of their work of expansion and development which, of course, means additional revenue to the Colony.

Under Head III—Agricultural Department—a saving of £5,435 is recommended. On this point I have little to add to what is said in paragraph 38 of the Majority Report. We all hope that some economies may be found in this Department by way of reorganisation without loss of essential services, but the Majority agreed that with Sir Alan Pim and Mr. Milligan in this country it would be folly to embark on any drastic reorganisation (which, for all we know, might have very far reaching results) until we had had the benefit of their advice.

Under Head IV—Audit Department—the Minority of the Committee recommend reductions amounting to £732. As stated in the Majority Report, in view of Sir Alan Pim's investigation the organisation of this Department was not even discussed by the Standing Finance Committee, and I do not see how any reduction in expenditure can be reflected in these Estimates until Sir Alan's Report is received.

Under Head V—Coast Agency—The Minority Report recommends a reduction of £231, on the ground that evidence was received to the effect that some economy was possible in this Department. I think, Sir, that that is not quite a correct statement of fact and indicates there was some misunderstanding at the time. The information which the Committee received is recorded in paragraph 46 of the Majority Report, which was endorsed by all as a correct record of the proceedings of the Committee. This paragraph states as follows:—

"While the Commissioner of Customs was not prepared to recommend any reduction in the expenditure of the Coast Agency, he thought that the existing staff might possibly undertake some additional work. There might, in his opinion, be some duplication of work between the Agency and other Departments, such as the Public Works Department, operating in the Coast Province. He had instructed the Coast Agent to go into the question in detail."

This evidence does not envisage any reduction in expenditure on the Coast Agency. In fact, the exact contrary was

clearly stated. But it is suggested that there is a possibility that the Agency might undertake additional work, which will lead to economy elsewhere. This matter will be pursued.

Under Head VIII—Education—the minority said in their Report that they—

"are a little alarmed at the argument put forward in paragraph 57 of the Majority Report, which (in their opinion) would seem to agree to a proviso that Government is forced to provide educational facilities for every Indian child, whether they can afford to do so or not;"

and advises that the increase of £1,000 recommended by the majority over the £7,000 appearing in the draft Estimates should be limited to an increase of £500. On this point I have little to add to what is said in paragraph 57 of the Majority Report, except to point out that the figure of £8,000 is based on present attendances and that, under the Indian Education Tax, the estimated revenue—Head II, Item 10—shows an increase of £2,500 on the 1935 figures.

As regards the Forest Department, the view taken by the European Elected Members is that with the sum of £20,000 the activities of the Department can be adequately maintained, and even increased. We were unable to agree with this view, and we feel that the expenditure estimates of the Department were completely justified by the hon. the Conservator of Forests in his speech on the occasion of the main debate on the draft Estimates.

Under Head XVI—Local Government Contributions—the minority recommend a reduction of £600 on the basic road grants, based on the proposal to amalgamate the Nakuru and Naivasha District Councils, plus a further reduction of 1 per cent on the balance. As regards the £600, I would invite the attention of hon. members to paragraphs 107 and 110 of the Majority Report, from which it will be seen that Government agrees with this reduction, but as the two District Councils have in point of fact not yet been amalgamated it is not possible to incorporate it in the Provisional Estimates. The proposal for the reduction of 1 per cent in the remainder of the basic road grants leads me to the general question of expenditure on the Colony's roads.

The European Elected Members recommend a reduction of 1 per cent in the basic road grants and 2 per cent in the expenditure on roads by the Public Works Department. Here there is a genuine difference of opinion between the majority and the minority of the Committee. The views of the former are expressed in paragraph 115 of this Report and to that there is nothing I can usefully add.

The European Elected Members recommend a reduction of £1,072 in the expenditure on the Medical Department. I do not think there is anything I can usefully add to the speech made by the hon. the Director of Medical Services during the main budget debate. Government is convinced that the expenditure of this Department cannot be further reduced without a definite curtailment of medical services, and we believe that not only would it be unwise further to reduce such services but are afraid that some increase in the expenditure of this Department in the near future will be rendered inevitable by reason of the rapid increase in the number of natives who demand and who must receive medical attention.

I now come to Head XX—Miscellaneous Services—under which a reduction of £21,354 is recommended by way of the abolition of the branch line guarantees. This reduction amounts to about 76 per cent of the total net reductions recommended in the Minority Report. If this reduction cannot be effected the surplus of £13,551 would become a deficit of £7,803, and I think it is generally admitted that we must budget for a surplus. If this is admitted, then the acceptance or rejection of the budget proposed in the Minority Report is dependent on this particular item.

The obligation to meet this expenditure was explained by my hon. friend the Treasurer in the main debate on the Estimates and is also explained at some length on page 29 of the Memorandum on the Draft Provisional Estimates. The simple fact is, that this obligation was incurred by Government in accordance with its accepted policy and was confirmed by resolution of this Council passed without a dissentient voice.

The expenditure now under consideration consists of £9,552 in respect of the Thomson's Falls Branch and £11,803 in respect of Kisumu-Yala and Yala-Butere Branches. In each case the resolution approving the construction of the branches contains the following:—

"That this Council approves the annual payment by the Colony to the High Commissioner for Transport of an amount equal to the losses for the year on the working of the branch line, provided that no such annual payment shall exceed the amount of the loan interest and redemption charges on the capital cost of the branch line."

Now, Sir, there can be no question of the Council being under any misapprehension as to what those resolutions entailed. In speaking to the motion on the Thomson's Falls railway, the General Manager (Sir Christian Felling) said:—

"The estimated cost of the line is £265,000. The revenue and expenditure figures, which have been based on the economic survey, show that the line will probably

show a loss in the first year of working of £32,000; in the fifth year of working of £20,000, and in the fifteenth year of working of £9,000. What the Railway Council are asking Government to guarantee, however, is not the total loss but merely the loan charges, so that the guarantee of the Government will be limited to £15,900 per annum. The reason for that is that the Railway Council consider that the line should be built and they are prepared to take the risk in regard to the balance of the probable loss. I want to make it clear, as I have always made it clear, that African experience generally shows that these branch lines take a very long time to become payable, but that is no reason why they should not be built; they are necessary for development purposes, and the responsibility of the non-paying side must be shouldered at all rate for some time if such lines are to be built at all."

In the same debate the late Lord Delamere said:—

"Following out the policy of this country and of other countries involved in the Railway Agreement, that when the Railway Council thinks that a branch line in one of these three countries—I suppose it is three—two at any rate—is not likely to pay for some time, when they do not think they can burden the finances of the Railway with that line altogether—because the Railway after all is a service of two Colonies and not of one—they say that that particular Colony shall pay to the Railway in this case just the interest and sinking fund and in some cases where there is likely to be a heavy loss, part or the whole of the loss on the running as well. I think that is a very good idea and greatly to the benefit of this country in many ways, because after all we have done most of our Railway building whilst the other people have still got theirs to do, and it is possible that after one main line has gone through their country they will want to build branch lines, and I think that it is a very good plan to make the country partly responsible for finding the money because it will make people most careful in this policy."

It is quite clear, therefore, that this Council, when accepting the liability, knew that it was accepting a liability that would in all probability last at least fifteen years and would be as much as £15,900 per annum. The line was opened on the 1st of September, 1929, so has now been running for a little more than six years, and the expenditure to be met by Government is not £15,900 per annum but £9,552 per annum.

As to the Kisumu-Yala and Yala-Butere branches, the General Manager said in the course of the debate on the motion approving the construction:—

"According to the economic survey the line should pay for itself in ten years. My own personal opinion is that the line will pay for itself before that."

It is clear, therefore, that this Council knew that the line might continue to be a liability on the Colony for ten years, though there was some hope that the period might not be quite so long. The line as far as Yala was opened on the 1st November, 1930, so has now been in operation for rather more than five years, and was carried on to Butere on the 1st of January, 1932, so that that part has been in operation for four years.

The minority say that the position has become utterly anomalous. I do not know what has happened to create that anomaly, nor do I understand how it is that what was unanimously decided to be a good idea and a good plan in 1927 has become unreasonable in 1936. I cannot see on what grounds Government can ask release from obligations which have not yet run half their anticipated course.

The existence of these obligations is indeed admitted by the signatories of the Minority Report, for on page 29 of the printed Report they say:

"We have to admit that owing to arrangements made in the past the Government of Kenya is liable to the Railway for interest and sinking fund on the capital cost of these branch lines."

They then proceed to what amounts to an expression of a pious hope that somehow or other this liability may be cancelled. What prospect there is of Railway Council advising Your Excellency as High Commissioner that the Railway Administration should forego this legitimate revenue, or what prospect there is of Your Excellency as High Commissioner accepting such advice if it were proffered, I do not know, but however good the prospect may seem I do not see how it can be reflected in these Estimates until it has ceased to be a prospect and has become a fact. Expenditure Estimates cannot be based on a pious hope that at some time or other, in some way or other, Government may be relieved of a liability incurred by its own volition, in accordance with its own policy, and ratified by its own decrees, with its eyes open to all its implications. I submit that the impracticability of embodying this suggested economy in the 1936 budget is self-evident, and that, therefore the impossibility of adopting the budget recommended by the minority must be apparent to all who are willing to face and to accept facts.

In addition to the Minority Report, there is a Note of Dissent by the hon. Mr. Patel. This Note of Dissent includes suggested modifications in our revenue system. All I have to

say on that point is that Sir Alan Pim has come out here to investigate the cost of Government and the means proper to meet that cost, and I feel and Government feels it would be imprudent of Government to make any drastic alterations in our present system pending his Report.

On the expenditure side, Mr. Patel has suggested in particular economies in the Medical service. On this point I can only refer him to what was said by my hon. friend the Director of Medical Services in the main debate on the Estimates. I do not think there is anything I can usefully add to what was said then.

The hon. member Mr. Patel also suggested that economies might be effected in junior and clerical posts by appointing officers of a less expensive type. That also is a matter which no doubt is engaging the attention of the Special Commissioner and I have nothing to say on this point at the present moment.

In conclusion, Your Excellency, I submit that no practicable alternative has been suggested to the budget recommended in the Majority Report, and I therefore beg to move that the Majority Report be adopted.

THE HON. THE TREASURER seconded.

Council adjourned for the usual interval.

On resuming.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Sir, we have now reached one further stage in this controversy which has gone on for so long, and once more, Sir, it falls to my lot to put forward and explain the unofficial point of view.

Our contention has been consistently maintained, that the cost of Government is very much higher than the country can afford and so necessitates unnecessary taxation which, in its turn, prevents further adequate development. Low taxation is evidence of good government. To keep taxation low expenditure must also be kept low. We contend, Sir, that Government has never really faced this question wholeheartedly, with the consequence that while neighbouring territories this year have been able to remit taxation here in Kenya taxes put on to help during an emergency are still kept on, in spite of our strong opposition.

Last year we demanded a reduction of at least £100,000 in expenditure, so as to get some corresponding relief in taxation. You, Sir, appointed a committee which reported in due course and showed substantial savings amounting to over

£130,000. But its Report has not been fully implemented, and here we are, faced once more with very much the same situation as last year, except that, according to the hon. the Colonial Secretary, Government have implemented about £56,000 worth of those recommendations, not including a *contra* account the other side, while we were told this time last year that it was quite impossible to find any further reductions at all. So I submit that our attitude of insisting on further reductions being found has not been completely without value. If we had not done that last year, the Colony to-day would be in a worse position by £56,000 than it is now.

More important, perhaps, even than that has been the fact that Government have this year at last recognized the plight of the farmers and have taken two definite steps to assist them. I refer, of course, to the maize guarantee, which is reflected in this Report, and to the recommendations of the Agricultural Indebtedness Committee which is laid on the table to-day. I will refer to these again later on.

There is a further complicating factor that at the present moment Sir Alan Pim is out here investigating the whole question of expenditure which, of course, was the consequence of a demand from the unofficial community. We all welcome him here and have great hopes that his Report may result in some really material economies. At the same time, we cannot accept the position taken up by Government that they can avoid bringing in any necessary economies merely by sheltering themselves behind Sir Alan Pim. We maintain that it is their duty, quite irrespective of what Sir Alan Pim may report, to effect all possible economies and so to bring the budget down to such a figure as will enable relief in taxation to be afforded, as well as putting the cash position of the Colony once more on a sound basis. We maintain that this is definitely Government's business and that steps should be taken towards this end early in the year and not left until the eleventh hour.

As, however, Government have failed to do this we felt it our duty to put in our Minority Report, indicating some of the lines on which we consider this could be done and so enable this temporary taxation to be taken off and yet leaving a balance credit rather larger than that proposed by Government. At the same time, I should like to emphasise that our Minority Report has not covered nearly all the ground, as we have made merely a reference to some of the major issues without putting forward any concrete recommendations; because on these particular issues we consider that it is part of the business of Sir Alan Pim. It is impossible for us unofficials to penetrate the official obstruction in some of these matters, but we do hope that an independent person such as the Special Commissioner will be able to do this.

Now, Sir, there is one big matter, an urgent question, which we have referred to in our Report without making any great recommendation about it, and that is the question of the loans. I personally am convinced that if there was a real will to do so a conversion scheme could be effected. (Hear, hear.) Recently I have heard from experienced people who have taken an interest in this question in London, that in their opinion the Colonial Office have not taken every step possible to bring this about.

When you consider that the first of these loans, the most onerous, has only ten years to run, that the majority of the shareholders in that loan are public concerns such as insurance companies, banks, corporations, etc., and that those sort of concerns do like to have their money invested in good security investments extending over a long term of years, and especially when the capital account shows an increase, I do believe—and this is not my personal opinion only but that of more experienced people than myself who do know something about these financial matters—it is possible to devise terms which would be of benefit to this country and would be acceptable to a large proportion of those shareholders.

Well, Sir, nothing has been done, and I feel that the Government of Kenya have failed to make themselves a sufficiently persistent nuisance in this matter which it should have done if it really wanted to get something done at the other end of the line, in London. I think we all know that the only way which ever stirs up the gentlemen at the other end is by making one's self such a nuisance that they do something at any rate to try and keep one quiet, and I suggest that in this case it is just as much in Government's interest as it is in the interest of unofficials.

Furthermore, we have refrained in our Minority Report from making any recommendations on the subjects of the salary scales or terms of service, as that again we feel is a matter for Sir Alan Pim. We have expressed our views often enough, and now he is here we trust he will make some practical recommendations on these lines.

It will therefore be seen that there is still a lot of ground left where savings can be made, especially with regard to these major issues,

I shall now turn for a moment to some of the points made by the hon. the Colonial Secretary.

First of all, there is the question, a small one perhaps, of these anti-malarial measures in Nairobi. The employment of a person for chasing mosquitoes is not in itself a big matter, but there is a matter of principle because it was referred to by my hon. friend the mover. That is, that because a sum

of money appears in the Municipal estimates therefore Government should be committed to their equal share. The hon. member did not state that that was necessarily so, but he said it was a Gilbertain situation that it should happen; but I wish to make this point: that as Government are committed to 50 per cent of the expenditure they should not have their hands forced by finding that the Municipality have already voted the money so that Government have to pay up their share as well.

With regard to the cottage hospital at Kitale, I am informed definitely by the hon. member for that constituency that they do not require this money in 1938. What they do require is an admission by Government of their liability and that, Sir, Government have agreed to and have admitted. We have therefore recommended in the Minority Report a token vote of £100 for 1938 but, as the hon. mover said, the full amount will be required in 1937.

Now, Sir, I want to come once more to this question of the cadets.

It was stated that the money for this Tropical Services course would be required for the cadets coming out next August, and for a further batch starting next October. Many of us, on both sides of the House, believe that a more effective course would be if these cadets were brought out here for the year instead of spending it at Oxford or Cambridge. They would then get more practical experience and it would cost the country less, and there are many other advantages of all sorts. I urge that Government go into this question further. We suffer, in my opinion, from being tied up by what is laid down by Colonial Office or the unified African service and all those sort of things, and I once more wish to emphasise the protest made on many occasions by me that many of these cadets coming out this year do not belong to this country, whereas one knows there are young men here who are thoroughly fitted for such jobs. One of them arrived in this country only two days ago, having taken a very good degree, a second in honours at Oxford I think it was, with an alpha plus in Colonial history. He was not able to get into the Administration, but he has come back to Kenya, and hopes to get into some other part of Government service, the Police or something like that. A young man like that who has fulfilled all the necessary qualifications, done all that was necessary to be an administrative officer, brought up in the country as a boy, talks the language, understands the natives, and yet cannot enter—I submit there is something radically wrong if a body like that cannot get a job in preference to others who have no previous connection with this Colony at all. (Hear, hear.)

There is one other matter, Sir, which I daresay will arouse the anger of some of my hon. Indian friends, and that is the question of Indian education. I think it will be seen from the Minority Report that we are not taking an anti-apathetical attitude on this subject. We have definitely recommended an increase of £500 on last year when in the Economy Committee's Report the hon. the Director of Education asked only for £1,000. But we consider there must be some limit in this respect and that, as stated in our Report, we cannot extend this to any extent possible, irrespective of the capacity of the country to pay for it.

I understand that on this year's figures the expenditure on Indian education will be over £38,000, not including the consumption tax, which will be £20,000, so that there does seem a considerable gap between expenditure and revenue.

Coming to the Medical Department, I should like to say that we all appreciate the enthusiasm and efficiency of the hon. the Director of Medical Services. He is a man of very high ideals, and I am afraid those ideals of his are rather apt to carry us beyond what we can legitimately afford in terms of pounds, shillings and pence. I do feel that in his Department it is a case of having to put some limit on the total expenditure, so that he can keep the most important parts going and can save on what is perhaps of less importance.

There is only one other point with regard to the speech of the hon. the Colonial Secretary to refer to, and that is the question of the guarantee on branch lines. I think we made it clear in our Report that we did not claim that we could repudiate this commitment with the Railway. As was read out by the hon. mover, the guarantee was agreed to by both sides of the House many years ago, the principal being that, if the country demanded a lot of branch lines for development purposes which were not likely to be paying lines, the Railway must have some safeguard to prevent such a policy going to such limits as to damage the financial stability of the Railway.

I submit that the position has changed considerably since then. At that time the country was prosperous, with large surplus balances, and it was not known quite what the result of the branch lines would be. Now, Sir, the position is that the Railway are making large profits each year while the Colony of Kenya is finding it very difficult to get any surplus at all. It seems to me that after these many years the time has come when the whole Railway system should be treated as one (it is shown so, of course, in the Railway Estimates), and that the Government of Kenya should no longer be called on to make this contribution to the Railway funds. Uganda have always refused to recognize any branch lines in their country, although in fact they have branch lines.

I do think, Sir, this matter should be taken up before the Railway Advisory Council and be thoroughly discussed there, to find out what attitude the Uganda members would take towards it. I go further, and say that the justification for our putting this item in our Minority Report is that it was definitely recommended by the Select Committee on Economy last year, and I consider that as a result of that Government should have brought it before the Railway Council much earlier than has been the case.

It may be that, to establish their position, the Railway Administration may wish to have a token vote out in our Estimates to show that the actual agreement has not been completely abrogated, but it does seem to me entirely wrong that these particular lines, because they carry low-rated produce, should have to be paid for by the Government of Kenya with regard to the interest and sinking fund which, after all, is already guaranteed by the Government of Kenya, because they are responsible for it in the last word. I think it is wrong that the question should not be gone into afresh to see whether some other method is not sufficient to safeguard the Railway for the future.

The position has changed a great deal in another respect. At that time it was considered that to develop the country there must be a lot of branch lines all over the place. I think now, Sir, the general opinion is that the better system is to have good methods of road transport to bring produce to the Railway, and therefore there is much less likelihood of further branch lines being demanded.

I do trust that Government will not turn this recommendation down, because the recommendation is that the matter should be referred to the Railway Council early in the year. I hope Government themselves will put up a case, so that this relief may be afforded, which would be of very great value to the Colony's finances, while it is not really of very material necessity to the Railway. In fact, at the present moment extra taxation has to be kept on the people of the Colony, who are also users of the Railway, so that the Colony may put this amount into the Railway coffers.

Turning to other branches of departmental expenditure, there are two departments where I think Government definitely could have taken action prior to this budget. I refer, of course, to the Department of Agriculture and the Public Works Department.

In the former department we have the definite recommendations of its own head which have not yet received Government support, although in the opinion of practical farmers

they are eminently sound and efficient. We discussed this matter at some length the other day, and I do not propose to go into it in detail again.

In regard to the Public Works Department, Government having now adopted the policy of extending the activities of district councils, a policy I thoroughly endorse, it must be followed to its practical conclusion by eliminating the overlapping. I think everybody agrees with that, even those who do not agree with the policy adopted. We do try to show in our Report where this course could be followed up, and I may say that some of us are taking active steps to try and get agreement by various district councils, the Municipal Board at Kitale, and so on, so that this can be pursued further.

Further, Sir, I am sure that much too much is made of the work and expenditure required for the upkeep of buildings, and I am going to ask Government if, during this debate, my hon. friend the Provincial Commissioner, Rift Valley Province, can give us the result of the experiences which he has had in looking after buildings in his own area. I submit it has worked most satisfactorily in Nakuru area, and if it can be done well there it can be done in other areas, not even excluding Nairobi itself. This is another question which no doubt Sir Alan Pim will go into, as also the question of headquarters expenditure of the Public Works Department.

When one comes to other departments, the more one goes into this question of expenditure on these various committees the more I have come to the conclusion that the right course for Government to adopt is to fix a maximum total amount for each department and tell the heads that they have got to keep within that total, and to do that they must cut out the less urgent requirements they may want, for a head of a department is naturally anxious to have his department up to 100 per cent efficient, and to get that does mean a big expenditure of money. Therefore it is Government's duty, while not wishing to damn unnecessarily the enthusiasm of these departmental heads, at any rate to see they keep their enthusiasm within reasonable monetary bounds.

I should like, if I may, to refer once more to Government's action with regard to the farmers of the country. I would like to say that I do appreciate their attitude both in regard to the maize guarantee and the recommendations of the Agricultural Indebtedness Committee, but I must accentuate that both these measures are only in the nature of temporary palliatives which will give the farmers a breathing space but do not deal with the big, fundamental question of indebtedness. Figures have been obtained which show the intolerable burden of this indebtedness, and I am sorry to say

that the Agricultural Committee have shelved this question for the moment as, in my opinion, it is the most critical issue we have before us, and it must be faced and tackled if the whole position of the Colony is to be really improved. It is quite obvious, I think, that once these debts can be unfrozen and money can circulate once more, the whole machinery of the Colony will be set in motion and all sections and all races will benefit accordingly.

I believe this is the biggest issue we have before us, and if Government pursue the subject and bring it to fruition it will have done the greatest thing possible to help on the return of prosperity.

From the Report laid to-day, it seems that what frightened the Committee was the very simplicity of the bond scheme. Surely simplicity should not be a deterrent. They say there is no precedent, but this is merely because the defects of other schemes in other countries have been considered and eliminated, and this scheme put forward here is the result produced after full consideration of other schemes in other parts of the world. If Government tackle this question and bring it to fruition, this country will know it really does mean to put the whole financial situation right but, if not, a feeling of despondency will ensue and Government will find themselves having the greatest difficulty in collecting their taxes, because the people of the country will not have the money with which to pay, and Government will have to go without their taxes in the same way that other creditors will have to go without their debts.

It may be said that I keep harping on the same subject and using the same arguments which we have used for so many years. It is quite true, and I shall continue to do so until I am satisfied that the position has been put straight. The people we represent are tired of having the same old arguments put forward by Government as to why they cannot rectify the position. They are also getting tired of seeing their representatives arguing their case time after time and not getting better results. They are still more tired of year after year being called on to pay taxes which they understood were merely to be temporary to tide over an emergency. Their patience is not inexhaustible, and whatever we may say or do here the time will come when the people outside will take matters into their own hands.

Now, Sir, I should like finally to emphasise three points. The first is, that this is a provisional budget and that the real budget must be that framed after the recommendations of Sir Alan Pim for reductions in expenditure have been incorporated. Secondly, that as a result of such reductions in expenditure there shall be reduction in taxation. Thirdly,

that on the constructive side Government shall pursue with all the determination possible the bringing into force the proposed bond issue so as to allow money to circulate more freely.

When these three things have been done, the country will be able to settle down to pursue its normal life and avocations without these perpetual controversies. Should, Sir, this not be done, I fear trouble outside this Council inevitable.

I beg to oppose the motion. (Applause.)

VEN. ARCHDEACON THE HON. G. BURNS: Your Excellency, there are only two points that I want to draw the attention of Council to. The first is in the Majority Report, paragraph 81, Item 63—Maintenance of Infectious Diseases Hospital and Leper Establishments, £1,100. The only thing that I want to do, Your Excellency, there, is to clarify things or to put things right. It states:—

"Dr. Wilson inquired if it was proposed to close the leper establishment at Kaloleni Mission, or to reduce the grant paid for the upkeep of this hospital to the Missionary Society concerned. The Director of Medical Services informed the Committee that no reduction in the grant was contemplated, and that he had received no notification regarding the proposed closing of the leper establishment. Had any such proposal been made, the Missionary Society would naturally inform him, as it was in receipt of a grant of £910 per annum. This would, of course, be reduced should any curtailment of services take place."

I want, Sir, first of all to state with regard to the Kaloleni Hospital that the capital expenditure of the building was entirely a matter of the Church Missionary Society. It cost them over £6,000 to build that hospital. I want further to state that from the very beginning when Dr. Gilks was the Director of Medical Services in place of the present hon. Director, that a definite agreement had been entered into between the Church Missionary Society on the one part and the Medical Authorities on the other, that they would be paid for at the rate of £25 per bed. The hospital contains forty beds, that is the Government guaranteed altogether £1,000 per year for the upkeep of that hospital. Naturally lepers would not be admitted into those wards and become occupants of those beds. In 1932 when reductions were being made all round, the grant given to the Kaloleni Hospital had to suffer with all other institutions of its kind and a reduction of £60 was made, leaving us at the present time with £940 for that hospital. But that had nothing whatsoever to do with the Leper Camp that has grown out from that hospital. It has never been supported from those funds. It was supported by

voluntary contributions and by the monies collected by those who are interested in that work up to the present time. I should like, furthermore, to say that when I made my appeal to this hon. Council, I did not make it in connection or on behalf of the Church Missionary Society, as I think I explained at that time. I made it on behalf of a suffering section of the community which, as I know, as I have seen them, are too feeble to see, and my entire desire was that the help that they are receiving and the comfort they are being given at the present time until death relieves them of this awful disease that they are suffering from, the Government should take some hand and give some contribution towards the help of those poor leprosy people in that land. I just wanted to make that perfectly clear to the Council. First of all, that the grant given was given for the hospital at the rate of £25 per bed; that a reduction was made in 1932 of £60 from that grant; and that the vote of that grant had nothing whatsoever to do with the lepers that had gathered round and received help and comfort from those who were working amongst them.

The second point that I want to make is with regard to the Minority Report, if I may be allowed to do so, and that is where it states with regard to the putting on to the shoulders of Chiefs and Headmen the responsibility of collection of taxes in the Native Reserves. I say, Sir, that no one is more anxious than I am for the day when the African will be in a position to be entrusted with such work as that, but from my knowledge of the African and from my knowledge of his dealings in many matters, I do not think that day has yet arrived, and to reduce the staff that has already been reduced, in my opinion, too much from supervision of the Elders and Headmen throughout the various reserves would, in my opinion, be a very serious mistake by Government, so that I would very, very much oppose this matter of the Chiefs and Headmen and Hut Counters being given this work to do until they are more fully trained and the responsibility that does rest with regard to the collection of money and handling of money is more fully understood by those people.

Those are the only two remarks, Your Excellency, I want to make, as I uphold this budget that has now been brought before this House.

THE HON. SHAMSUD-DEEN: Your Excellency, evidently it seems to be the desire of most of the hon. members of this House to have the last word in the matter. I know that quite a number of the hon. members are going to speak; but evidently they all hesitate and wish to remain the last. Therefore, I cannot expect Your Excellency to wait *ad infinitum*. If we have got to speak we must.

My feeling on the subject of this Majority Report, Sir, is, as I stated recently, that it seems rather superfluous to debate this Report at all at this stage. The usual practice is that the Report of the Committee comes before this House, is debated, either adopted or thrown out, and then it takes the form of law. We have already passed the law on the subject and whether we adopt this Report or throw it out, it will have no effect on the law we passed the other day before the New Year. Again, I think it is doubly superfluous to waste our time in discussing this because the situation to-day is that we have made two efforts within the last two or three years in trying to cut down expenditure. First, in the form of the Expenditure Advisory Committee and then again in the Select Committee on Economy. I think that we have gone to the extreme and done all we possibly could. The results are certainly not very satisfactory and therefore we have asked a gentleman to come from outside and try to help us where we have failed. When that gentleman is here, I think it is perfectly useless for us to try to go over the same subject that he will be doing in a very short time.

I can see at this time the efforts made by the authors of the Minority Report. They have explored or tried to cut down expenditure. But what does one see? We see a sum of £500 cut here and a £1,000 there, and so forth. The Majority Report has also attempted to do the same. My experience is that these methods will never remedy our troubles. Unless the whole machinery of Government is thoroughly overhauled and recast, I do not think that the desideratum we wish to arrive at can be achieved. Three years ago although I think the results achieved by that Committee were certainly more successful than has been our experience for the last two years, I was always of the opinion that the procedure of merely calling heads of departments to argue and debate with the members of a particular committee was not the right method to cut down expenditure. The proper thing for the members of a committee is to go from office to office and investigate and find out for themselves whether all the officials who were on our list of estimates were actually necessary and whether they justified their existence. That I think has never been adopted by anybody as far as I know and I hope Sir Alan Pim will. I understand that has been his method of investigating the expenditure of other Colonies and I hope he will adopt it here. I happen to go to various offices on various occasions for certain information or on business and I know for a fact that even heads of departments themselves do not know actually the time that is occupied by their clerical and junior staff and how long they keep themselves busy. Only recently I went to an office where I saw three European lady clerks and two typists. One

of them evidently was engrossed in writing what appeared to be an answer to a love letter because I saw the involuntary smile on her face. The other lady did not seem to be very busy either. I am not mentioning these as improbable stories. I will of course tell Sir Alan Pim if I have the opportunity. Then I had occasion in one office to see two European officials. One clerk was reading the paper and two other clerks evidently their duty was only to wait for somebody to come along and check and one entered up a book and signed and then all sat down to wait for something else to turn up. It is the habit of heads of departments when they come to the Committee and you ask if they can cut down expenditure, to tell you the world will come to an end if they cut down and that their department cannot run and they even go to the extent of threatening to resign their posts if you compel them to cut down. In 1923 we did try to test a threat of that sort in the case of one head. He was told that if he could not cut down he would have to go and his assistant was called and he was asked to prepare a scheme and presented a very practical scheme and then that head came to his senses and said "I did not understand—I can prepare an equally practical programme and cut down expenses." I should like to test that properly and see if those heads who say they cannot run their department by cutting down, whether they will stand the danger of losing their jobs. I know this much, Sir, that one consideration of the clerical department, and probably a very commendable attitude to adopt from the official point of view, is the efficiency of the department. Their department is their work—the outside world does not concern them at all. It never occurs to them as to where the money is to come from to run the department. I may be accused of rather straggling remarks when I state that the attitude of a head of department is like that of an irresponsible wife who has no regard for the decreasing income of her husband but demands that she must be paid for the upkeep of the household at the old rate. I think the heads of departments ought to take a responsible view and think over the difficulties that the country finds itself in and as to where the money is to come from.

I have been having a glance at these Minority and Majority Reports and find that in spite of the efforts of both the members of the majority and minority, the position is that 57 per cent of expenditure is really absorbed by five departments: the Medical, Agricultural, Public Works, Police and Military and Pensions and Gratitudes. Approximately the analysis is: Police and Military, 10 per cent; Medical, 8 per cent; Agricultural, 8 per cent; Public Works, 10 per cent; Pensions and Gratitudes, 11 per cent; and Administration, 12 per cent. Now as far as Administration is concerned, my experience, as a result of investigations I made while on

the Select Committee of Economy, was that that was a head that could not be reduced without running very great risks. That fear is real, and if we try to economize there I think we should probably lose in the long run.

As far as the £83,000 of the Military is concerned, that is a very unreasonable item to be inflicted on a young Colony like this. Surely we do not want, over and above the Police Force which costs £128,000, a Military Force which costs £83,000 per year. As far as the internal peace of the Colony is concerned it is a moral responsibility and should be borne by the Imperial Government. That is a charge which has no justification to be borne by a Colony which cannot simply bear it. The Police, I think costs £128,000, are quite capable of maintaining order in the Colony.

As far as the Medical Department is concerned which costs £168,000, I think the remarks made by the hon. Mr. Patel in his Note of Dissent are worthy of consideration. The question is: can the ordinary Asian or European unofficial in this Colony afford the same highly-qualified medical treatment as is given to the natives of this Colony? The hon. mover said that there is an increasing demand by natives for medical attendance. I think it is a proper thing for that demand to be made, but is it really necessary to give them the service of such highly qualified officers and I think the services which are given to the native amount to nothing short of luxury. I think if half is reduced from the twice paid by the natives and half spent on reasonably cheap medical services, that would be a real service to the native community.

As far as the Agricultural Department is concerned, I heard the hon. and Noble Lord say in passing some remarks on the Education Vote increase of £3,000—I understood the hon. mover to say that the amount derived from the Education Tax from the Indian community had increased by £3,000. That is what I understood, but I am always very much afraid of quoting other hon. members' remarks as usually I am supposed to have misunderstood. If that is correct I do not think it is unreasonable for the Indian community to expect that that increase should be spent on education, but as far as the Agricultural Department is concerned, I do not think I am exaggerating when I say that the total amount of £123,000 is really entirely spent for the benefit of the European community—the agricultural community—not even the whole of the European community, but the European agricultural community, and I am afraid of going on trying to scrutinize the agricultural budget because it is full of unpronounceable designations of officers on research and various things that apparently I cannot understand. I think the best method of helping the agricultural community would be to cut this vote

by half and give them about £60,000 as a subsidy. I think that would really put them on their legs and they would appreciate it rather than go on increasing the department with all sorts of researches and all sorts of experts which we cannot afford.

I was going to deal with the Majority Report. I find in one place it says the Secretary of State thought we were too poor to share the burden of an increase in the contribution to the Colonial Agricultural Service and he exempted us from that. That shows what our financial position is in the eyes of the Colonial Office. They thought we were too poor a community to bear the hard quota of the financial burden contributed by adjoining territories such as Uganda and Tanganyika. I think that is a very good indication to guide us as to what our status is, as compared with the adjoining territories.

I was told that we have got to keep up the level of the Colonial Service because we cannot have a second class Service. If that is the view of the Secretary of State I think it is time we ordered other expenditure in a similar manner.

I find one department has not been mentioned and that is the Judicial. I know, and I think that the legal practitioners should be able to bear me out also, that the Judicial Vote has considerably decreased in the last three or four years, although I agree that the number of cases on the registers of the high and lower courts is a very real guide as to the volume of work, but there is no doubt about it that people in this Colony have not the money to indulge in litigation and therefore I think that department is one which should be investigated and if necessary one of the judges or two magistrates should be dispensed with. If we were to adopt the suggestion made for years past . . .

THE HON. F. A. BRISTON: On a point of order, Sir, is the Judicial Department mentioned in either Report?

HIS EXCELLENCY: I do not think the hon. member is debarred from passing any remarks referring to the Judicial Department.

THE HON. SIAMSUDD-DURN: I think it is part of the Majority and Minority Reports because it has been omitted and I think I am entitled to speak about it. (Laughter.)

The suggestion has been made for a number of years that if we gave an opportunity to the unofficial community to act as honorary magistrates, I think we could cut down expenses. If we had a European honorary magistrate to deal with

European cases and an Indian to deal with Indian cases and left the natives' cases or mixed cases to the other magistrates I think there is certainly some ground for economy.

Now I do think that a budget of over two million pounds with a surplus of £13,000—I forget, I think it was at one time £13,000, then £9,000 and now £14,000—at any rate just about £10,000 which does not even represent one per cent of our total budget; if an ordinary trader prepares a budget he provides for a margin of 5 or 10 per cent. When we see that in one stab we have increased our revenue estimate by something like £7,500 because we have had a shower of rain and we think it was not only a shower of rain but it was a shower of gold from heaven and we at once count up. We should always be prepared for a drought or for another visit by the locusts and estimates which can go up or come down by something like five, seven or ten thousand pounds, according to the rains or absence of rains, I think cannot be called a budget unless we have at least 10 per cent margin of surplus, but even at £10,000 it does not even represent one per cent, on the other hand it is probably less than a half per cent. I think it is tantamount practically to budgeting not for a surplus but for a deficit. Although I appreciate the very great service rendered by the Committee, I do not think they have achieved very much.

I did not think I should make this debate an occasion for a budget speech but there is no doubt about it that one of the reasons why we cannot come down to tin tacks is that the heads of departments, instead of looking on the unofficial members of this Council as their colleagues, look upon them as their opponents. Whenever any suggestion is made their one idea is to bring forward arguments to contradict and make them feel they are wrong. They take a great delight in gaining a victory by artificial arguments and by using their official positions in turning down any suggestion made to them.

We have talked, Your Excellency, a good deal about the guarantee to the Railway. One cannot consistently and honestly say that because we made a mistake at one stage and we thought that the Railway branch lines were the best traffic to develop the country and now we have come to the conclusion instead of having a railway it is better to have a road, that we can shirk our responsibility which we solemnly entered into when our experience was not as ripe as it is to-day. I do not know whether we can save any money by closing these branch lines altogether in the same way as has been done, I believe, in the case of the Magadi Railway. Contractual obligations, once entered into, are very difficult to get out of and, I think we would be doing well if we thought of other means of making those railways pay instead of trying to repudiate our responsibility.

As far as the Public Works Department is concerned, I find that it is really owing to a defective method of accountancy that the department looks such a bid department, whereas, in fact, it is merely a sort of workshop where people go to have their work done. Every department which has buildings repaired and other work done ought to bear the costs of that work, and in the budget that cost ought to be really put against the particular department and not against the Public Works Department.

A good deal has been said by some hon. members about the Forest Department. I have visited that department, and I think to my mind that it is the only one which I have seen where there are no assistants, senior and junior, and no assistants to assistants, and secretaries, which seems the general rule in all other offices! As far as I could see, that office is stocked, as far as staff is concerned, in the minimum manner. I have seen two Goan clerks, one European clerk, and two Conservators. I honestly think it is the only department really with the minimum of staff, and yet we are trying to cut down the vote, which is very insignificant indeed, and it is a department which is looking after a very valuable asset of the Colony. I therefore think it would be a great mistake to cut down an already under-staff.

Your Excellency, I hope that my colleagues will have the opportunity of adding something to the debate, but my feeling is that it is no use opposing this Majority Report at this stage, especially as the whole thing is merely a tentative suggestion and will be the subject of very careful discussion later and, I hope, a more close scrutiny by Sir Alan Pim than has been given by the two previous Economy Committees.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: Your Excellency, I rise to defend the Minority Report, needless to say, and to oppose the Majority Report.

The hon. the Colonial Secretary, in moving his motion this morning, pointed out that the two Reports differed in matters of principle. I should like to say that there is nothing new about that. For the last three or four years the members on this side of the House and the people whom we represent have had a fundamental difference of opinion in principle with Government. On this occasion, as we point out in our Report, we do not recede one inch from our contentions of last year and the year before. In fact, we consider that with some possible improvement in world conditions, the necessity for cutting down recurrent overhead expenditure to provide some margin for productive development and some relief to some hard-pressed individual who has made his home in this country become factors of still greater urgency than they were last year.

It has also been contended, before I deal with details of the speech of the hon. mover, that the whole of our arguments, the whole of the budget we have produced, rests on one recommendation, and that is the recommendation contained on page 29 with regard to Head XX. That is, of course, the recommendation with regard to the guarantee on branch lines to the Railway. I entirely disagree. The history of this Minority Report is this.

Last year we were quite willing to try and help Government, those of us on the Standing Finance Committee, to produce what we considered a reasonable budget. But when we got on to the Committee we were told quite definitely that Government would not admit that there was a necessity for cutting down expenditure proposals to the extent we considered was necessary. We therefore did not continue sitting on that Committee, and we did not put up detailed proposals, contending as we always have, as our Chairman contended this morning, that that was Government's business. This year, we felt that in view of the fact that Sir Alan Pim was here and in view of various other circumstances, we would at least show by producing what can only, I suppose, be called a typed budget—because we only had a few days in which to produce it—we were capable of giving Government constructive suggestions as to how in our opinion a budget should be framed to meet present day circumstances.

The reason we included this particular recommendation regarding the Railway was because we felt it was wiser to include in our typed budget only recommendations which could definitely be implemented by the Government of this country in this country, and we have excluded, as was pointed out by our Chairman, many more recommendations under which enormous economies could be effected but which would have to be done with the help of the Secretary of State with persons outside this Colony.

For that reason, Sir, we have said nothing about a re-organization of the Government machine, or about the other questions which have already been mentioned this morning, because we trust that those are having the attention of Sir Alan Pim. Nor do I contend that we have included one single recommendation, including the Railway one, which could not at least have been inquired into, at least have been traced to the fullest possible extent, by Government in plenty of time to have been included in their budgetary proposals for 1936.

Instead of that, we find ourselves in precisely the same position as we find ourselves year after year and latterly; that is, for every recommendation we suggest we are told "How can we do it next year? it has not been gone into, and

there are counter-commitments and other things connected with them." This particular one on which it is said our whole budget proposals rest, was put up to Government by the Select Committee on Economy months ago. Has it been to the Railway Council yet? No. No attempt has been made, it has been brushed on one side as being impossible. So that if every time one comes up against difficult matters which one wants to get altered and one shrugs one's shoulders and says "Impossible," one would never get anything done in this world!

I would like, with your permission, Sir, to deal with one of the detailed criticisms which have been made of the Minority Report, but before coming to that I want to say one word about the Majority Report. That is in connection with the Revenue Estimates.

The Minority recommendations as regards the Revenue Estimates, with the exception of the fact that under no circumstances do we agree to the re-imposition of the taxes which we agreed to as temporary measures some years ago, with the exception of cutting out provision for those, our recommendations are in complete accord with those of the Majority of the Committee. It has just been suggested by the last speaker that we have not been reasonably conservative in our estimates of customs revenue. I should like to say here, that I last year made the most definite accusation with regard to this item, that Government was not being conservative. I was proved wrong as regards that item, and this year I took particular care, as a member of the Committee, to oppose any possible over-estimation on the evidence given us with regard to that item. I believe other members of the Committee can back me up in saying that I opposed the larger addition which was originally suggested, and I am quite certain that, on such evidence as we could get, our estimates of revenue in every single case have been absolutely conservative.

There is one other matter regarding the Majority Report to which I wish to refer. That is, the remarks of the hon. mover in connection with section 86, page 12, Kenya Defence Force.

The history of the Defence Force is that the people of this country made up their minds that they should take some steps to defend their country, and they made up their minds that they wished to have a Defence Force composed of themselves. They pressed for it for a long time, and the result was the formation of the Kenya Defence Force paid for by the country. Without wishing to touch on matters of Imperial defence, which of course are not questions to be

referred to in this House, I will only say this: that the people of the country have at least the right of saying whether the Force they themselves started is properly equipped and organized, and at least the right to know if any changes are to be thrust on them without even their knowledge that such inquiries are being made. (Hear, hear.)

The only other remark in regard to the Majority Report is this. It was suggested by the hon. the Colonial Secretary that, with regard to recommendations made in the Minority Report for economies which we consider can be made, both in contributions to district councils and in the Public Works Department, Government hoped something could be done in 1936. But something ought to have been done long ago. I am not sure that the blame entirely rests on Government, except to this extent, that Government, I feel, should have produced their suggestions as a result of the recommendations of the Select Committee on Economy in complete detail, that is, details suited to the various districts concerned, and should then have come to us and said "Here are the details, we want you to help us explain them and persuade those concerned to help us out." Instead, there is always the inclination at the first possible obstacle to say "There you are, so and so does not agree, and we cannot get any further."

We have to make up our minds now that we have agreed, and Government has agreed, to the principle of local government, to develop that principle to the utmost and make it work properly as economically as we possibly can. (Hear, hear.)

With regard to the Minority Report. As I say, I expected to get far worse opposition, far more difficult comments, to answer, than have been put up. In view of the fact that our recommendations, that our whole Report, were drawn up in a great hurry, I expected to find it attacked from quite a different point of view, and different arguments used against it by the old-timers, but that is not so. The same old arguments have been put up.

First of all, we were told that it was not reasonable to suggest a reduction of £500 in Item 25 in the Administration, African Tropical Services Course, because this money was required for young gentlemen who had already been appointed and were coming out this year or for a further batch who were likely to be appointed next October and who will be coming out in 1937. I would submit, Sir, that if there is another batch going to be appointed next October, quite apart from whether or not economies can be made in paying for those already at the university, economies can certainly be made in regard to this further contingent.

As regards Items 26 to 60 and 74 to 79, co-ordination of Labour and Registration Sections, we are told that Government does not know whether this will be advisable or not and that this is a matter to refer to Sir Alan Pim. It is no new suggestion that these two Sections should be co-ordinated, and I feel it shows something wrong that in 1936 Government should still say it was doubtful, whether it was advisable or not. Surely they must have made up their minds by now and, if not advisable, surely they can tell us definitely why? Instead of which it is, of course, to be put up to Sir Alan Pim.

With regard to Items 62, 64, 105, 127 and 129, Chiefs, Headmen, and Hut Counters, we are told that it is quite obvious that if these duties are going to be handed over to natives that extra expenditure is going to be counter-balanced by increased efficiency and additional revenue. All I can say is this. As regards the 1936 Estimates, considerable extra expenditure for 1936 is visualised in extra hut counters and rewards to chiefs, and yet the revenue anticipated that the extra expenditure will bring in is ~~£22,770~~ less than it was expected we would get last year. Therefore, one has got to pay more and more to get in less revenue, but the result will be more pressure on the unfortunate natives.

With regard to the hon. and venerable member Archdeacon Burns, I should like to point out that we have not recommended any reduction. In fact in some provinces we have allowed a small addition. We have merely suggested that in view of the less revenue being collected this year it surely need not cost more, but the same as in 1935, to do it.

Referring to Head III, Agricultural Department, we are told by the hon. the Colonial Secretary that this matter has got to be left to Sir Alan Pim and his agricultural adviser. Normally, if Sir Alan Pim had come out in 1932, I would have thought that was a reasonable suggestion. But here we are in 1936, and it has taken us years and years to try and get something done in regard to this department. It is admitted, I believe, by everybody to require reorganisation. We get the hon. the Director of Agriculture, who states that he has worked on this and has discussed it with everybody, and he puts up a scheme, and because that scheme entails a reduction of staff it is unpopular, and he is beaten, and is alleged to be beaten, by his own underlings. The truth is, that people want to put it off, and have put it off for this, that whatever Sir Alan Pim reports goes to the Secretary of State and comes back here, and we shall be told that circumstances have altered or something else.

With regard to the Audit Department, we are again told, as we have been year after year, that nothing can be done. Well, I do not think I need make any further comments.

As to the Coast Agency, the hon. the Colonial Secretary suggested that we perhaps were a little hasty in suggesting in our Report that evidence is adduced that some small further economies could be effected in this department. We suggested an economy of £231, and the hon. member seemed to think we were perhaps a little harsh in saying that. I would ask, you, Sir, if we were told by a responsible officer of Government that it is possible for a department to take on more work, and furthermore that it is possible there is some duplication, is that not sufficient justification to say there is room for some small economy?

Regarding Education, I do not think I have anything to add. It has been dealt with by the Noble Lord.

In the Forest Department we make a recommendation for a total sum. The recommendation we make gives them £1,700 this year more than the minimum they said they could maintain the department with if necessary during 1936. I am quite convinced, in spite of the argument put forward by the member in charge of this department, during the recent debate on the draft Estimates, that it is possible to run this department with a lesser sum. He quoted the acreages that other Forest Departments have to look after. Well, figures can prove anything, but I think he will find in a great many of the colonies concerned that the Forest Departments have to look after more than just existing forest areas, and probably his figures may be found to be, at any rate, a little misleading.

Coming to the basic road grants, our reasons for our recommendations will be found in this Report, so that I do not think I need say any more.

This brings us to Head XVII, Medical Department, which has already been referred to several times this morning. I would point out that if you take all the expenses connected with medical activities in this country, that is to say, contributions towards public health staffs, public health services, which are growing up in various municipalities, and if you also draw attention—as I think it only right to—to the efforts which are being made by the native populations themselves to get health services, we are spending a total of about £214,000 in this Colony. In this Report we refer to the Expenditure Advisory Committee Report, and also make the suggestion that possibly there comes a time when you over-step practical politics and you step into the realm of idealism which, unfortunately, we cannot aspire to just now.

I would mention, to show how dangerous it is to give really efficient, really whole-hearted, and really idealistically-minded heads of departments a free hand, that at one time we were very nearly committed to a capital expenditure of £104,000 and an additional recurrent expenditure of £60,000 a year, in

addition to something like the £220,000 we were already spending. We pointed that out on page 75 of the Expenditure Advisory Committee Report, and said we felt that for many years to come £210,000 per annum was all we could afford to spend on medical services. We are spending more than that, taking all in all, to-day, and therefore we think our suggestion a not unreasonable one.

Now we come to the Miscellaneous Services, and again I will allude to Item 15, Head XX, and the recommendation we make on page 29. The hon. the Colonial Secretary said that what was considered a good plan in 1927 has become unreasonable in 1935

THE HON. THE COLONIAL SECRETARY: On a point of explanation, I did not say "has become unreasonable". I could not understand why it should be held to be unreasonable.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: I agree I should have said that I am trying to explain why I think it is unreasonable, that a great many things that were done in 1926, 1927, and 1928 are not reasonable to-day.

These young colonies change very quickly. We get depression and we get good times, but I do think, Sir, that when a country is just emerging as we hope—or we may not even be emerging—from a very, very serious depression which has practically knocked out the industry on which the whole Colony depends, it is not reasonable for the Railway to make large profits and to be helped from Government funds, if there is any possibility of making an arrangement with the Railway whereby that situation can be ameliorated.

I believe the Railway Administration, the Railway Council and the hon. the General Manager to be reasonable people, and if a case is put up to them I believe they will recognize, as I am convinced, that we have a case here. But the case has never been put. It surely is arguable that when you build a railway in a country like this, you build it to develop the country, and if that Railway can afford it it is surely not only its job but to its own interests to develop that country as far as it is possible to do it. It is no good saying they are not going to build a line to any particular area until that area is developed, because how on earth can the area be developed until there is some means of transport? It therefore means that people have got to put their heads together, the users of the Railway, and Government, to see whether a branch line can be built and have a policy of development around those branch lines.

Therefore I consider to-day, that in guaranteeing the Railway for these areas and taking all the circumstances enumerated in this paragraph of the Minority Report into consideration,

and elaborating them a great deal more than, perhaps, I have now, not only is there a good and reasonable case, but I believe there is a case that can and will be made out. When I am told that of course it is impossible to do it in 1936, I agree, but I will add that the only reason it is impossible to do it in 1936 is because Government have not seen fit to try and do it, as they should have done, in time to implement it in the 1936 Estimates.

Now, Sir, I have alluded I think to most of the criticisms which have been levelled against this Minority Report. I maintain, Sir, that those criticisms have been very poor; that actually had Government had the will or the intention of producing a budget, leaving to Sir Alan Pim those things which he was asked by us to come out here and do, and implementing those things which are the right and proper business of Government and trying to help us to live in this country by reducing taxation, Government could perfectly well have introduced a budget, if not precisely on these lines, so near to these lines as to make no difference, and I do not believe the arguments brought up against these suggestions in detail have been of any strength whatever.

That brings us back, Sir, to the argument used in this House during the past year. The last time this question was brought up it terminated by appealing to Your Excellency to realize the true position in making your budgetary proposals for 1936, in order that Government could obviate a third crisis which might be more violent and more difficult to deal with than the previous crises on this subject, and I warned the House that Elected Members would refuse to enter into any discussion and negotiate any further with Government. In view of the history of the past few years can they expect us to do so?

I will repeat that Sir Alan Pim's very presence in this country proves that Government has neither the will nor the wit to reorganize its affairs to meet the world's circumstances to-day and you are driving the country into a very difficult position indeed. That, Sir, is all I have to say on the Minority Report.

It is a matter of more or less routine, Sir, before sitting down, I wish to propose, in fairness to a certain Society, a motion, of which I have given proper notice under Standing Rule and Order No. 52 (vi), in regard to the Majority Report, and that is that paragraph 92, referring to Item 13 under Head XX—Miscellaneous Services—should be amended to read as follows:—

92. Item 13—Grant to East Africa and Uganda Natural History Society, £300.—Representations were

received from the President of the Society asking Government to consider increasing the annual grant from £300 to £400. The Committee after consideration were unable to recommend any such increase for 1936."

My reason for asking that is that in the original draft, which I admit I signed as being an accurate record, I overlooked the fact that it was put in that the Committee did not feel entirely satisfied that the Society's activities were conducted as economically as possible. I think to put in a public document a very adverse criticism of a very commendable and excellent Society, without hearing their side and without giving them the opportunity of giving evidence, is unfair, and for that reason, Sir, I would ask that this amendment be accepted, though naturally I am bitterly opposed to the Majority Report and I am in support of the Minority Report for the reasons I have laid down. (Applause.)

THE HON. CONWAY HARVEY seconded.

HIS EXCELLENCY: The question is that the Majority Report be amended in the manner mentioned by the hon. Member for Nairobi North.

THE HON. THE COLONIAL SECRETARY: Speaking to the amendment, Sir, I am very glad to accept it. I fully admit my responsibility in signing the Report as Chairman and perhaps it is greater than other people, but I also admit that it should not have been in this Report. Actually it is a record of what was said in the Committee and actually it expresses rather more than we meant, and I admit that it may be interpreted to mean a very great deal more. What we did mean to say was that the Society, which we admit to be an admirable one and a useful one for which we have every reason to be proud, is perhaps a little too ambitious in consideration of the Colony's finances, and we did not think Government could afford that extra grant. However laudable, and we think they are laudable, those ambitions are we ought to consider the Colony's finances, but I freely admit the responsibility and cry *peccavi* and on behalf of Government accept the amendment.

The question of the amendment to the Report was put and carried.

The debate on the substantive motion as amended was adjourned.

Council adjourned till 10 a.m. on Wednesday,
the 8th January, 1936.

WEDNESDAY, 8th JANUARY, 1936

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Wednesday, the 8th January, 1936, His Excellency THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 7th January, 1936, were confirmed.

MOTION.

PROVISIONAL DRAFT ESTIMATES, 1936, STANDING FINANCE COMMITTEE REPORT *re.*

THE HON. THE COLONIAL SECRETARY having moved:

That the Report of the majority of the Standing Finance Committee on the Provisional Draft Estimates of Revenue and Expenditure for the year 1936 be adopted.

THE HON. THE TREASURER having seconded.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK having moved:

That paragraph 92 of the Majority Report should read as follows:—

"92. Item 13—Grant to East Africa and Uganda Natural History Society, £300—Representations were received from the President of the Society asking Government to consider increasing the annual grant from £300 to £400. The Committee after consideration were unable to recommend any such increase for 1936."

THE HON. CONWAY HARVEY having seconded.

The question of the amendment having been put and carried.

The debate on the substantive motion as amended having been adjourned.

The debate continued.

THE HON. THE TREASURER: Your Excellency, it may save time if I intervene at this stage in the debate in a last attempt to indicate the true position in regard to the branch line guarantees.

It seems a pity that the hon. member for Nairobi North was so vehement and bitter in his denunciation of the inaction of Government in this matter when apparently he had not placed himself in possession of the facts. Actually, the facts are as follows.

Immediately on receipt of the Report of the Economy Committee, various recommendations of that Committee were examined in detail. A Treasury memorandum on the financial relations existing between the Railway Administration and Government was prepared in the Treasury. A precis of that memorandum was submitted to Executive Council, and a sub-committee of Executive Council, consisting of the hon. member for Nairobi South, Captain Schwartz, and myself, was appointed to go into those various matters in detail with my friend the hon. the General Manager. As a result, a unanimous report was submitted to Executive Council on the lines indicated on page 29 of the Memorandum on the Draft Estimates. That Report was unanimously accepted by Executive Council, and I would remind hon. members that on Executive Council there are four unofficial members, including two European elected members. To suggest that a case has never been put or that there was any avoidable delay in putting it, is completely contrary to the facts.

It seems to me, Sir, that whenever a suggestion is made which proves barren of substance, Government is always accused either of ineptitude or inaction, or both. To accuse all the king's horses and all the king's men of having neither the wit nor the will to put Humpty-Dumpty together again, would come under a similar category!

In this particular case, Government, of course, would be very pleased to be relieved of its obligation under the guarantees, but in no circumstances could Government repudiate its liability in this regard, and the cold facts must be faced. It must be remembered that these lines would not have been built if Government guarantees had not been forthcoming, and now that they are built the position remains the same as far as the Government of Kenya is concerned, irrespective of the state of the Railway finances as a whole. To suggest that negotiations should be reopened with a view to a modification of these obligations, is a perfectly legitimate line of approach, but to suggest that no provision for any payment should be made for the guarantees in the 1936 Estimates is an entirely different matter and one that could not possibly be accepted by any government with any sort of responsibility whatever.

As regards the loan conversion, the hon. member for the Rift Valley suggested that Government had not made itself sufficiently of a nuisance to be taken seriously by the home

authorities. I would remind him that representations have been continuously made from 1923 onwards, that Kenya is not alone in her misfortunes, and although some eminent people may hold the view that a conversion scheme is possible the consensus of opinion at the present time is in the opposite direction.

So far as the Government bond scheme is concerned, the proposal to pledge the credit of the Colony to the tune of 5 or 6 millions sterling is obviously a matter in which the Secretary of State is intimately concerned. In these circumstances, it seemed reasonable to the Agricultural Indebtedness Committee that the matter should be referred to the Secretary of State in the first instance, as although we may have a fairly good conceit of ourselves we felt that on the whole the financial experts in London were in a better position to give a reasoned opinion on this abstruse subject than ourselves.

LT.-COL. THE HON. J. G. KINKWOOD: Your Excellency, I rise this morning to oppose the motion before the House.

I take Your Excellency back to the budget session of last year, when the unofficial members on this side of the House, more especially the European members, were so exercised in their minds at the inattention of Government to the financial state of the Colony, and particularly the agricultural industry, that they decided to take somewhat drastic action. That action became known to Government, and Your Excellency met the European elected members, and made an offer to appoint a committee to go into ways and means of finding £100,000 savings on the budget. That was accepted by a majority of the elected members as a genuine gesture to help towards putting our finances right.

But what happened? They did make recommendations of some £130,000 odd, out of which £33,000 has been implemented, but not one penny of that £33,000 has gone towards relief of taxation.

I would also take this opportunity of taking exception to the way in which the Standing Finance Committee has been treated. In my opinion, and I think in the opinion of every elected member, when that committee was appointed we visualized that the members would sit from time to time with Government to build up the budget, and that their advice and assistance would have been available to Government. But that is not so. What happened? Government first of all frame their budget, then lay it on the table of the House. It was very late indeed this year, and it is difficult to get Government to move. Government showed a surplus sum of some £9,000, and that budget had eventually to go on to the Standing Finance Committee, with the result that we find when its

Report is submitted, both by Majority and Minority views, that on the Majority Report there are 3½ pages of alterations and additions to the budget.

It shows clearly to my mind that Government is incapable of presenting a Colonial budget to this House in anything like a final form acceptable to the country. I think it shows not only a lack of will, but it also shows lack of wisdom. Government in my mind refuses to function. That has been going on now for 5 years. The present budget I would describe as a mannequin dressed up for parade, but presented incompletely robed, and now to be referred back to Sir Alan Pim for the final touches! I do not agree that in the present circumstances that that mannequin could not have been dressed by Government. I am sure that the hon. members opposite could have added as many theatrical touches that would have made it more presentable than it is in its present form. But Sir Alan Pim, whom we asked for and whom Your Excellency was gracious enough to get appointed is now investigating this matter.

Government, I maintain, are lacking in moral courage to tackle the budget and show Sir Alan Pim before he handles it that they have done their very best first. Probably it is in a way advantageous that Government has shirked responsibility and shown Sir Alan Pim the futility of a Crown Colony Government in the Colony of Kenya.

I also submit, Sir, that there is only one budget, and one budget only, that can be acceptable to this House, and that is a budget that falls within the definition of the ability of the Colony to pay. It is quite obvious, and has been for years, that the Colony is not in a position to pay the present commitments in its present position. I maintain that the loan charges are onerous, and have been from the day they were floated. The terms of the loans were dictated from Downing Street, they were agreed to by them, and imposed on the Colony; there was no saving clause for redemption in them, and the result is that the Kenya 6 per cent loan now stands—I think I am correct in saying—on the Stock Exchange at the highest rate of any loan in the Empire. Yet Sir Phillip Cunliffe-Lister was rash and foolish enough, and misinformed enough, to tell us when we met him at Government House that Kenya was not credit-worthy! The price of our loan does not prove us not credit-worthy, but it shows that the credit of Kenya stands very high in the financial world at home.

I cannot agree to the reimposition of the temporary taxes which are embodied again in the budget. Again I say it is a breach of faith on the part of Government that they should

reimpose those taxes. Had Government the will, there have been ways and means pointed out in the Minority Report, apart from several recommendations implemented by the Majority Report, that could have got the Colony out of a great deal of its trouble. I take it that Government will again dispute that these taxes were intended to be temporary, and I think the easiest way out is to admit that I certainly agree with Government's interpretation of temporary, that it is what they intended it to mean, and what they intended to mean is nothing else, and if Government will define what they intend these temporary taxes to mean we shall probably have a better understanding when the hon. the Colonial Secretary replies to the debate.

I should like before I proceed further to subscribe to the speech of the Noble Lord, and also to that made by the hon. member for Nairobi North. It will save a lot of reiteration and save my taking up the time of the House if I say I thoroughly endorse everything they said in the debate on this budget.

I should like to draw attention, Sir, to the Kenya Defence Force. The general principles of that Force, I maintain, have been starved from the day it was formed, and I understand now, I gather my information from the advertisement I saw in the *East African Standard* calling in the rifles of members—I have no official information of any sort—but I presume they were called in as they are more urgently wanted at the moment on the Northern Frontier to arm the auxiliary forces—

HIS EXCELLENCY: I must intervene to say that there is no truth in that statement. I do not want any story of that kind to get about the country. We are not calling in the rifles because of the position on the Northern Frontier.

LT.-COL. THE HON. J. G. KIRKWOOD: I stated that I had no proof, it was my own deduction. That may be wrong, there may be other reasons. But I will go further, and state that the country is entitled to be told why the K.D.F. have been disarmed, whether partially or wholly? I think this is a very serious matter, and shows again that the Colony is not in the confidence of the Government.

There is a matter which I have referred to on a previous occasion, the two ferries north of Mombasa, and I want to say here and now that I cannot understand how those two ferries—which consist of two iron or steel pontoons and two chains which go across those ferries on the coast—are costing the Public Works Department £450 a year to maintain; in other words, £225 for each pontoon. It seems a fantastical cost of upkeep. I presume these pontoons last, and can be kept, for a number of years without replacement. They

probably want reconditioning, for the chains probably get corroded with the salt water and after a period require to be replaced. But it is "inconceivable that they can cost that amount of money annually. It is also stated that the revenue, from the two ferries is also £450. I maintain that that is a very high revenue.

I have some experience of these ferries and took an interest in them while I was on holiday last year at the coast to investigate the matter. I think it is a safe statement to make that they are operated by 12 natives, 6 boys to each, which means that those natives have got to earn £3-2-6 a month. Taking each one's wages as Sh. 20, there is a big profit going to someone, and I maintain that one way of cheapening them is for the Public Works Department to run them themselves or to allow the inhabitants of the coast to take them over and run them and free them.

It costs an unthinkable amount, and it may seem a small subject to discuss here, but you pay Sh. 2 to cross Nyali Bridge, that is to return the same day, and it costs Sh. 1/6 on each ferry on the Malindi road, making a total of Sh. 5 to Malindi. If you return the next day it means another Sh. 5, so that to stop a night at Malindi costs you Sh. 10 in ferries. You also find a Gilbertian situation on the substantial bridge the other side of Malindi. It is like a bridge suspended out in the blue, with every handicap possible out on transport travelling over these roads to get to that bridge. Had it been built to take the place of one of the ferries it would have done away with some of the ferry charges.

I maintain that these two ferries, I am not talking about the Mombasa ferries in the harbour, could be freed at small cost to the Colony, and it is only in justice to the Europeans and natives in that area that they should be free. I do hope the hon. the Director of Public Works will in the near future be able to abolish the charges on those ferries or consider reducing them.

Probably the hon. the General Manager of the Railways will be disappointed if I do not have something to say about branch lines! What I wish to say is that I endorse what has been said on this side of the House, and I did not appreciate what appeared to me to be more or less the personal point of view put up by the hon. the Treasurer. There seems to me to be rather a strife going on between the hon. the Treasurer and the hon. member for Nairobi North! I maintain that £21,354 paid by Government on behalf of the Thomson's Falls line and the Yala line is an onerous charge on this Colony's finances. It may be there is a contractual obligation on this Colony, but contractual obligations can be varied by mutual agreement,

and I think it a fair and reasonable suggestion to make that the Railway should be asked to investigate this matter. We are not asking them to break a contract, only to investigate it.

Since that agreement was come to with Uganda, Your Excellency, things have changed, and changed considerably; not only have physical changes taken place but mental changes. We understand the situation in quite a different light to-day to what it was understood to be some years ago, and it has got to be realised that in Uganda there are no branch lines. There are no lines there designated branch lines, and I am thankful to say they no longer exist in Kenya. But if one investigates the railway within the Uganda border, there is undoubtedly a physical branch line there which has never been designated a branch line.

There are other points that take the charges on the Railway. We call that a contractual obligation on half of Kenya to allow the Railway to get three-quarters of the rakeoff on their rate by the time the articles they are transporting reach Nairobi. That is what happens. The branch line rate raps so suddenly that there is a very heavy burden borne by Kenya for the Kenya and Uganda Railway, and it affects our finances very considerably.

As every hon. member is aware, Kenya is responsible for the K.U.R. & H. loan. I fail to see why that should be continued very much longer. When Sir Phillip Cunliffe-Lister was in Kenya, at the interview with elected members he admitted it was an onerous condition imposed on Kenya, and he suggested it should be left in his hands to try and get Uganda to make the first move in this matter. Admittedly that was a very desirable point of view, but nothing has been done as far as I know, and I do not think Sir Phillip Cunliffe-Lister has taken any action since, though he gave a definite undertaking to that effect and he was in strong sympathy with the point of view that part of the Kenya and Uganda Railways and Harbours loan should be definitely taken up by Uganda. If that was done, it would make the liability of Kenya very much less, and when it was required to raise loans for the future development people would have a very much better picture. But, at the moment, we have a contingent liability that we should not be carrying, and what Your Excellency as High Commissioner and the Secretary of State are going to do I do not know. As, however, one Secretary of State admitted there were onerous conditions I contend it is up to us to make representations through the Secretary of State to Uganda—to which I believe they will agree—to shoulder their share of the capital cost of the construction of the Kenya and Uganda Railway within their own border. It is only a fair supposition to suppose they will do it, and I do hope something will be done.

As regards taxation, there is no question about it that this Colony is overtaxed, to such an extent that it has become a matter of everyday debate all over the country and people are asking everywhere, in every corner of the Colony, what Government are going to do. They also ask what the elected members are going to do. We have been trying hard for 5 years to point a way on hundreds of occasions, but usually the same procedure is adopted. It is either steam-rollered by the opposition through Council or, as under present conditions, we are told this matter must be left to Sir Alan Pim. I have already stated that I do not think it should have been.

It is admitted, Sir, that agriculture is the key industry of this Colony; there is no question about that, and that without agriculture (and more especially without European agriculturists) Kenya could not finance itself even on the present basis. I will even go further, and say that agriculture is the life blood to its financial stability, which must presuppose that everything should be done for agriculture to keep on its feet. I may be unfortunate in my view, but I maintain nothing has been done. Palliatives have been administered to help agriculture, but nothing constructive is being done, nothing permanent; there is no cure. Cures have been suggested from this side of the House, often by myself, and I would ask again for an answer as to whether it is the intention of Government to either introduce a Sales of Maize Bill, for both Europeans and natives, or not. I should also like to know what consideration they have given to it, or whether it is to be shelved and left to Sir Alan Pim or to the Secretary of State who knows nothing at all about it. We have precedence with other industries. We have the Pyrethrum Ordinance, the ordinance appointing the Coffee Board, there is the law providing for the butter cess, and I believe Government propose introducing a Bill to control the dairying produce. All of these, on general principles, are measures adopted throughout the world, they are not peculiar to Kenya, and I cannot understand why, having legislated for the sale of wheat (which has proved very successful) and has saved the industry and has had the effect of reducing the price of flour—

THE HON. SHAMSUD-DIEN: On a point of order, Your Excellency, does this arise from the Minority Report?

HIS EXCELLENCY: I think a good deal arises. I do not want to curtail the hon. member in the very long speech he is making.

LT.-COL. THE HON. J. G. KIRKWOOD: I do not think it matters, not being an expert on Standing Rules and Orders, whether it arises out of the one or the other provided it arises

out of one or the other. (Laughter). But for the hon. member's information I would say, if I were Attorney General, "The hon. member for Trans Nzoia is perfectly in order!" that there is an amount of £12,500 for maize subsidy. That brings me to the point which I have to reiterate, but one cannot be truthful without doing that. I look on the maize subsidy as a Gilbertain item in the budget, and personally I do not think Government will ever be called on to pay it. I should also like to point out that the K.U.R. & H. have done a great deal more than the central Government for the maize industry. They are allowing a rebate of Sh. 5 a ton on export maize, and Government are getting the benefit of that in granting this subsidy, which does not touch any maize exported to Canada or include any maize exported between Beira and Aden. Personally, I do not think Government will ever be called on to pay that amount, and I suggest they could increase the surplus on the budget by £12,500. Then we shall get nearer the correct figure.

With reference to Kitale cottage hospital, I am very pleased indeed that Government have seen their way to undertake to pay pound for pound on that particular hospital. I gave the assurance, because I thought the information had been passed on to Government, that only a token vote will be required this year provided the balance is inserted in the 1937 budget, so that there is another £1,400 to increase the budget surplus this year.

I have no wish to prolong the debate, we have already had two lengthy speeches which dealt in detail and principle with the budget and I agree with them. But again, before I sit down, I wish to express my great disappointment that the Kenya Government will not apparently function executively and are still referring practically everything to the Secretary of State; at the moment they have shirked presenting a presentable budget to the House because Sir Alan Pim is in the Colony. There is no question about it, it is the general opinion throughout the Colony that the sooner Crown Colony Government comes to an end the better for the Colony as a whole, and in this I include the Indian members and their people, the natives and the Europeans. I do hope something will eventuate in the next few months to show the home authorities the truth of this. We have had three Secretaries of State during the last 12 months, which points to the disastrous conditions under which we labour—they are in and out of office like a jack-in-the-box, for there will probably be a fourth before long, and they have not the time to devote their attention to this Colony. We know, too, that a great many matters are not dealt with by the Secretary of State at all; he acts on the advice of his officers in his own office. It is unthinkable that he can be conversant with all the Crown colonies and all the difficult

problems and propositions which come before the councils of the countries he administers. It is a difficult position for him, I know, but it makes it very difficult for everybody in this Colony.

In conclusion, I hope something will be done, and done very quickly, for the agricultural interests. It appears to me that it is a question of agriculture versus Administration. I am thoroughly convinced that the Administrative costs of the Colony are beyond its ability to pay from top to bottom, and that unless we are given a different type of Administration and on a different cost basis there is nothing for the Colony but to collapse. I regret to hold these opinions, but I do, and that is why I am stating them here.

THE HON. CONWAY HARVEY: Your Excellency, I am sure we are all deeply grateful to the hon. the Treasurer for his carefully prepared statement on the subject of grants in respect of certain Railway Branch Lines, but my main object in rising is quite briefly to defend my colleague, the hon. and gallant member for Nairobi North, and as a Member of the Standing Finance Committee to offer a brief explanation and completely to justify the action that the Elected Unofficial Members of that Committee adopted, which is referred to in their Minority Report.

Let me say quite clearly, Sir, that the Colony's liability for these charges has never been questioned and the Minority Report very clearly sets out in unequivocal language on page 29, paragraph 6, that the liability is fully recognised and must be met. Now, Sir, I should like to ask why, when this important matter was under discussion by the Committee, the hon. the Colonial Secretary, the Chairman of that body, did not furnish members with the information which the hon. the Treasurer has just given us? (hear, hear). I suggest, Sir, we were encouraged to some extent to walk into a trap and I protest, Sir, against the withholding of vital information in a matter of such very great interest to the taxpayers of the Colony. Now, Sir, we were not aware and we had no means of being made aware that the matter had been taken up by Government with the Railway. As Your Excellency is well aware Members of Executive Council, who were referred to by the hon. gentleman, are under an oath of secrecy, and I suggest it would be scarcely proper were they to divulge to all and sundry matters under discussion by a sub-committee of that august body.

But, Sir, the hon. member for Nairobi North suggested what to my mind is the proper method of dealing with a matter of this description, and Sir, he and his colleagues in their Minority Report quite clearly recommend that negotiations

should be entered into with the Railway through the medium of the Inter-Colonial Railway Advisory Council. That, Sir, forms the subject of another recommendation of the Minority. So on that point at any rate we are in complete agreement with the hon. Treasurer, but I do sincerely trust that when he rises to reply to the debate, the hon. the mover of the motion will explain quite clearly why members of the Finance Committee, when this matter was being discussed, were not fully informed as to what had been done by Government. Sir, a matter of this sort should, and in my opinion must, if proper results are to be achieved, be dealt with in an open manner by representative people and not by a secret committee sitting in secret, whom nobody knows anything about and to whom no one is sent to make representations in any shape or form.

Finally, Sir, the hon. and gallant member for Nairobi North, rightly or wrongly, I think rightly, charged Government with apathy in connection with a great many matters. Sir, in view of that, surely it is somewhat remarkable that the hon. the Treasurer selected one point and one point only in an attempt to refute that very serious charge, and I sincerely trust that the hon. gentlemen opposite have made a note of all the points raised by my hon. and gallant colleague and that in due course we shall be treated to a complete refutation of all the charges that have been made throughout this debate in connection with Government apathy.

THE HON. P. A. BRIMSTER: Your Excellency, I must add a few words to those of the hon. member for Nyanza and say how distressed I was that the hon. Treasurer, who I understand is a Member of Executive Council, should have taken an opportunity to heckle an Elected Member and blame him for not learning what takes place in Executive Council and not divulging those details to us. I can assure you, Sir, that all the Elected Members represented on the Executive Council have never divulged one single iota of evidence or information of anything done at Executive Council and we are entirely in ignorance of everything that takes place until we come before you here and see the printed documents.

Now, Sir, we can get to more enjoyable parts. I want to support entirely the Minority Report. If I were allowed, my speech would consist of a memorandum which has been submitted to Sir Alan Pim and I merely mention this because I have no doubt that members who choose to mention anything about what I say will start off by saying my facts and figures are all wrong. I can assure you, Sir, I shall quote entirely from a document so I would cut that out from your repertoire.

What I cannot understand, Sir, and I think you will agree I am the most moderate of the members on this side, what I cannot understand is the steady forcing by the Government

of this country into self-government. The constitution, as laid down at the present moment, is that certain Elected Members are elected from the people of the Colony to advise you and to act as a liaison between the people whom you cannot be expected in your high office really to mix with and know what they say. The Elected Members are supposed to come to you with the best of intentions and to give you the best of their abilities to advise you as to the best means for the development and general administration of the Colony. It is sensed and contained in this Minority Report. For five years, it may have been more, but for five years to my knowledge, it has been consistently urged by Elected Members that the administration of the country was on too expensive a basis. They have too, admitted that they themselves were responsible for a good deal of the extravagance which we have to pay for now. But, Sir, they had the experience in their own lives, business and farms, of also knowing that they made those same mistakes in their own businesses and lives, but when the slump came they at once adjusted themselves to the new conditions and cut down their own requirements—luxuries have already gone to meet the conditions of the day. But can it honestly be said that the Government have followed that same plan? I give every credit, Sir, and I do not care in front of whom I say it, and I praise every effort and every suggestion made in the last four or five years in the reduction of expenditure, but, Sir, it looks as though you are only paring the rind of the orange. You have left the juice there and juice is being sucked out of this country as steadily as if that same orange was handed to a street boy. It is the whole system that is wrong. Now, Sir, how do we know—we all admit, everybody in this House admits, that the system is wrong. We all do because you have sanctioned and we all have approved and we are all waiting for the visit and the result of the visit of Sir Alan Pim. If you believed everything was right, you would never have allowed such a thing to happen as an inspector from the Colonial Office to come out here—one man, knowing nothing of the country—to do something that you, with your experience and information admit that you cannot do.

Now, Sir, this Minority Report has been produced to you— with what object? Funniness? Don't you believe it! It is true that so far as possible the Government tried to make a fuss, but that is reasonable because that Report was created in eight sittings! eight sittings! and I do not know how many hours per day the members of this Committee sat, but supposing they sat 8 hours a day, that is 64 hours to decide the adjustment of a paltry matter of a few million pounds of revenue on one side and expenditure on the other. What opportunity had been given to the Standing Finance Committee to examine, whilst you were preparing your detailed budget

in the strictest confidence, nobody wants to know what they were doing, but those men could have assisted you as you were preparing the budget. Then they could have gone into better details. They could have examined the necessity for the policy covering that expenditure. But to force men—I do not care if they have halos round their heads—in eight days, to prepare a report, to examine all the details, to question all the evidence, to try and impress upon heads of departments that it is necessary to cut things down, I say it is as near creating a farce as it is possible to imagine. Would you suggest, Sir, that Sir Alan Pim knocks his time down to eight days? I do not think he would agree.

Now I will refer to a few local matters. We had a question answered yesterday with reference to the Mombasa Water Supply, which is mentioned in paragraph 20 on page 3 of the Majority Report. It was stated that Sh. 8 a thousand gallons is charged to the Railway for water and as a concessionaire that organization takes 5/30 profit on water which they neither pump nor provide but merely purvey to ships. The Government built the line, the Government staffed the thing; it is all a debit to the Public Works Department, and yet, Sir, Sh. 5/30—that is correct, Sh. 8 from Sh. 13/30 is Sh. 5/30—is credited to an administration which claims a payment on another item to which I shall refer, and for what? What right has this central Government to make a present to the Railway? Is that another contractual arrangement? Does the Railway buy the oil from the oil companies and supply it to the ships and take the profit on it? I can assure you, let them make that suggestion to the oil companies, they will not find them so complacent as the Central Government. What I want, Sir, is that the amount of profit which the Railway gets to come back to the Central Government and put it to the credit of the Public Works Department, if you wish, but it certainly is the property of the Government and in other words the tax payers of the country. Not that that would worry the Government much because they are not in the habit of relieving individuals of taxes and make the general taxpayer pay.

I will now refer, Sir, to the Crown Lands Ordinance, 1902. This is a similar instance. It refers first of all to the heading under Audit, because I do not know how the audit is made.

HIS EXCELLENCY: It is a very wide extension of relevance to bring this under Audit. Has it anything to do with the Estimates?

THE HON. F. A. BEMISTER: It has, Sir, because I want to know how the Auditor passes an item paid by the Government of £3,400 which is due from somebody else and which in your own documents the owner should pay.

HIS EXCELLENCY : I hold that to bring in that under such a general term is too wide. It must be definitely connected with this Report.

THE HON. F. A. BEMISTER : I contend it has.

HIS EXCELLENCY : If it is only to do with the Audit, it is too wide.

THE HON. F. A. BEMISTER : All right. Taking it under revenue items. It is not in this Report but in the budget—Earnings of Government departments. As it has been mentioned several times, I would ask permission to mention it.

I want this £2,400 for a special purpose and that is why I want to take it up to-day. Under the Crown Lands Ordinance the land is leased and the lessee pays all taxes and at the present moment under the contribution of rates to Municipalities, they are relieved. The Government is paying it for them and in consequence there is £2,400 paid out by Government which, if included in here, would add to your surplus that amount. That was my contention.

In the Minority Report on page 26 under Head II, item 82 and sundry other items, it states :—

"For some years we have been told that economies could be effected in Administration overheads provided that District Officers could delegate some of their tax collecting activities. We were never informed that this process would necessitate increased expenditure."

Now under that Head, Sir, the hon. mover mentioned that it was rather unwise to cut down expenditure because that would mean reduced collection of revenue. Now it does seem to me a most peculiar thing that whilst we are agitating all the time that the country is over-taxed, there is still an ambition on the part of Government to employ more men to get more taxes. It seems to me a most peculiar system of argument. If you can cheapen a system of collection and get the same results, the just results, that would seem to be fair business, but it does not seem to be a real Government policy and a just policy for the Administration to employ more men and get more taxes. If you go on logically, you will either have no taxes or the whole country will be simply living for the Government and on that I should like to quote one small thing from this memorandum from the Trans Nzoia District Association to Sir Alan Pim, which states :—

"It is sometimes argued that the high cost of Government in Kenya is due to generous services to the European population. If such is the fact, these services must be dispensed with. We admit that there is a natural tendency

for each district to ask for increased services, especially if it considers other districts more generously treated. The cure for this may perhaps be de-centralisation, removing services from the hands of the central Government and reducing taxation to that extent."

Here, we have a suggestion to increase the tax collectors and so get more revenue for the Government. Now for why? Right through this Minority Report it shows that there is no necessity whatsoever for this high overhead, and it shows you a way out. In consequence I cannot understand the Government not receiving this Report with open arms and studying it carefully and not standing like a stone wall with this in their minds that whatever the duly appointed advisers, the unofficial advisers, prepare and put up before the Government, they say right away "it is all wrong; they do not know their facts or figures. But in any case whether they are right or wrong we will oppose them."

DR. THE HON. C. J. WILSON : Your Excellency, there are two reasons why I should not speak at any length. One is, that as a member of the Standing Finance Committee I have already had the chance of discussing the budget in detail. The other is, that when I spoke on the budget in general terms earlier in this session my remarks produced so surprising a reaction that it is with some apprehension that I venture to speak again at all! (Laughter.)

I am afraid I am rather slow in gauging the temper and the reaction of this honourable Council. From what I had heard and read of speeches in the past, I thought that plain speaking was considered quite the correct thing. (A member : No!) In fact, rather praiseworthy. (Laughter.) Now I am not quite sure!

Sir, I feel rather in the position of a bridge player, a somewhat indifferent bridge player, playing with strange players whose conventions are not fully grasped. There is one convention which is perfectly simple when you know it, and that is that plain speaking is only to be taken as an indication of strength when used by certain players. In the case of others it may be treated as impertinence. (Laughter.) There is apparently another convention, or sort of local rule, that at any stage of the game certain players, and certain players only, may declare a state of co-operation exists, whereupon everybody becomes vulnerable, and no reference may be made to any trick that has been played previously and any attempt to score a point is considered very bad form. (Laughter.)

So that it seems to me I must go very warily for fear of again arousing resentment, though why any remarks from me should seem to carry such a sting I cannot imagine. If the

hon. members who found my remarks offensive are so sure of their position, why worry what I say? Certainly criticism is apt to be disturbing if one is not quite sure of one's self, but surely that cannot be the explanation in this case? What I chiefly regret about that previous—

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: On a point of order, Your Excellency, has this anything to do with the Majority or Minority Report?

HIS EXCELLENCY: I suppose the hon. member is leading up to it, but at the moment I do not know.

A MEMBER: He is trying to score a point!

DR. THE HON. C. J. WILSON: The whole team of eleven have had the opportunity of scoring off my bowling, and I thought it possible that I might be allowed another knock at the wicket. Of course, if His Excellency gives me out—

HIS EXCELLENCY: I think you had better get on with the Report now.

DR. THE HON. C. J. WILSON: I was only trying to explain why I find it difficult to discuss the budget in detail. Suppose I were to speak on the maize subsidy, and to say it seemed to me a measure primarily designed to relieve the European settler? I fear I might be accused, as I have already been accused, of saying that I am antagonistic to the white settler. And what I regret about that previous episode was that I was accused of expressing opinions which I have never held and certainly never had any intention of suggesting. I suppose that such misrepresentation is inevitable and one must get used to it. To quote Kipling's "If":

"If you can bear to hear the truth you've spoken
twisted to make a trap for fools."

But I find it very hard to be told that I have shown myself antagonistic to the Kenya settler and to have suggested that he is not interested in the welfare of the African, when for the past twenty-five years I have lost no opportunity of standing up for the settlers of Kenya, privately and publicly, and saying there never was such a country as this where the relations between black and white are so astonishingly friendly and happy.

My real reason for rising is really on a point of personal explanation. As a member of the Standing Finance Committee I signed the Majority Report, and so must be considered as approving it in toto. But when last week the motion for the continuation of the levy on official salaries went to a

division, I voted against it. That levy is an integral part of the budget. Certainly my action has put me in a very awkward position, and if I only had the turn of mind and the twist of speech of a lawyer I might be able to extract myself from this predicament with some pretence of dignity. But I had better admit that while I was serving on the Committee I was weak enough not to object to this levy, and to approve of it at least tacitly, for the sake of balancing the budget, but when the specific motion came before the House my conscience would not allow me to vote for this iniquitous measure.

This levy is not the only objectionable form of taxation in the budget, the petrol tax, for instance, is objectionable, but money must be found somehow. So far it has been impossible to get agreement on a more rational method of taxation, although there is some hope of help in this direction from the investigations of the Special Commissioner. In the meantime, I see no other course than to vote for this budget, even though it contains forms of taxation which I consider inequitable.

Council adjourned for the usual interval.

On resuming.

DR. THE HON. A. C. L. DE SOUSA: Your Excellency, when I spoke on a similar motion in 1931, in connection with the Standing Finance Committee Report on the draft Estimates for 1935, I concluded my speech with these words:—

"I have despaired of the Standing Finance Committee in my attempts to place before them the case of the people most affected by these things."

My justification for adding to the debate on this budget is that I am profoundly dissatisfied with the manner in which the Standing Finance Committee dealt with each and every representation made to them for well over an hour. We on this side of the House are actually voting for the motion. I gave my reasons last year as to why we were then voting for a similar motion although the mandate from our constituents has always been to oppose revenue measures for additional taxation which are before us and to which, I know, all elected members are opposed. But, as I said last year, for better or for worse we are voting for the motion and we support it to that extent alone.

This budget has been called a Provisional Budget, and I may at the outset say we are hoping that whenever, if at all, Sir Alan Pim differs from the opinion expressed by the hon. the Colonial Secretary, this provisional measure will disappear. But I do not believe it is provisional, because only recently we

have passed the Appropriation Bill, with which we have actually given a blank cheque to Government to spend during the year, and surely it is not provisional after the Report of the Standing Finance Committee which is before us.

I must say also that I do not feel the same views about the congratulations offered to the secretary of the Standing Finance Committee for the very faithful record of the proceedings. There are at least three items dealt with by the Committee which do not appear in this Report. The first is my objection to the item for swimming instruction; the second is in connection with the sum of £15,000 in the loan expenditure on the group hospital, on which I spoke and the hon. the Director of Public Works also expressed his opinion; and thirdly, the question of the rent of the Memorial Hall to the Legislative Council. Those three items are not mentioned at all in the Report, and I think it is most unfair to members who spend their time in giving evidence before the Committee.

Passing from those, the two departments on which I wish to speak are the Medical and Education, not in general terms but within the limits of this Report.

As you know, the hon. the Director of Medical Services made a very good speech during the debate on the draft Estimates, and one would imagine that the whole country was practically full of disease and that all the blessings we had in the shape of a less amount of disease were due to the Medical Department. I am not concerned with that, but I am concerned with the very big figure in the budget under the Medical vote, and in this connection I think the European elected members and the minority of the members of the Standing Finance Committee have also expressed their view that that item is too large and should be reduced.

I would recommend the hon. Director of Medical Services, if it is possible for him to do so, to say what it costs in the neighbouring foreign countries: the Belgian Congo, for example, and Portuguese East Africa especially, to maintain an efficient medical service in those countries which, as far as medical facilities are concerned, are in no way worse than Kenya.

On page 39 of the Report, the hon. member Mr. Patel makes the suggestion that this expenditure in the Medical vote ought to be reduced by the replacement of a very highly paid medical staff by a lesser paid one, though not less efficient. My disappointment with the Report is that there is no indication that Government or the Medical Department wish to consider that proposal, a proposal which I took a long time in my budget speech to put before Government. The staff as it obtains, for example, in a place like Nairobi the doctors, as

they are called in technical language, has been so far much beyond the requirements of the town, and in a way it is considered that Government medical officers, who have private practices in and outside Government hospitals, are in competition with private medical practitioners, and in a place like Nairobi in all departments of medical science the private medical profession is practically overcrowded. There is this opportunity of replacing a number of highly paid medical men who are to-day working in Nairobi, and also the super-medical men who sit at headquarters doing administrative and other work which it not medical in the strict sense.

In this connection, I will show how economies could be effected. I am very sorry to mention one example, though I should have mentioned it in my budget speech had it come to my notice then. There is a member of the Department who is the Senior Bacteriologist. I understand, I am open to correction, that he has been transferred to some part of the country as a Senior Medical Officer. There is a loss to the Colony, not only in the expense of his transfer, but in the abilities of a specialist doctor, who is within my knowledge the most experienced bacteriologist. His removal from headquarters to a district to occupy the post of Senior Medical Officer, doing perhaps administrative work, is a loss. I am pointing out this instance, because it shows in what way money and ability are being wasted by the Medical Department.

Now I come to another item, paragraph 74 of the Majority Report, page 11. In this it is recommended that the vote be increased by £50 as an honorarium to a visiting radiologist to the Native Hospital, Nairobi. I had the opportunity of speaking on this matter last year, when I said that until and unless the whole of the group hospital scheme was built it would be in the interests of the Colony and less expensive to continue with the services of a private radiologist who was to do whatever work Government needed. I am not entering into the details of the scheme again, because I am only concerned with the bigger principle involved in this matter. The principle is this, that, given ability, there should be no differentiation as between scientific men, especially in the medical profession, and I am sure you, Sir, will feel deeply the revelation I am going to make, although I am open to correction.

There has been in Nairobi an Asian doctor, educated from childhood in Europe, who has taken special instructions in radiology. He has been serving Government from November, 1930, and is doing the radiological work even to-day as we are in Council. I understand, and I have read the letter of the hon. the Director of Medical Services, that this young doctor came to know that after 5 years service Government were going to make their own provision for this particular work.

He offered his services, and the reply he got was, that the Medical Department, or Government, had decided to engage a man with radiological qualifications, whatever that means. This particular gentleman, who happens to be a European, a private doctor working in Nairobi, was given an assurance, I understand, a year or so ago that if he went to Europe and qualified himself in radiology and came back this post would be given to him. As soon as he comes back with the particular qualification (which has taken him less than a year to acquire), the services of the Asian have been dispensed with without as much as "thank you" for his past work. It must be remembered in this connection that in November 1930, when this Asian doctor was engaged with this radiological work, there was no radiologist in town, nor a machine with which to do the work.

I consider this, Sir, one of the outstanding scandals of the Medical Department, a much greater scandal than the transfer of the Senior Bacteriologist to a Senior Medical Officer's post.

The next paragraph to which I wish to refer is No. 70, dealing with Asian laboratory assistants. I consider this sort of reply given in Select Committee little short of an insult. They refer me to paragraph 86 of the Report of the Standing Finance Committee on the Draft Estimates for 1935. I have it, and will read it:

"Dr. de Souza represented to the Committee that no provision appeared for Asian learners. The Chairman pointed out that for work in connection with native hospitals there were African laboratory assistants, and for European hospitals there were European laboratory assistants, and that if and when an Asian hospital was constructed no doubt Government would consider engaging Asian laboratory assistants."

That was the reply given me last year, and it was hardly fair that the same reply should be given me on this occasion. My objection to that particular paragraph has been and is now because in official quarters such anti-racial measures are being advocated.

What is wrong with Asian laboratory assistants? Are the germs they would deal with white, black, or brown? Is it necessary that a white man shall deal with white germs and a black man with brown ones? We hear of all these anti-racial feelings and talks all over the Colony, and instead of Government officials and representatives trying to minimise that danger which is preventing better feelings among the communities, here, for the second year in succession, I am told that we must consider the division of laboratory assistants on a racial basis! I am pointing this out because, as I stated in

my budget speech, the policy of the hon. the Director of Medical Services is such as hardly befits a Government official in the position in which he is.

Under paragraph 77 of the Majority Report the question of Indian nurses was raised again by me and the hon. member Mr. Patel. But I notice that he is in a privileged position, being a member of the Committee, inasmuch as favourable consideration is given to the appointment of two Indian nurses for the Mombasa hospital; my suggestion last year and this year that some improvement might be made in the nursing facilities in the Native Hospital, Nairobi, has been thrown out.

Now I have a few words to say in connection with the Education Department. Before so doing, I must pay my tributes to the very sympathetic manner in which the hon. the Director of Education dealt with our representations, which have resulted in a substantial increase in the grants in aid to Indian schools. I do wish that whatever criticisms I may make of certain affairs he will take them in the right spirit in which they are offered.

The question of scholarships for Indian scholars was raised, and I understand that Government have shown their sympathy with the idea, and that the matter is going to be discussed by the Central Advisory Council on Indian Education. My plea, however, is that Government might still be generous enough not to insert a very large amount but a token vote to show their sympathy, in the same manner as the token vote for the Kitale cottage hospital. This would show that Government accepts the responsibility by a token vote of even £5; this would indicate that Government are serious about this scheme.

In connection with this increase in the grants in aid, I must assure the European members of the Minority of the Standing Finance Committee that they need have no apprehension of any increase in Government's liability as far as Indian education is concerned. I would remind them that they have been pressing for not only increased educational facilities but, what I consider most unfair to every section of the community, for compulsory education for European children. When they press for that, surely they need no apprehensions about small requests for schools we ourselves built with our own money without any Government assistance and when we ask only for a fraction of the expense we incur in maintaining them.

With regard to the provision of £150 for swimming facilities for European children, I have a serious objection to this, and I say that the Standing Finance Committee took no notice of it. I say that because they are in actual possession of facts. It is not only a question of swimming, it is the principle involved of State subsidies for sports. It may be

just possible, Sir, that the question may come up of, say golf instruction for school children and I should object to that on principle. There was a discussion in the Committee, and I regret that the substance of it has not been incorporated in this Report. It is not only the sport itself, it is also the transport to take the children to the baths. Not only that, it is the question of teachers from the European schools going with them and teaching the children swimming and, that, too, Sir, during school hours. I have it, moreover, from a number of Europeans themselves that they object to swimming being taught during school hours and that the children would be better off by reading books than floating in the water.

I have made a small demand to the Standing Finance Committee and have had a sympathetic reply about Latin instruction. I have urged that about £15 is necessary for Latin tuition at the secondary school, and I have been told that the hon. the Director of Education will make such provision. There has been a distinct hardship in this respect. Our boys have gone to Europe to study the professions, and I know of one instance, a boy who failed because he did not know Latin. This is not a pious wish of mine but a sincere desire to see that the Education Department should see this enforced during this year.

There is one point in which I am afraid I am personally concerned in so far I am a member of the community concerned, viz., the grant to Goan education. It took me a lot of time to put the case before the Standing Finance Committee, and I find, Sir, that mention is made in the Report to that grant as an *ex gratia* grant. Now, I do not know if there is any difference between an *ex gratia* grant and a grant in aid. I objected to the former term in the Committee. This matter is mentioned at the bottom of page 8 of the Majority Report, and I consider it is not fair to consider this as an *ex gratia* grant, because it is really a charge on Government, whatever anyone may say. I happened to hear a member of the Committee, when giving evidence, say that it was an *ex gratia* grant; I do not admit that it is.

We are asking for Government assistance as people who contribute to the extent of £60,000 per annum according to Lord Moyne in 1931 in direct and indirect taxation, and we are people who have been paying all these years, say £5,000 per annum consumption tax which was originally introduced for educational purposes and has now been absorbed into general revenue. When we do that we do feel it is not a fair thing to say that it is an *ex gratia* grant. It is a grant because it is a liability of Government, and this question has been going on since 1930. The amount was included in the 1930 Estimates, but on pressure from the European elected members Government withdrew it in 1931, and it was put in again only on the

instructions of the Secretary of State. Just before you came the Europeans refused to accede to this matter for the 1931 budget, and only when a lengthy telegram was sent by me to the Colonial Office was the then Governor courteous enough to ask me to come over and explain the matter to him. The vote was then inserted for the first time, and since, Government have always been increasing it. In this matter I take an exception to the term *ex gratia*, and I might assure Your Excellency that even if it is the absence of the education cess which is depriving Government of helping Goan education as such, it becomes a simple matter of *baksheeshi*. We have been carrying this burden for many years, and are very willing to give it up, and you can take your cess and undertake Goan education.

I have nothing else to say, Sir, except the mention I made of the £15,000 to be spent on the group hospital which is not mentioned in the Report. The explanation of the hon. the Director of Public Works was that this money was being spent on specifications and plans. At that particular time one of the members who signed the Minority Report rather jocularly said: "Well, you may be sure you will get the Indian side of the hospital first." My concern is not that, but it is that if the hospital is going to be built at all it must be built at one time as one unit and be finished at the same time and not piecemeal.

I am sorry to take up this time, but it has been necessary. I had originally intended to move the deletion of the £150 for swimming instruction and add it to the Goan vote, but for better or worse I have not done that.

MAJOR THE HON. SIR ROBERT SHAW: Your Excellency, I only rise at this stage of the debate for a very few moments because I feel that I could not leave unchallenged the impression created, in my mind at least, by certain remarks of the hon. the Treasurer, in regard more particularly to this question of the Government's annual payment to the Railway which has been under so much discussion. In describing what happened regarding this proposal, the impression given by the hon. gentleman was that the proposal of the Economy Committee, followed up by the unofficial members of the Finance Committee, was that Government should undertake a most discreditable repudiation of the contractual liability. If the hon. the Treasurer says that the hon. member for Nairobi North was not in possession of the facts, I can say at least that the hon. the Treasurer is in possession of the wrong end of the stick. There was never any question of repudiation or any suggestion of it. What we did suggest was that Government should have immediately on receiving this proposal submitted it

to the Railway Advisory Council as the proper body to consider it, for the simple reason that now, under present circumstances, whereas the Railway is certainly able to meet this liability, the Colony unfortunately is not able to do so. That course apparently could not be followed, the hon. the Colonial Secretary informed us, because there was no reason to suppose that an arrangement which appeared to be so proper and equitable in 1928 was not still equally proper and equitable in 1935 when every single circumstance which led to that decision in 1928 has since been changed. That, Sir, is the most amazing statement and I cannot allow it to go unchallenged—the statement that we in fact urged Government to take a most discreditable and improper step and that Government was only saved from that by the intervention of the Executive Council.

In regard to his remarks about loans, I submit, Sir, that the hon. the Treasurer's remarks disclosed precisely the attitude adopted by Elected Members on this side of the House and as explained by the Noble Lord, the hon. Member for Rift Valley, he told us that the matter had been under consideration for 10 years or more of which we are fully aware and the general consensus of opinion at home was that nothing can be done. It is obvious that at home where one still has the preposterous amount of 6 per cent on our loans that the general opinion will be they are not forgoing that without any help, but in this country where the liability has to be met and borne, the whole consensus of opinion is that the burden is intolerable. What we complain of is that our Government feebly acquiesce in what they are pleased to call the general consensus of opinion at home and therefore is there any wonder that the Noble Lord said that we do not consider our Government are making sufficient nuisance of ourselves in this matter. Owing to this burden, this country is carrying a burden beyond its capacity and taxation has been and is still being paid out of capital assets, so that taxation is no longer a fair record of proportion of profits and is now and increasingly continues to be a raid on the remainder of our capital assets.

THE HON. H. E. WELBY: Your Excellency, the Noble Lord, the hon. Member for Rift Valley, asked what my opinion was as to the satisfactory working of the arrangements made for the maintenance of buildings in Nakuru. I think that my hon. friend, the Director of Public Works, will agree that under the circumstances existing in Nakuru those arrangements have been satisfactory, but I would make it clear that those arrangements has been due to close co-operation between the District Officers and the Executive Engineer of the Division, which is the Nairobi Division, and keeping in close touch with myself and the arrangements have been worked in the closest harmony with the Public Works Department.

THE HON. THE DIRECTOR OF AGRICULTURE: Your Excellency, I wish to deal only with one point. The hon. and gallant Member for Trans Nzoia advised Government to introduce a Sale of Maize Bill similar to the Sale of Wheat Ordinance. This subject of the sale of maize has been under consideration by the Board of Agriculture. Recently the Board recommended that the Maize Enquiry Committee should be revived. That Committee met during the past year and it came to the conclusion that the most likely scheme for introduction into this Colony would be one on the lines of the Maize Export Quota system in South Africa. A scheme applicable to this Colony was worked out in detail at a recent meeting of the Committee in December last and the findings of that committee will be considered by the Board of Agriculture at its next meeting on the 29th of this month. The Maize Enquiry Committee have requested that the principles of the scheme should be submitted to the maize consuming interests in the Colony because in any scheme of this sort it is important that the consuming interests should not be completely antagonistic to it.

I should say that from the Government point of view we rely upon the Board of Agriculture for advice on schemes of this sort and I think—the hon. the Colonial Secretary will correct me if I am wrong—the Government would welcome a scheme which is generally acceptable to the producing and consuming interests and which is supported by the Board of Agriculture. I hope that a conclusion will be reached at the next meeting of the Board and if the hon. Member for Trans Nzoia has any point of view to put before the Board, I hope he will take an opportunity of doing so.

THE HON. DIRECTOR OF MEDICAL SERVICES: Your Excellency, until a few moments ago, when my hon. colleague spoke, I thought I should have very little to say except on the whole to agree with all that has been said on the subject of the Medical Department by hon members opposite, or very nearly all, and with at least 90 per cent of what they have said.

Firstly, I have to agree with what the Ven. Archdeacon said. He is perfectly correct. The grant which is made to the Kaloleni Mission Hospital is made in respect of maintaining a doctor and a certain number of beds. It has nothing to do with the number of lepers they may have there as well, and no reduction will be made in the grant which is given to them so long as the Mission carries out the work which it undertook to do. And, with regard to this work, I have great pleasure in saying here that the hospital is very efficiently run.

With regard to the accusation levelled at me by the Noble Lord, the hon. Member for Rift Valley, I can only say that I trust that he is right and that I am as much of an idealist as

he is. I only hope our ideals are sufficiently high, or we will not get very far. I would, however, like to contest the implication in the Minority Report of the Standing Finance Committee in which it is suggested that I am an impracticable idealist. Of course it may be so, but there is very considerable evidence in the Report of the Minority Committee itself that at least 90 per cent of my idealism is practicable, and practicable in hon. members' opinions, because I notice that while the Economy Committee wanted to reduce my estimates by some £6,000, owing to the lapse of time some members have now decided that a reduction of £1,000 will be adequate.

I now come, Sir, to the point made by the Hon. Shamsud-Deen, who said that in his opinion the employment of expensive staffs of doctors and nurses in native hospitals was not justifiable and that the employment of European nurses was in the nature of a luxury. I shall not deal with the question of the Medical Officers, because I dealt with that subject at some length in my previous speech, but I wish to say a word about the question of nurses. I think it would be very wrong indeed to take the view that to maintain European nurses in native hospitals is in the nature of a luxury. In my view it is a necessity, and not only is it a necessity, but it is a necessity with a view to carrying out the medical work economically, and as economically as we have done. It is very largely due to the fact that we have had such nurses in the native hospitals that we have been able during the last few years with greatly reduced funds to treat larger numbers of people in a more efficient fashion. Only when you put female nurses in a hospital does it become a real hospital. These ladies have, in fact, in the past 10 years done very much the same work in Kenya as Florence Nightingale did in the Crimea. They went into hospitals which were little better than hers, and made them real hospitals, and trained men to be good nurses in the same way that male orderlies in the Army are trained by the Army Nursing Sisters. We owe a great debt to those ladies who have done their work so well, and the results of their work in training African boys has been the foundation of the large amount of work we now carry out all over the Colony.

With regard to the point made by the hon. Dr. de Souza, I can only say I do not agree with him as regards the number of medical officers posted in Nairobi being too large. I should like more, for the number I have are exceedingly busy men indeed, and the amount of private work carried out by them is very small.

The hon. member referred to the transfer of the Senior Bacteriologist into the field as a Senior Medical Officer. That transfer was made at the request of the officer in question and because I entirely agreed with the reasons on which the request was based.

He raised also the question of the visiting radiologist and suggested there was some racial bias on my part. I entirely deny any racial bias of any sort whatsoever in connection with a scientific matter of this kind. In making an offer to a private practitioner to take part in Government work at a Government hospital, other things being equal I could do nothing else whatsoever than to give consideration to the special qualifications held by those who might be considered. In this case there was only one physician in the country who held a special qualification in radiology and, other things being equal, I had no option whatsoever but to make an offer to him.

THE HON. A. B. PATEL: Your Excellency, I do not see eye to eye with some of the recommendations contained in the Majority Report and I do not quite like some of the conclusions reached there, but I propose to support the motion before the House, because I think that it is not unreasonable to suppose changes and recommendations will be made when Sir Alan Pim presents his Report. At the same time, I desire to refer to some of the items which I mentioned before the Standing Finance Committee.

There can be no doubt that there is scope for a reduction in expenditure, but it is fair to mention that it will be a one-sided picture if one does not say that efforts have been made in the past by Government to reduce expenditure. There can also be no doubt that relief in taxation is necessary and, as I understood the Noble Lord to say, the neighbouring territories have already reduced their taxation, but I have not so far realised whether the Government of this country is unable to reduce taxation owing to some inherent defect in Government or an inherent defect in the general and other policies peculiar to Kenya which Government has to follow and maintain by open and hidden subsidies.

I particularly desire to refer to the recommendations of the Minority Report on the Agricultural Department. I personally have always felt that the work of the Veterinary Department is very essential to native reserves and it will be a pity if that work is interfered with. It is well known that the ghee and other industries have been assisted by the Department to such an extent that to-day we do not require to import ghee from India, while if this service is continued there is every prospect that the industry can go forward and be able to export to India.

As to the Education Department, I must take the opportunity of thanking the Majority members for including an increase in the grants in aid to Indian education, and I very much regret that it was objected to by the Minority, especially as it is well known that the only direct service the Indian community in this country receives worthy of mention is in the

education vote, for as far as the Agricultural and Medical Departments are concerned the Indian community does not receive any services worth mentioning.

I understood the Noble Lord to refer to the consumption tax paid by the Indian community. I thought the time of running a race in the drinking of liquors for getting more education was over, and I also thought that the time for going to the Government statistician and quarrelling over how much liquor was consumed by each community was over, but I must remind this Council that the Indian community has always opposed the racial division as far as education was concerned and has always maintained, and will maintain, that it was the duty of Government to give education to the children of the State irrespective of what taxation their parents paid.

At the same time I must put before this House how Indian education is generally treated. I would refer only, just as a reminder, to the note of mine concerning the question of the Indian school at Thika, which was raised last year. Last year, when the matter was raised by the hon. Member Mr. Pandya, the paragraph put in the Report of the Standing Finance Committee was:

"Mr. Pandya was informed that, for financial reasons, it had not been possible to make provision for a new school building. It was understood from the Director of Public Works that the School Committee were in a position to meet the necessary capital expenditure, and the Committee recommended that the possibility of arriving at an agreement with the School Committee, whereby that body would erect a suitable building and lease it to Government, should be examined."

This year, when a similar question for a school for European education was raised, one finds in paragraphs 49 and 50 of the Report of the Standing Finance Committee on the 1936 Estimates, the following note with which I, of course, concur:

"49. The Director of Education explained to the Committee that the position in regard to European education in the Nyeri, Nanyuki, and Thomson's Falls area was unsatisfactory for a variety of reasons, and he considered that the erection of a central school at Nanyuki was very necessary. With this view the Committee was in agreement, and understood that provision for approximately one hundred children would be required. Failing such provision, the Committee understood that additional accommodation at Nakuru School would be necessary.

50. The Committee recommended that the possibility of erecting suitable and simple accommodation from Loan

Funds should be examined by the Loan Works (Buildings) Committee and that, if possible, a suitable building should be constructed during 1936."

That shows how Indian education is generally treated and, in my opinion, it is regrettable that when such a small amount was necessary for encouraging the praiseworthy efforts of the Indian community to maintain and provide private schools the Minority thought, and recommended, a reduction of £500.

I must also thank the Majority members for accepting the principle of giving scholarships to Indian students going overseas, but I regret very much that the Committee did not see their way to include a token vote.

I desire to refer to paragraph 64 of the Standing Finance Committee Report under the heading of Head XV, Local Government Lands and Settlement:

"64. Item 40—Clerks (European).—Item 41 Clerks (Asian).—Mr. Patel took exception to the proposal, reflected in these items, to replace an Asian clerk by a European. While he had no objection to the replacement of an Asian by an African on the ground of economy, he regarded the present proposal as neither fair nor economical."

I have taken up this point to draw the attention of Government, and have selected this particular item, to show how the Asian clerks generally are treated. There are so many other items which I could have pointed out, but I have selected only this particular item because, as I shall presently show, from the Memorandum on the Draft Estimates, Government in this case have, in my opinion, blown hot and cold at the same time.

To make my point clear, I refer hon. members to page 21 of the Memorandum:

"Item 41. Clerks (Asian), £1,350. It is proposed to abolish one post of Asian clerk, the present holder having retired, and to engage a European learner."

Another item in the same Memorandum on page 14 reads:

"Items 15-17. Clerks. Four Asian clerks on the old terms retire during the year, and are replaced by one Asian clerk on Local Civil Service terms and by three Arab or African clerks."

On page 23 of the same Memorandum, at the bottom, one finds:

"Two Asian clerkships, for which provision for part of the year only was made during 1934, have been abolished on the retirement of the holders, and two additional African clerks have been engaged."

I can point out other items in this Memorandum, Your Excellency, but those are sufficient to explain my point that Government, as far as Item 41, under Local Government, Lands and Settlement, is concerned, have blown hot and cold at the same time. I could elaborate even from the Prisons Department that the principle of economy is not followed when the question of Asian employment is concerned. I will, however, only give one instance which occurred last year when, despite the protests of Mr. Pandya, a master tailor took the place of two Goan master tailors whose salaries were £435. He was engaged at £300, rising to £380, and in 1936 will draw £400. At the same time the Goan master tailors who were retrenched will be paid £150 pension. This year the Department is asking for a learner at the expense of £84, which makes a total of £634, against an expenditure in 1933 of £432. That is not by any means economy.

I desire to refer to one other point, on page 10 of the Standing Finance Committee Report, in connection with the anti-malarial proposals. As I understood the evidence before the Committee, in 1934 there were over 3,000 cases of malaria in Nairobi; in spite of provision made by the Municipality it was regrettable that the Majority of the Standing Finance Committee did not see their way to include provision for this year. I hope the Committee will reconsider that proposal favourably, and that a supplementary vote will be asked for.

I also thank the members of the Standing Finance Committee for accepting my request to engage two Indian nurses for the Native Civil Hospital, Mombasa, and I hope steps will be taken at an early date and a supplementary vote asked for by the hon. the Director of Medical Services for engaging these nurses in 1936.

I also want to refer to paragraph 124, page 18:

"The Committee realized that the construction of a suitable water supply at Thika was desirable, but felt that the financial position did not permit of provision being made in the 1936 Estimates. The view was expressed that, should a material improvement in the Colony's finances take place, an application for a Special Warrant should be considered during the course of the year."

This question was raised before the Standing Finance Committee last year, and it was then postponed for inclusion in the 1936 budget. Now, a hope has been given to Thika residents that, if there is an improvement in the finances of the Colony, they will have the good luck to have their water supply. I hope that in case of an improvement in the finances of the country the Thika water supply will receive first consideration.

With those remarks, Your Excellency, I support the motion before the House.

THE DIRECTOR OF EDUCATION: There are one or two points, Your Excellency, which I should like to reply to.

In regard to the question of the Indian overseas scholarship scheme, the Finance Committee have invited the Advisory Committee on Indian Education to put forward a scheme, which I have no doubt they will do, and it will in due course be forwarded to the Secretary of State for his consideration.

The hon. Member Dr. de Souza brought up the question of the provision of money for swimming instruction. I am rather surprised that an eminent medical man such as he is should object to the provision of swimming instruction for school children. (Hear, hear.) As I explained in the debate on the budget, I should be the first one to recommend similar instruction for Indian and other children were facilities available. In the *Times of East Africa* I read that this item was the most disgraceful item in the whole budget. (Laughter.) I think that possibly he might have saved the blushes of the hon. and gallant Member for Trans Nzoia. He referred to the budget as a lady immodestly clad. I think he might have been more charitable if he had assumed that fortified with a strong Pim she was about to take a swim!

On the question of the ex gratia grant to which the hon. Member Dr. de Souza takes exception, Government, in view of the fact that the majority of the Goan community are not British subjects, have not so far put them on exactly the same footing as other communities. It must also be remembered that so far they have not paid the education tax. In spite of this, in 1931 Government recommended to the Secretary of State that a grant should be made of £250 for Goan education. The Secretary of State welcomed the suggestion and hoped that when the finances of the Colony improved this amount might be increased. In spite of the fact that there has been very little, if any, improvement in the finances of the Colony, this amount has gradually been increased and stands at the figure of £600 in this year's budget. In addition to that, we are providing grants for two mixed schools, one in Nairobi and one in Mombasa, which are attended by quite a large number of Goan children.

The hon. Member Mr. Patel mentioned the Thika Indian school. I am glad to inform him, if he is not already aware of the fact, that Government has recently concluded an arrangement by which we have rented a very excellent building for this school.

THE HON. D. D. PURI : Your Excellency, after what my colleagues on this side of the House have said yesterday and this morning, I do not think there is any necessity for me to say much. But the Noble Lord referred to the grant in aid for Indian education, urging a reduction. I think that what he said was a most vindictive thing that one could possibly expect from the European side of the House, to attack a paltry sum of money which was being allocated for Indian education. The Noble Lord quoted some figures yesterday, and said that Indian education was still out by £10,000, that is, the difference between contributions and expenditure.

THE HON. LORD FRANCIS SCOTT : On a point of order, I did not say so. I said, omitting the amount contributed in consumption tax.

THE HON. D. D. PURI : I agree. But taking the figures of European education, and adding to the expenditure housing allowance, pension allowance, and interest and sinking fund on loan money spent on buildings, I still say that Indian education to-day pays its way compared to European education, and that the latter does not and, in view of all the circumstances, it would have been better for the European elected members to have kept away from paragraph 64.

In a previous speech I said that the efforts of the Indian community towards education are such that when Government gives them £8,000 it is at the rate of £3 per child, but the Indian community has got to find a sum of £20,000 to run these schools which it is more or less the duty of the State to do. The expenditure on Indian education is about Sh. 227 per capita per year; take it at Sh. 200 or £10. If those boys and girls were in State schools, Government would spend about Sh. 250. It means we are to a very great extent helping Government to the extent of £20,000, and I think that is a point European elected members ought to be very thankful for, rather than to begrudge us the extra £500.

With regard to loan money spent on education, I said previously that £197 per boy was spent for buildings for European education and £19 for Indian education. That is a ratio of 1 to 10, yet when the question comes up of building a proper place at Thika, the hon. the Director of Education tells us that arrangements have been made for renting a suitable house. We asked for a building, but none could be provided, yet I know that this is an attempt on the part of the members of the School Committee at Thika and others who, seeing Government would not provide an adequate building, had to find something to accommodate their children at Thika so that they could go to school. Thus an arrangement was arrived at between the Education Department and the School Committee and other persons to rent a building.

But that does not absolve Government from the promise that we are entitled to have a share in the loan money to be spent in making a proper school for Indian children. My request is that when any scheme is being considered whereby money is to be spent on school buildings, Indian education has a proper claim to participation.

The hon. the Director of Medical Services referred to the engagement of Indian nurses. I think it is extremely bad taste that I should say anything more on medical facilities for Indians, but the proper arrangement should be to provide Indian nurses wherever there are Indian patients; that will be the best benefit, as the hon member has admitted.

We all know, and I have seen it, that although all our grievances remain exactly as they were and that we are being treated very indifferently, yet, in view of the fact that the expenditure of Government is under review by Sir Alan Pim, we on this side of the House will support the motion before the House.

HIS EXCELLENCY : If no other member wishes to speak I will call upon the hon. mover to reply.

THE HON. THE COLONIAL SECRETARY : Your Excellency, I do not think that I have been asked a great number of very specific questions which demand an answer, but there are some points which have not yet been touched upon by my hon. colleagues on which I should like to comment.

First of all, I wish to get rid of one definite question which was asked by the hon. Member for Nyanza—why it was that I, as Chairman of the Standing Finance Committee, withheld from that Committee certain essential information—and also, I think I am quoting him rightly, he suggested that I led members into a trap. Had the hon. member read intelligently what I said in my Memorandum on the Draft Estimates or the Report of the Standing Finance Committee, I do not think that he would either have asked the question or made the insinuation. On page 5 of the Memorandum on the Draft Estimates I said, in connection with the Select Committee on Economy:—

"The Select Committee reported at the end of June, 1935, but Government had not had time to consider the recommendations in the Report before the Session of the Legislative Council, which was sitting at the time, adjourned. The various recommendations have now received full consideration by the Governor in Council, and those which have been approved have been incorporated in the provisional draft Estimates to which this memorandum relates. The opportunity is therefore taken to incorporate

in the memorandum a statement of the views of the Government on the various recommendations in order that Members of the Legislative Council may be aware of the position."

On page 29 of the same Memorandum, in connection with this particular item of the Guarantees in respect of Railway Branch Lines, I said:—

"On agreement being reached between the Kenya Government and the High Commissioner with regard to the terms, the Legislative Council has had placed before it a motion for the provision of funds for the purpose accompanied in each case by a guarantee. These resolutions were essential preliminaries to the construction of the branch lines, and in every case received the unanimous approval of the Legislative Council. There can, therefore, be no case either in law or in equity for the withdrawal of the guarantees, and Government is therefore unable to accept the Committee's recommendation."

I imagined that that information was all that was required. As a matter of fact it was all that was required because no member of the Standing Finance Committee asked me anything more about it. This Memorandum is not an Encyclopaedia Britannica; it is a short document and contains what I thought was necessary to put into it. But the information contained therein can always be supplemented at any time by any member asking for further information. Had I been asked how and by what means Government came to that conclusion, naturally I would have put at the disposal of the Committee all the information I had myself. But the information was accepted as sufficient and that, I think, is proved quite definitely by the record of the Standing Finance Committee's report. Now that record, Sir, to which I will refer, is paragraph 93 at the bottom of page 13 of the Report:—

"The Committee understood that the Railway were now calculating branch line profits and losses on a formula much more favourable to the Colony than that hitherto in use, and that, in the normal way, Government would not be required to meet the full sums guaranteed during 1936. As, however, branch line rates had recently been abolished on the Railway, and as it was impossible to forecast the precise effect of this concession on the financial working of the branch lines . . .

Now this is important, Sir,

. . . the Committee, on the advice of the General Manager of the Railway, recommended that the provision in the draft Estimates should stand."

That is not a majority of the Committee. Whenever we had a majority and a minority recommendation, that is clearly stated in the Report, and this record is a correct record. There is no mistake about that. There is no possibility of a mistake. The question that came before the Committee at that time was not whether the item should be deleted from the expenditure estimates, but what the amount of the item should be and whether, in view of the alteration in the system of accounting for branch lines, there was any justification for reducing the total amount of our liability. It seems to be accepted by every one in the Committee that there was a liability from which we could not escape at the time and insofar as the preparation of the budget and the figures in the budget were concerned, it was admitted by every one that that item must be put in and I may say, Sir, that when I saw the Schedule to the Minority Report—the Schedule which is in fact the budget recommended by the Minority—I do not think it too strong a word to use, to say I was astounded when I saw it had been deleted.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: On a point of explanation, Sir, I want to make it perfectly clear that I did state on several occasions during the deliberations of the Committee that I was bound by not one of the recommendations of the Committee and that we were drawing up our own Minority Report. It is clearly stated on page 29 of the Report.

THE HON. THE COLONIAL SECRETARY: That Sir, is perfectly true, but I do not think that affects anything that I have said. The special question we were considering then was not whether any amount should be inserted, but what amount should be inserted. What the Elected Members of the Committee said afterwards, is embodied in the Minority Report. That is, of course, an entirely different matter. Actually the minority at the beginning of their Report on this matter definitely acknowledge that the liability was there. I quoted this in my speech the other day:—

"Whilst we have to admit that owing to arrangements made in the past the Government of Kenya is liable to the Railway for Interest and Sinking Fund on the capital cost of these Branch lines . . ."

At the beginning of the Report, they admit the liability, but in the last line of the same page they say:—

"We therefore recommend a reduction in this item of £21,354."

and the deletion of the item appears as a definite recommendation on page 37 of the Report.

The hon. Member for Ukamba said there had been no suggestion for repudiating the liability. It seems to me that a figure in the Schedule, which is the budget of the Minority Report, amounts as a matter of fact to more than a suggestion and is in fact a definite recommendation. I think, as a matter of fact, it is the one item on which the possibility of the acceptance or rejection of the Minority Report depends. I shall come to that later.

Now, Sir, I will endeavour to comment as well as I can on certain other points that have been raised. The Noble Lord, the hon. Member for Rift Valley, said he thought this Government had not been enough of a nuisance to the Colonial Office in endeavouring to get some relief from our Loans, and I think it was the hon. Member for Ukaamba who rather emphasized the same point. I wish I could persuade hon. members opposite that there is no justification in this charge. This Government has been a nuisance—if nuisance was the right word—to the Colonial Office since 1923 and 1924. We have tried and tried again. Even lately we instructed the Deputy Treasurer Mr. Sandford when he went home to make himself as much of a nuisance as he possible could. We wrote to the Colonial Office asking them to give him every possible assistance in discussing the memorandum of Capt. Schwartz and any other memorandum which might be received and which might possibly have the effect of reducing this burden upon us, I think if hon. members could see the correspondence they would realise how hard the Colonial Office have tried to help us over it. It really is not a case of Colonial Office obstruction. They have got hold of all the advice they can from officers of the Bank of England and Bankers, etc. But the fact remains if a man wants to buy £100 of Kenya Loan 6 per cent he has got to pay about £127. If he spends £127 on buying something to-day he wants a *quid pro quo* if his percentage is to be altered tomorrow and none of these financial experts have yet been able to think of a *quid pro quo* which will satisfy him and at the same time will not be detrimental to us. When I say that they have not been able to think of one, that is not perhaps quite the right word. They have thought of all sorts of schemes of dealing with the problem, but I am afraid all our information is at present to the effect that no satisfactory scheme has yet been devised. That does not mean that the matter has been lost sight of. Even now our files show that there is still one further scheme which we have asked the Colonial Office to examine. But as I say I do wish we could persuade hon. members opposite that neither this Government nor the Colonial Office has relaxed its efforts in trying to find a scheme to get some relief if relief can possibly be given.

Then there is a smaller point in connection with the Medical Estimates. The hon. member suggested it would be quite wrong if Government were forced by any action of the Municipal Council of Nairobi to increase the Estimates. I thought I had made it quite plain that I, as a member of the Standing Finance Committee, had no intention whatever of being forced. I thought I said I would put it on the agenda and that if we could be persuaded we had made a mistake before then we might put the matter to Your Excellency for a Special Warrant, but I did not in the least want the Committee to think I am suggesting that we should renounce our responsibility in that matter or to be forced to do anything we do not want to do.

The Noble Lord also said that Government having accepted the policy of extending the activities of district councils, ought to follow it to its logical conclusion. I do not think any of us would dispute that for a moment. The point is that I could not reflect the conclusion in the 1936 Estimates, because there is not as yet a Municipal Authority established at Kitale and certain district amalgamations have not yet become a *fait accompli*.

I am afraid I am still a little mystified as to what the hon. and Ven. Archdeacon Burns was driving at in so far as the Leper Hospital is concerned. I understood he objected to the reduction under Head XVII, Item 63, of £100, i.e. £1,200 to £1,100, in the interests of the lepers at Kaloleni. I understand now that they never had any of this money for that particular institution and so whether it is reduced or not does not seem to me to affect the position of that institution in any way whatsoever.

VEN. ARCHDEACON THE HON. G. BURNS: As a matter of explanation, Your Excellency, I asked the Government that out of the £100 which had been deducted, some of that £100 be given to help the leprosy work at Kaloleni which had never received any help from the Government in any way whatsoever. I was misunderstood and it was thought that I was protesting against the reduction of the grant already given to the hospital, but that was my important point and my desire was that the Government should give something to help those poor people who are being helped at Kaloleni, with some grant of say £50, £60 or £100, whatever it might be, so that the work might be carried on, and these poor people helped. That is my explanation of the whole position.

THE HON. THE COLONIAL SECRETARY: I am very grateful to the hon. Member for his explanation. The matter is now quite clear to me and if he puts up a case for the leper work through the Director of Medical Services, of course it will be considered.

The hon. Mr. Shamsud-Deen made the outrageous statement that customs revenue had been increased because of a shower of rain, and I am grateful to my friend the hon. Member for Nairobi North for the efficient way in which he disposed of that outrageous charge. It was explained quite plainly to any one who cares to read that the Committee felt justified solely on the grounds of the figures of revenue coming in now and for the last three or four months and which may be expected next year.

The hon. Member for Nairobi North criticised me—or Government, I am not quite sure which—for having some doubts as to the wisdom of a proposal to amalgamate the labour and registration sections. I think a certain amount of honest doubt as to the results of a change in policy is legitimate in anyone who advances no claim to omniscience. He also stated that Government by this time ought to have made up its mind. It did, many years ago, make up its mind that the two sections should be kept separate. The only question now is whether anything has happened since to suggest that a change of policy is desirable. In view of the fact that Sir Alan Pim has arrived out here and may, for all I know, advocate a policy of abolishing either or both sections, or a re-organisation of either or both by amalgamation or otherwise, we felt it would be a waste of time to pursue the matter at the moment until his Report is available.

The same hon. member also referred to the fact that in this one case we have shirked our responsibility, that is to say, the estimates of the Department of Agriculture. I think I said in my opening speech that we had not shelled our responsibility but have postponed it, because Sir Alan Pim and Mr. Milligan are here and they may be able to help us out of a very difficult position. Sir Alan Pim particularly asked for the advice of Mr. Milligan in dealing with the problems of agricultural expenditure, and it seemed to us it would be folly to take what might be precipitate action in view of the fact that we are to have his advice so very soon. If, for instance, we had retrenched a lot of officers, and Sir Alan and Mr. Milligan said we had made a great mistake and that it was essential to the good of the country that we should engage a lot more to take their places, then we should not have done any service to the country but a great disservice. But that is one case in which I freely admit we have postponed our responsibility; in other cases the charges that we have shirked our responsibility have been utterly groundless.

We have, as I said in my opening speech, accepted the duty and responsibility of producing the best Estimates we could, and we have done it, except in this one case.

The hon. Member Dr. de Souza complained that there was no record, or an inadequate record, of his interview with the Standing Finance Committee. The Report of the Committee is not meant to be a very voluminous document, and had we reported every single discussion and the whole of every discussion it would have been unnecessarily long and cumbersome. What we have done as a general rule is only to record decisions that had some effect on the Draft Estimates or decisions that necessitated some action being taken. Under the item of "Grouped Hospital" the Committee did not decide to recommend any alteration either in policy or the finances, so nothing about that was put on record. The same remark applies to swimming instruction.

Incidentally, as a Roy Scout, I must say how much I deprecate any criticism of the efforts to teach every boy to swim. If the time comes when there are just as good facilities for swimming for my Indian Boy Scouts I shall certainly support any similar expenditure as strongly as I possibly can in their interests.

So, also, there was no change recommended in the rent of the Memorial Hall and it was not considered to be worth recording anything about.

I am sorry if the hon. member feels hurt by these omissions, but they were not meant to victimise him particularly but were merely in accordance with the policy of the Report which was drawn up.

Both the hon. Member Dr. de Souza and the hon. Member Mr. Patel protested against the alleged injustice to our Asian Civil Servants. I do not think there is any substance or justice in the charge at all, and the fact that we have no less than 1,000 Asian Civil Servants in the Service of the Colony shows that we do regard their services as valuable. The fact remains that there are different classes of work; when we want a European for a certain type of work we put in a European, when we want an Asian we put in an Asian, when we want an African we put in an African. I did refer to this particular matter in my speech, and said that no doubt Sir Alan Pim was considering the various types of services and the various types of officers performing them and whether they were expensive or inadequately paid and that we should no doubt get some valuable advice from him. Meantime, I would ask some members to believe, if they can, that we are not animated by any spirit of antagonism to, and certainly do not wish to do any injustice to, our Asian Servants.

Coming to the last point, as to whether or not this budget proposed by the Majority of the Standing Finance Committee is a practical one, the hon. Member for Nairobi North said he

was unable to accept my argument that the possibility of accepting the Minority budget depends on the acceptance or rejection of the proposal to abolish the branch line guarantees. To me, the argument seems irresistible. A budget is expressed not in prophecies or aspirations but in figures. On page 37 of this Report there is a figure, a reduction, of £21,354. If that figure remains in the Minority budget, there is a surplus, I think, of £13,551; if that figure has to come out, that surplus is automatically converted into a deficit and therefore the Minority's budget cannot be considered.

As I said yesterday, what the prospect is of the Railway Council recommending Your Excellency as High Commissioner to forgo that revenue I do not know, but at present it is only a prospect, it is the merest surmise that Government may be relieved of this expenditure. I say that a budget should depend on figures and not on surmise. The plain fact of the matter is, Your Excellency, that the Majority Committee have recommended a budget that can at least be put into operation; the Minority as an alternative have produced a fairy tale which, however beautiful in conception, has little relation to actual facts and cannot be, under existing conditions and in existing circumstances, translated into practice.

Therefore, Your Excellency, it seems that the only practical thing this House can well do is to approve of the Majority Report.

The question of the substantive motion as amended was put and carried by 26 votes to 9, one member not voting.

Ayes.—Mr. Bale, Major Brassey-Edwards, Mr. Bruce, Ven. Archdeacon Burns, Messrs. Fazan, Gardner, Harragin, Hoaking, Logan, Mangat, Montgomery, Morris and Patel, Dr. Paterson, Messrs. Pilling and Puri, Sir Godfrey Rhodés, Messrs. Shamsud-Deen and Sikes, Dr. de Souza, Messrs. Vidal, Wade, Walsh, Waters and Welby and Dr. Wilson.

Nocs.—Mr. Bemister, Major Cavendish-Bentinck, Messrs. Conway Harvey and Hoey, Lt.-Col. Kirkwood, Major Riddell, Lord Francis Scott, Sir Robert Shaw and Mr. Wright.

Declined to vote.—Sir Ali bin Salim.

Council adjourned till 10 a.m. on Thursday,
the 9th January, 1936.

THURSDAY, 9th JANUARY, 1936

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Thursday, the 9th January, 1936, His Excellency THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

OATH OF ALLEGIANCE.

The Oath was administered to—

Arthur Claude Tannahill, Esq., O.B.E., Acting Member for Nairobi South.

MINUTES.

The minutes of the meeting of the 8th January, 1936, were confirmed.

MOTIONS.

PETITION re ALTERNATIVE TAXATION.

DR. THE HON. A. C. L. DE SOUZA having moved:
"That the petition praying for the removal of the Alternative Taxation Measures be referred to a Select Committee."

THE HON. SHAMSUD-DEEN having seconded.

The debate having been adjourned.

The debate continued.

DR. THE HON. A. C. L. DE SOUZA: Your Excellency, in speaking to this motion I must acknowledge my deep debt of gratitude to you for having given me this opportunity of speaking, to use the words of a living Indian poet for "the poorest, the lowliest, and the humblest."

This petition is essentially a petition from the small man. It is signed by citizens of Nairobi to the extent of about 1,000, and I have been very fortunate in presenting a petition to this House which has been signed by Europeans and Indians together. To that extent, I consider it is a very great privilege for me and one of the happiest occasions I have had in my life.

The petition is divided into two parts, but before I actually go into the details of it I must say that this petition was circulated in the town of Nairobi only for three days. It was not, unlike a similar petition against income tax, hawked up and down the country for months. This petition has been

circulated, as I said, among the poorer sections of the community of Nairobi, and since it has been laid on the table, almost up to yesterday, I have written and verbal messages approving of the action I and a few others have taken.

I might as well say that the country, and by country I mean 96 per cent of the people who in 1935 paid taxes under the existing measures—not the country the hon. and learned Attorney General mentioned the other day when he said it was not fair to the country generally to have petitions thrust on this Council, and by country he was meaning about 6 per cent of the taxpayers . . .

THE HON. THE ATTORNEY GENERAL: On a point of explanation, I never said anything of the sort. I was explaining why we should not debate the petition at that moment, because we had then seen it for the first time.

DR. THE HON. A. C. L. DE SOUZA: I am sorry that I misunderstood the hon. member. But I say this petition is from 94 per cent of the people who paid taxes in 1935 under these alternative measures.

Now, Sir, this petition as I said is divided into two parts. It maintains that the alternative revenue proposals have been given a full and fair trial as dictated by the late Secretary of State for the Colonies and that they have proved to be unduly harsh and oppressive insofar as the small taxpayer is concerned. That is the first part. The second part suggests remedies, and all it suggests is that some other tax be substituted which will be equitable.

Dealing with the first part, I beg leave to go back a few years when these alternative taxation proposals were adopted. In this connection I must admit that Government three years ago did all they could to avoid their imposition, and it was very consoling the other day to hear the hon. the Colonial Secretary say that these taxes were a sort of bargain between the Colonial Office and the European elected members. These taxes were imposed in substitution of the proposal for income tax. Their imposition, to my mind, at least was primarily due to the Nairobi Chamber of Commerce and the Alternative Measures Proposals Committee.

As this petition is essentially that of the small man, I do not think I shall be accused of wrongly saying that neither the Chamber of Commerce nor the Proposals Committee represented the small man. The Chamber represents what is called the aristocracy of commerce. It does not include the small merchant; neither did the Committee which was appointed by Government for the purpose of getting opinions.

Those two bodies approved of the proposals. The small man was made the dupe of the richer one, for he had no say in the matter. But his case did not go by default. He tried to kick up as much as he could but, as in all human affairs, the stronger views overpowered the weaker ones, and the alternative measures were pushed through against the wishes of at least 94 per cent of the taxpayers of the country.

I shall prove to you my contention that it is the small man who pays and not the rich one, and to support that contention I have got a few arithmetical workings based on the information which was supplied us at the beginning of this session. You will be surprised, I am sure you know it already but some hon. members may be, to know, that the men who earn from £50 to £100 per annum, men with families and children, and generally belonging to the poorer people, contribute 30 per cent of this tax, and in population, Sir, they constitute 56 per cent.

We will go a little further, and we see that the men who earn up to £200 per annum, call it Sh. 4,000, pay 45 per cent of this tax, and they constitute 75 per cent of the taxpayers. We climb the ladder, and see that people who pay on incomes up to £300 per annum constitute 85 per cent of the taxpaying population and contribute 55 per cent. If I jump and go to £500, which is what I consider the limit for this class of people, in the country, they constitute 63.87 per cent of the total number of taxpayers and contribute 69 per cent of the tax. What is left is 6 per cent of the population contributing 30 per cent whose incomes are above £500 per annum.

This is what I want to impress on this Council—and incidentally I want to impress it upon the Special Financial Commissioner, Sir Alan Pim, because the object of this petition is not so much to influence the budget. It was not. It was deliberately put in, in the middle of the budget session, to make the people of the country realise what the small man contributes and to what extent these measures are a hardship on the small man, and to what extent Sir Alan Pim must take serious notice of these taxes.

Now, Sir, this system of taxation is oppressive because it gives no relief to any man for his family. It is on a flat rate basis, even if we go back to the non-native poll tax which existed before the graduated non-native poll tax came in; that also imposed a flat rate on rich and poor alike. It makes no differentiation between married and unmarried. It is, Sir, a very slabby imitation of an income tax, and the people who have been crying in and out of season protesting against income tax should be honest enough to admit that they accepted a system of taxation which is a crude imitation of

income tax. To that extent, I maintain that they have already accepted the principle of income tax, because they are to-day paying on the basis of a tax on income. Now, Sir, the poor man in England, in Rhodesia, and in South Africa, gets relief. In those countries income tax exists, but should there not be income tax at all in those countries I do not think anyone for a moment would protest that the poor man should not be given relief in the matter of his family and all other reliefs incidental to income tax.

What is more, this alternative taxation divides the population of the country into two classes; it is in fact class legislation. It sets up the poor man against the rich. It makes the rich man think there is a large body of people who can pay for what he ordinarily would have paid. It sets up the poor man against the rich, and creates bad feelings, and as far as this petition is concerned it puts up the town population, the European population particularly against the rural. That is in fact what is happening in connection with this tax, and that is why this petition has come from the people of the town.

It has been at times contended, and I have figures here, that there is a large proportion of the public who have not been paying this tax and have been exempted on account of poverty or unemployment. It is a common argument to say that if a poor man cannot pay he need only apply to the revenue officer who gives him exemption. On the other side of the picture are men from all sections of the community who think it undignified to go to any officer of Government and disclose to him their poverty and receive what I may call a dole from Government, and they are suffering, because in my own knowledge there are people unable to pay who will not avail themselves of this exemption clause.

That deals with the first part of the petition, and I do hope, Sir, that I have proved that these taxes are a hardship on the poor man. The remedy is what is contained in the second part.

It is simple, it is concentrated in one word—equitable. By equitable I do not want to use what is the other word for equitable, but it seems to me there has been quite a lot of misunderstanding among people, and even while this petition was being circulated in town, especially among the European population of the town. It was represented to them that this petition amounted to a petition for income tax, and quite a lot of signatures were refused because they said that if the second part of the petition had been omitted they would have signed. I do not want to raise that very controversial issue of income tax, although, Sir, Government have committed

themselves to the principle, on more than one occasion expressing the view in favour of income tax. On two occasions within my memory they actually set up the machinery for the working of income tax. I say I have no other alternative to suggest or to say what is an equitable system of taxation.

If we exclude income tax from our considerations, then the question comes in: what is equitable? and I say that by equitable we all mean the ability to pay, and ability to pay is the main thing that concerns the poor man and the small man on whose behalf this petition is presented. The income tax proposals having been given up, it was only fair that Government should have some other means of raising revenue. When these alternative measures were imposed, for some reason or other Government forgot and so did the Chamber of Commerce and the committee which was appointed to advise Government that there is not only the individual, the taxpayer, who can contribute to Government revenue but there are other agencies. For example, there were pensions. I may not be very popular in this respect, but there are pensions which could be taxed; there are also dividends which could be taxed, and there are mortgage interests, and several other things that could be taxed. But, for some peculiar reason, Government and the two bodies forgot the man who invests money in this country, who has vested interests in properties, who derives thousands of shillings income out of them. With my own knowledge, there are several people in Nairobi owning properties and getting income in the form of rents. The live outside the Colony, but come in for a month or so and walk out. Those gentlemen have been excluded. For what reason nobody knows. It is surprising that Government, when it wanted its just due and share of revenue from the rich and poor alike, forgot all those agencies.

As I said, I am particularly cutting the issue of income tax out of this debate, because I fear that the support I ordinarily ought to get from this side of the House may be withdrawn from me. I say that I do not for a moment believe that we can ever, in this country, go without income tax, but should it be the case that we do not have an income tax, what is the suggested remedy for these ills?

What I propose and what I suggest is that this system of taxation, if it has got to stand, has got to be revised. Even the original tax of Sh. 20, a tax on rich and poor alike, if that is going to remain, has got to be revised, because it is unfair that the rich and poor should pay a flat rate. In this connection it occurs to me that it would be profitable for this House and Sir Alan Pim, who has been in India, to consider in what way they manage income tax there. Most of the objections to income tax in this country have been on the

ground of the difference in the standards of living. In India, they do not consider standards of living; they arrange a scale so well that everybody fits in, but the small man does not, he is left out. I have quoted the case of India. In India there is a large European population as you know. I think between 80,000 and 100,000 in a vast population of 355 millions. But income tax does not affect the millions, but those who earn, my latest information is a taxable income of some 1,200 to 1,500 rupees per annum, little less than Sh. 2,500. I have quoted this case because it is useful in consideration and revision of taxation.

The trades and business licences which were imposed have also got to be overhauled. You will have noticed that every merchant and shopkeeper has got to have a licence. And why, Sir? The small trader, like the salaried official, is out for a living. He earns it by his shop, and the official would take up a job in an office for means of livelihood, pure and simple livelihood. Why should the former be taxed only because he seeks an ordinary means of livelihood, and why not the salaried man? Whether in Government or otherwise, he is out to gain a livelihood, at times on a lavish scale.

I do not take any credit for myself, but I think the simplest solution—I am talking of income tax as out of the question—there must be a principle, Sir, where the dividing line is established and from where we start catching the big man and relieving the small man. My proposal which I put before this Council is the revision of the schedule of the non-native poll tax, indicating the line on which we should work.

The man earning up to £500 should pay half of what he is paying to-day; the man who is earning more than that should pay double what he pays to-day, so that you balance your budget.

As this petition is a thought-provoking petition and has been brought up to stimulate thought in Government circles, and also in Sir Alan Pim, I do not think it is necessary for me to speak any more. I think I have said enough to show that there is an urgent need for a revision of taxation. I think I have proved that it is the small man, the 94 per cent of the taxpayers, who is keeping up the revenue derived by Government from these measures, and that until the small man is given relief this constant, perpetual bickering about taxation, these long debates over a budget that should have been finished in less than three hours, unless that is done I do not think there will be peace. As I have said, this amounts to class legislation, and it will not be long before the small man will revolt against these measures and make himself felt. I say that we who represent these people, Europeans and Indians

alike, on this Council, if we do not take heed of the warning given through this petition, our fate in the next election may be different.

THE HON. SHAMSUD-DEEN: Your Excellency, I beg to second the motion before the House and, in doing so, I do not propose to go into any question of income tax versus alternative taxes. I will confine myself strictly to the terms of the motion, that the petition should go to a committee of this House to investigate the truth, or otherwise, of the statements in that petition and, naturally, to devise means, if they come to the conclusion that there is a hardship suffered by certain sections of the community, to alleviate those hardships.

I do not wish to add much to what my hon. friend has said, except that the law as it stands to-day does not exempt the people who are not totally unemployed. I know that the majority of Indians are getting an average, I am talking about the working class, of about Sh. 50 a month, and that they have got to pay, not less than Sh. 50 a year in non-native poll tax and education cess to the Government. That is practically bringing them on the same level as the native of the country, who also pays one-twelfth of his yearly income to Government. The exemption is only given to those people who are totally unemployed and destitute and if they have no means whatsoever. No man is exempt from the tax whose income is less than £100 a year, and even a man who is getting Sh. 40 a month is not entitled to be exempt.

I have mentioned in this House before a reference to reports of the Medical Officer of Health, Nairobi, in one of which he said a large proportion of the mortality among Indian infants is due to the ill fed mothers of this town. I think if this committee which is asked for is appointed they will be doing a great service to the community if they made it their job to make investigations and find out the number of people who have actually died in this town for want of medical assistance of any sort, for want of food, and for fear of exposing their poverty to the authorities. The Municipality of this town, for only about three months, gave a sort of relief to this very hard hit class, but that was not the end of it. Conditions were somewhat relieved with the building of the Supreme Court and other minor works, but we have come back to the same destitute conditions prevailing among the poor class. These people are very hard hit, and the least Government could do would be to appoint a committee to go into the whole thing.

If I were sitting on the other side of the House and knew that my salary with which I bought my bread came from a class who had to take the bread out of the mouths of their

children and ill fed wives, I should have serious qualms of conscience in accepting such salary, and I think the least that can be done, Your Excellency, is to have a committee appointed.

I only wish to say one thing. That is, that when a vote is taken on the motion, I hope it will not be what is really official routine, officials voting as one block against a particular motion, either for or against it. I must say that in my previous experience of Council that was not always the case. There were occasions when Government officials were ordered to vote *en bloc* according to instructions from the Chair, but there were occasions when there was a free vote. I hope Your Excellency will see that a free vote is recorded in this particular case, because it is a matter which ought to have the sympathies of every God-fearing man in order to give help to the poorest, lowest, and humblest class of people as mentioned by the hon. mover.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Sir, I do not propose to speak long on this motion.

I wish to say that the European elected members cannot support it as it stands, for one or two reasons.

Though I have not had a copy of the petition, as I understood the hon. mover to express it it is to ask for a committee to inquire into this question of taxation for the purpose of removing the temporary taxes. That, of course, we here would agree to if it was a straightforward motion to ask for the removal of the temporary taxes, but it is not. It is to ask that they should be removed and other taxation put in their place. Whatever the hon. mover or hon. seconder say, it is that income tax be imposed in their place.

We have consistently taken the point of view that this temporary emergency taxation must first be removed, and then we are prepared to consider the incidence of taxation.

With regard to some of the arguments of the hon. mover, I may not have followed them quite closely but, if I am right that he said the graduated poll tax fell particularly hard on the poorest part of the community and quoted figures which we were given the other day. It seems to me that is not the case, for fifty, about 60 per cent of the people who pay poll tax at all apparently are not affected by that as they still pay Sh. 30. If income tax is introduced as before there is still the minimum charge which everybody will pay up to Sh. 40, which we got altered to Sh. 30 in committee.

Personally, I am not completely in favour of exempting people from taxation, there must be some minimum, and the

taxation has not, as the petition states, caused great hardship which is principally on the poorest members of the community.

With regard to trade licences, I think there is a case, that the poorer class of traders are perhaps penalised. That is another question altogether. But we cannot support this motion because in effect it is arguing that income tax or some such measure should be imposed instead of the present form of taxation. As I say, if these emergency taxes be taken off, that we have always voted for, but we are not prepared to support a motion which advocates income tax or some such measure being put on in their place.

THE HON. THE COLONIAL SECRETARY: Your Excellency, I regret that Government cannot accept this motion and, when I say I regret, I mean quite definitely I am sorry we cannot accept it, for many reasons; well, for some reasons anyhow.

We all know the honesty and sincerity of purpose of the hon. mover, and some of us know how he gives definite expression to the sympathy he is known to feel for the poorest, lowliest, and humblest, and we know how hard he works for the population of this town. We should naturally have liked to assure him of our sympathy in his efforts at supporting what he believes is the right way of giving them further help.

But, Sir, at the present time we have the Special Financial Commissioner, who has come out here to help us investigate the cost of Government and to advise how that cost can best be met and, in the opinion of Government, it would be not only a waste of time but definitely unwise to set up a separate and distinct authority to examine precisely the same proposals that Sir Alan Pim has come out here to examine.

I have no doubt whatever that Sir Alan Pim will give close a tention to this petition and will listen to any evidence in support of it that the hon. member wishes to produce. For those reasons, I am afraid that Government is unable to accept this motion to refer the petition to a select committee of the House.

DR. THE HON. A. C. L. DE SOUZA: Your Excellency, there is hardly anything for me to say in reply, because there has been no debate at all.

I very much regret to see that the European elected members, as represented by the Noble Lord, have shirked their responsibility, and I am sorry to say that some confusion was created by the quotation of 50 per cent. As I said, I am against the Sh. 30 poll tax, and my contention has been that even if it is true that 50 per cent of the people who have paid

in 1935 their tax of Sh. 30 are the same people who paid that tax in 1915, that tax is unfair, so that the quotation of 50 per cent of the people have paid this year and have paid for several years does not appeal to me. But what seems a great pity is that elected members have had no courage to come out and put up concrete proposals in this matter.

As regards the compliments paid to me by the hon. the Colonial Secretary, I do not think I am deserving of them. They seem so very sarcastic!

I made it clear that this petition has been put up and the time of the House taken up to impress on Sir Alan Pim this side of the question, and it seems to me there was nothing to be lost in referring it to a committee of this House. On the contrary, I think Sir Alan Pim would have welcomed an expression of opinion from the House, and just to strengthen his hands and to give him more reliable and authoritative information as would necessarily come from a body selected by this House, is the reason why this petition has been put up.

I very much regret that Government have taken an entirely different point of view in this matter, and it seems to me that however sympathetic they may be with what I call the poorest, lowliest and humblest, it is more of lip sympathy than real.

The motion was negatived.

Re NATIVE HUT AND POLL TAX.

VEN. ARCHDEACON THE HON. G. BURNS: Your Excellency, I beg to move the motion standing in my name which reads as follows:—

“This Honourable Council is of the opinion that the methods adopted in the collection of Native Hut and Poll Tax bear very heavily on certain sections of the native population residing in the Reserves, and would earnestly ask Government to devise some means by which those who are committed to prison or detention camp for the non-payment of their taxes can be given work of such a useful nature as would justify Government on the expiry of their time in exempting them from further taxation for that year.”

First of all, I want to make it perfectly clear, because I have heard a murmur that I am out for abolishing taxation among the natives, I want to make it perfectly clear that I hold, as strongly as any member of the House, whether on the Government side or this side of the House, that every able-bodied native in this country should pay a tax, a reasonable tax, for the services that Government are rendering to them.

There is no thought in my mind of trying to get the natives free from paying that tax.

I should also like to pay tribute to those who are making a very real effort to make it easier for the natives to pay their taxes by the card and stamp system. I shall have a little more to say about that a little later on.

But the first part of the motion is, that the taxation bears very heavily on certain sections of the native community residing in the reserves. It is not my intention nor, indeed, is it the purpose for which I am standing before Your Excellency and this noble Council this morning, to advertise any faults or anything else of the kind of any district officer and any responsible officer whom, I know, are overburdened in the native reserves. But my purpose is to ask the Governor and, if necessary, Government, for an inquiry on oath as to the methods adopted by some of those to whom the district officers have, because of the enlargement of their districts, and because of the increased work that has been placed upon them, put into the hands of native chiefs and headmen to collect this tax throughout the reserves.

There are things, Sir, that I cannot say and cannot speak and give utterance to in this Council this morning. There are things that are being done to-day, that were done last week, in certain sections of the reserves which I cannot and I do not intend to advertise in this Council this morning, only to say they are of such a character that I am convinced, Your Excellency, that no British administrator, much less Your Excellency, if they were cognisant of these facts of which I am cognisant and of which I have here in my possession a sheaf of letters from all parts of the country, would not tolerate for one moment in the collection of tax for the revenue of this Colony. There are things that are being done, and done without the knowledge of the district commissioners and the officers in charge of the reserves which, were they broadcast, would bring very great discredit upon the administration of this Colony.

It is not my intention to publish those facts, but there are some of them, Your Excellency, so blatant and so apparent that everyone is cognisant of them. May I be permitted, with Your Excellency's leave, to give a few of these?

I refer first of all, Your Excellency, to the widows. I know perfectly well that I may be answered by whoever will answer my words this morning, that the district officers have power to exempt widows from the payment of hut and poll tax. But there are widows who, to my knowledge, have been widows for eighteen years and had been exempt by their district officer, from the payment of hut and poll tax, who last year were

garnered in by the *askari-kanga*, brought to the native village—I am speaking with all seriousness and am weighing my words as I speak them—they were brought to the chiefs of the village and, when asked for the tax, said, "We have been exempted from that tax." They were told that if they paid the chief a certain amount of money they would be allowed to return to their villages and still be exempt from payment of the poll tax. Some of these widows have paid as much as Sh. 10, even Sh. 12, and have never been allowed to appear before the district officer who is in charge of that district whom, I am convinced, would not tolerate such a state of things for one single second.

Then, again, with regard to the treatment meted out to these people by the *askari-kanga*. It is done, Sir, very much at night time. It has come under my knowledge—and I believe it to be a fact, it has been certified to me as a fact—that a woman with her infant baby on her back, because the man who was supposed to pay the poll tax was not available but went and hid himself somewhere—this woman was taken and was escorted around by the askari during a wet stormy night until the early hours of the morning until every stitch of the clothes on her poor body, with that of the little infant, were saturated with rain, and until her father-in-law came and released her from the hands of those who had arrested her the previous evening. Again I say, there is not a single British officer administering a district throughout the whole of Kenya Colony, were he aware of such a thing as that, would tolerate it for one moment. But it has been done and is being done to-day and, worse than that, Your Excellency, it is being done at the present time.

There are widows who have sons. Sometimes a man dies and leaves three or four widows behind him, according to their old custom, and their sons are made responsible for the payment of the tax of the widows, because she happens to live in a house. I have nothing to say against the justice or injustice of that this morning, but when it comes to the widow herself, who has only a little bit of garden to keep herself alive and provide food for herself or, if she has them, small children, I say that the case becomes very very hard indeed when she is thus treated by the *askari-kanga* and the headmen and the chiefs who are responsible for the collection of this tax.

There has come to my notice within the last week matters which I think will come before Government before very long and which I refrain from giving utterance publicly to in this noble Council this morning, things that will, I think, horrify those who have to deal with them.

The next point, Your Excellency, that I want to make—I shall be told, of course, that the district commissioners

have power to exempt these widows, and I give them all honour for the way in which many of them are carrying out that duty—but there are many of these widows who are never allowed to reach that district commissioner because there is interposed between them and the district commissioner the chief or headman, who is fattening himself on the poverty of these people. I have asked again of Government officials, and others, how it is that a headman who, before he is made headman, or a chief, is just an ordinary native, who may have one wife or two wives, as the case may be, who may have three or four head of cattle, a few goats and sheep, he may have his little garden or big garden as the case may be. But, after five years or so, return and examine that man's property and, as was told me by one of these very headmen, placed there by his chief: "All this land roundabout is mine." And it extended over a couple of miles in every direction. I looked at the man and asked him "How is it you have come to be owner of such a large extent of land as that?" and a native standing by, with a grin on his face, turned to me, after the headman had gone, and said "Byana, I will tell you how that has taken place. When anyone comes who has not their poll tax, that man will say 'I will give you your poll tax for your garden.'" The money is passed over, the poll tax is paid, the garden passes out of the hands of the previous owner and is now part and parcel of the property of that headman, who will let it out to others who will work his whole shamba and sometimes pay rent for it.

The widow woman, Your Excellency, who came under those circumstances to the chief and was asked to pay her tax said "I have not got any money, my husband has died quite recently, and I have no money to pay my poll tax." There is what the natives call a "dummy" always standing by, and he turned to the chief and said "I will give the money for the woman's poll tax in place of her shamba, if you declare in the presence of these people that the shamba is no longer hers but mine," and the transaction was thus carried out, the money was passed over to the chief, and the woman left without a single inch of land which she could cultivate to procure food for herself.

They have a custom, especially in the Kikuyu country, of redemption. It is possible for them to redeem such a garden as that. The woman went away and began to try and collect a few shillings here and there until at last she collected the Sh. 13 necessary, as she thought, to redeem her shamba. She came back with that to the man, and he looked at her with scorn in his face and said "Ah, ah, not that! You must go and get me Sh. 13 more before you can get your garden." And that woman had to go away and collect Sh. 13 more and bring to that man and hand it over to him, Sh. 26 for the

redemption of her little bit of land from which she could get her food.

Your Excellency, I cannot say how it hurts me to give expression to these things, but they are being done to-day, and things, as I said a moment ago, worse than that. All I ask for, and I do ask it with all the earnestness of my soul, is that the Government officers (whom I know are over-worked and cannot supervise because of the extension of their districts these things) would go into these matters and that an investigation be made as to what is taking place.

The second part of the motion is rather difficult, and that is with regard to the boys who are being detained in detention camps. Quite recently a law was brought in that a boy is due to have his kipandi at 16 years of age. Immediately he gets his kipandi he is liable for hut and poll tax. Many of these boys are trying to help their widow mothers. They own no sheep or goats of their own until they come into Nairobi, Nakuru, or some other place and by working get a few shillings, buy a goat, and send it to a brother or relative in the reserve, and in that way accumulate stock that will enable them when the time comes to get married. But they have no money to pay poll tax for the time being. Their own fathers, who are themselves very poor and hard pressed at the present time, will not pay at all for them. The result is these boys are driven out of the reserves and enter centres of civilisation. They come to their friends in Nairobi it may be, or some other centre, and try and find work and, very often, while there, they are trying to pay their poll tax. They have no money to pay it with, and the result is that many of them find themselves in a detention camp where they are kept for may be one, two or three months, as I understand the ordinance allows now.

But my point with regard to these boys is this, that during these months that they are in that detention camp they have no opportunity of earning money to pay their tax with. They have no opportunity of helping their people in the native reserves with their gardens to cultivate and grow crops that may eventually bring them in some return or enable them to pay their tax. "They are given work of a certain character to do, and my request to Government is this, that they be given work of such a nature that will be of such value to Government that, at the expiry of their term, which they have been given, Government will be justified in saying to them, "You are exempt from the tax for this year because of the work you have done during these three months." I know it is difficult. I am not speaking now of the prisoners who are, for instance, say in Nairobi prison or elsewhere. I know the efforts that are being made and the work that is

being done by the officers in charge of those prisons to make those prisons as far as possible a paying proposition, and that the natives who are in there for a crime are given work to do of such a character that it is of value to the country and of value to the Government. I am not speaking of those prisoners, but of the boys who have no possibility and who have no means of earning money to enable them to pay their poll tax at the early age of say 16 or 17 years.

There is another point, Your Excellency, with regard to the collection of this hut and poll tax and that is the seizure of the stock of a relative. A boy cannot pay his poll tax, he is not able to do so, he may or may not be in Nairobi and may be able to pay, but instead of trying to get the boy himself and take the stock that belongs to him and deal with it or sell it, the stock of his brother or nearest relative is seized, brought in to the Chief's village and sold. Now, Sir, I have been told on very good authority that this is done in very many instances, and without the authority of the District Commissioner that stock is brought in to the Chief's village, the Chief has his people there ready to buy the stock at half the value and they fix up the business between them after the sale and after the transaction has transpired. That is another point which I have been informed by natives who are prepared to go into any court in the land and give that evidence on oath, that it is true. That I am sure, Your Excellency, is not the intention of Government, nor is it the intention of the officers who are responsible for the administration of the district. Therefore, I do ask and ask it with all sincerity, that this question be looked into.

I do not want to advertise all the matters that I have in these papers here in my hand this morning—things that would make one not be able to sleep if one knew of the cruelty that is meted out to some of these people by the *askari-kanga*; that I am sure the District Commissioner, were he to know of it, the *askari-kanga* would not be allowed to serve one hour under him in the district. They are beaten, and I say this positively, they are beaten and worse. Their women folk are taken and brought to the Chief's village, put into the Chief's village, to cultivate his garden it may be for two or three or four days. They get nothing for it and sometimes are treated in a way of which I cannot speak here in this honourable Council. Your Excellency, it won't make matters any better for me to enlarge on these things, but I do say, Sir, and I stake my reputation upon it, that these things are happening to-day throughout the whole of this land of Kenya and I am convinced they are happening without the knowledge of your officers who are administering these places, but they are happening, and as a result of those happenings the headmen and the chiefs are becoming rich men and going about in

their £400 or £600 motor cars, as the case may be, at the expense, as we heard in connection with the Indians, of the poor people who are treated in this way by them and are not only asked for their taxes—the taxes that the Government I think justly demand from them—but are asked and demanded to pay *baksheeshi*, as it is called, for these chiefs and head-men.

In referring once more to the point of the arrangement that is being made for collection by card stamps, I would urge very, very earnestly, and I would ask the support of both the Elected Members and of the Government in this matter, that that card be not a card for 12 stamps, but that it be a card for 10 stamps, and that the normal tax of the native throughout the Colony, except where Your Excellency through your officers, because of some disaster of drought or locusts or of something else of the kind, has decided to make it less, that the normal tax throughout the whole Colony be Sh. 10 and that the card be prepared for 10 and not 12 stamps. I am convinced that the revenue would not suffer one single bit and that Government would get just as much revenue to-day if the tax was Sh. 10 instead of the so-called Sh. 12 throughout the land. I again reiterate it is not my thought nor my intention, as long as I am allowed to be a member of this House on behalf of the natives, to suggest that the natives should not pay a just and reasonable tax for the services that the Government is rendering in the way of education, in the way of medical services, through the Agricultural Department and through the Public Works Department. I think that you know I hold strongly that the natives should pay the tax so as to maintain those services throughout the reserves.

With these words, Your Excellency, I beg to move the motion standing in my name.

THE HON. SHAMSUD-DEEN: Your Excellency, I beg to second the motion.

Council adjourned for the usual interval.

On resuming,

THE HON. SHAMSUD-DEEN: Your Excellency, while the hon. mover of this motion was speaking I was wondering whether I was hearing him read from Lord Lytton's *Last Days of Pompeii* because the persecutions that he has mentioned I think almost amounted to the conditions that prevailed about 2,000 years ago. I personally think that the hon. mover has done a great dis-service to his constituents or to those whom he represents, and the country in general, by saying that he has got some very formidable and unutterable things in his

possession which he did not wish to mention here. I think it would have been just as well if he had placed all his cards on the table and had actually mentioned them, because otherwise it simply shows a skeleton in the cupboard somewhere and otherwise some one else will publish them if he does not.

My only regret is that I am seconding a motion moved by the hon. Member who has not made it strong enough. Throughout the debates in this House he is so very apologetic that I do not think he makes out all the representation that ought to be made. At the end of the year there is a regular loot of the tax-payers money going on in this House and he comes and asks for £50 here and there, whereas by one stroke of the pen we are giving away something like £12,500 and hundreds of thousands of pounds. However, my point is that the motion is not strong enough. It has been stated in this House by his colleague that in his opinion the taxation on the native is not very heavy. Of course this motion does not go into the question of the incidence of the taxation, but only confines itself to the method of collecting it. I am averse from making any lengthy quotations at all, but I think I would ask Your Excellency's permission just to quote an article that I read in one of the London papers—the *Daily Mirror* of the 27th September last, in which is contained the opinion of one of the former Governors of this Colony, in fact no other person than your Excellency's predecessor. The first part of this article may seem to be irrelevant, but I come to the latter part in which Sir Edward Grigg says what he thinks about the operation of the native taxation. The heading of this article is "Peace bid in 'Country with a Curse'—Inquiry into Kenya discontent". I only want to say that most of us think that we are doing wonderful things by typing page after page of speeches and coming and reading them in this House and rendering a service to the country. But this is the result of it. This country is styled as the "cursed country". The article reads:—

"BY A SPECIAL CORRESPONDENT.

Britain is making a bid to settle once and for all the feeling of grievance that for so long have racked Kenya, which has been called the 'cursed country'.

In that Colony a shadow of discontent lies over the land, affecting white settlers and natives alike. Discontent caused by taxation.

Now, at last, a Commissioner is to be sent out to examine into the cost of government and to advise in regard to the 1936 budget.

A cable sent yesterday by Mr. Malcolm MacDonald (Secretary of State for the Colonies) authorised the

Governor of Kenya, Sir Joseph Byrne, to make this announcement.

So the demands of the settlers, whose 'parliament' believes that the government machine needs entirely re-organising, have met with response.

But has their call for an inquiry been answered in time?"

LT.-COL. THE HON. LORD FRANCIS SCOTT: On a point of order, Sir, has this anything to do with the motion?

HIS EXCELLENCY: He mentioned native taxation.

THE HON. SHAMSUD-DEEN: I am coming to the concluding part of it (continues reading):—

"A former Governor of Kenya, Sir Edward Grigg, told me last night:—

"This should have been done before, but even now I think it will do a great deal of good, and I welcome it.

There has been very emphatic discontent about the affairs of the Colony.

Something is needed to reconcile very heavy expenditure with very slender resources, and I should think a Commission would do what is necessary.

The discontent comes mostly from the "unofficial whites"—the settlers. They certainly do not hold these views from a purely selfish attitude. They have pointed out for years that the natives are very, very heavily—and in some cases cruelly—taxed."

Now that shows the view of a Governor who has been in this Colony for five years that there is no doubt about it the native is very heavily taxed, and when the hon. says he is in favour of every able-bodied native paying taxes, whether employed or unemployed and whether he has any source of income or not, that he must pay the tax, I submit there lies the whole difficulty—the collection of the tax.

VEN. ARCHDEACON THE HON. G. BURNS: On a point of explanation, Sir, I did not say whether he was employed or unemployed. I did not say anything about that.

THE HON. SHAMSUD-DEEN: I do not wish to quarrel with the hon. mover, but he said that every able-bodied native ought to be taxed. If that formula is also applied to the European and Asian then I think the collection of the taxes from both European and Asian would become doubly difficult and more oppressive than has been mentioned this morning.

That is where, I submit, the whole trouble lies. A widow, who have been told, is ordered about in the rain to compel the payment of taxes. The real difficulty lies with the man who is unable to pay the tax. In the case of an Asian or a European he is articulate enough or has the means to raise a fuss, but the poor deaf and dumb native is left to the headman whose one duty is to please the administrative officer. I have described them as dumb and deaf because they are not articulate enough to come and present their case to the Council and cannot hear what is happening at all about them. Therefore it is all the more reason why Government should take more care as to how the tax is collected from them. The difficulty of the native representation in this House is illustrated by the fact that the hon. mover had to come to a wretched Indian member to second his motion because he could not get his colleague to do so as they did not see eye to eye on the matter. Of course the reason for that is that the whole task of the representation of the native in this House is a very unpopular and prejudiced one. The second hon. member representing native interests told us yesterday how, after one single onslaught from the unofficial members, he practically surrendered and put up his hands and said he never said a word against anybody.

LT.-COL. THE HON. LORD FRANCIS SCOTT: On a point of order, what has this to do with the debate?

HIS EXCELLENCY: The hon. Member must stick to the motion. We are talking about native taxation.

THE HON. SHAMSUD-DEEN: I will not say anything more. I simply have to say that the collection of native taxation is so oppressive that it requires a very forcible representation in this House which is absent at the present moment.

Your Excellency, as I said the other day, I know the hon. mover of this motion is not a gentleman who makes any statement in this House unless he is sure of his facts. This is a very serious matter and does not only give the whole country a bad name, but it is a matter which goes against not only the administrators and those responsible for collection of the tax, but against the head of the Administration itself. I do hope that this motion will be adopted and something very serious done in the matter.

As regards the second part of the motion, as I say it is not strong enough, and the least that Government can be expected to do is, when they have got a man who cannot pay his tax, make him work a month—two or three if you like—but after that he should be relieved from the responsibility. I know that in the early days of this country, even in German

East Africa, they had a method by which a man who did not pay a civil debt was imprisoned and made to work and after a number of months or so he was relieved of the debt for the amount he had put in work for. But that does not seem to be the case in the collection of tax here. The native is made to work in prison and after that is still liable for the tax. This, I submit, is going to extremes.

I wanted to say a lot of things arising out of the article I have just quoted, but for fear of being ruled out of order I have no alternative but to sit down, although I think Sir Edward Grigg's remarks made to the representative of the *Daily Mirror* in London may apply more forcibly to him being responsible for all this than to the present Governor.

DR. THE HON. C. J. WILSON: Your Excellency, of course I must explain why it is that I find myself unable to support the motion proposed by my hon. and ven. colleague. I wish to make it quite clear that what I say will be an expression of my own opinion on the questions raised by this motion, the argument as I see it. I do not wish it to be understood in any sense as a reply to the speech made by the hon. mover and if I am less eloquent, if I seem more detached, if my argument is more academic, I hope it will be believed that I am no less sincere.

There is little doubt that under the present system of tax collection in Kenya irregularities do occur and some hardship must at times result. This I am afraid is bound to happen, but to find a remedy is not so easy. Obviously there are two systems by which a tax can be collected. It can be collected either through the agency of African chiefs and headmen, or collected through administrative officers. If tax collection is to be carried out by European administrative officers, it means that those officers must neglect their proper work of governing and guiding the people under their care, and must devote their time to collecting and counting shillings—which is absurd. It means that the native will come to look on his district officer primarily as a tax collector and therefore as an enemy rather than as a friend, which is unfortunate. And it means if tax collection is to be thorough and complete, the European administrative staff throughout the reserves must be increased, which at present seems to be difficult. But if tax collection is entrusted to the African, then there are disadvantages to set off against the obvious advantages, and one of these advantages is that the African cannot be relied upon to treat his fellow Africans with fairness and justice. I am putting it very mildly. My hon. colleague has put it more strongly, African history, and by that I mean the history of Africa as ruled by the African, without the influence of and uncontrolled by foreign agencies, African history is a record of tyranny,

injustice and cruelty. That, Sir, is the background which I should like to provide to the picture which my hon. colleague has painted. Against that background the system of tax collection and methods of tax collection in Kenya to-day do not appear so black. I think, Sir, conditions are not so very dreadful when compared with the conditions of a generation or so ago.

Ideally, of course, no individual should suffer any injustice under British rule. Our business is to take the practical steps necessary to attain that ideal. One of those steps is to educate the African to an appreciation of the value of honesty, justice and integrity. Now, Sir, education along those lines must involve putting the African to a practical test, putting him in a position of responsibility and trust. If some break down under that test, surely, Sir, that is no reason for giving up the attempt.

Another condition for attaining this ideal of justice for everyone is that there must be adequate European supervision during the period in which the African is being educated in the principles and practices of self-administration. This is necessary in order that unjust practices should not continue long without being discovered, and in order that the victim of any injustice should be able easily and readily to appeal for redress to the power behind the headman or chief. In other words, Sir, there must be an adequate European administrative staff throughout the reserves.

Coming to the second part of this motion, it is there I find my chief difficulty. I have no doubt that the hon. the Chief Native Commissioner, if and when he replies to this motion on behalf of Government, will say whether he thinks that the present practice, as apart from the present legislation really requires any radical alteration, and whether, in his opinion, the alteration proposed in this motion is practicable. I am more concerned with the ethics of the case.

At present it is the duty—the well recognised duty—of the adult African to pay his tax. There is nothing repugnant to African ideas in tax paying. It has always been an essential feature of African society. To-day, if a native cannot pay his tax in cash, he can pay it in kind if he has any saleable property. If he cannot pay it in cash or in kind, if he has not exerted himself to acquire some cash or property to pay his tax, then he undergoes the penalty of detention. That detention is a punishment for failure to pay his tax. It is not an alternative to paying it. I think it would be unfortunate if detention were to become or to be considered as an alternative to payment as it might become too easy for the native to take the line of least resistance by defaulting in payment and automatically obtaining exemption by a period of compulsory

service. If that were to become in any way a general practice, Government would be compelled to organize labour camps on a large scale and I think, Sir, that the organization of compulsory labour in that way would be a retrogressive step. I think that belongs to an earlier stage of social evolution. I may be old-fashioned in my ideas of the proper relation of the State to the individual and the individual to the State, but I do not want to see the freedom of the individual lost in a system of State-controlled compulsory service. It seems to me that there is a danger that what is proposed in this motion might tend towards such an end. We do not want to see individual initiative suppressed and private enterprise discouraged. I think it is better that the African should be spurred on—even though the spur may be painful for the moment—to produce his contribution to the State by his own free and individual effort, rather than that he should work off his indebtedness to the State by compulsory labour.

I may be wrong in thinking that this is the tendency of this motion. I am quite sure that my hon. colleague, in framing this motion, was actuated only by a desire to help the African along the right and best lines, and I only regret that I find myself in disagreement over the policy which he advocates.

THE HON. SIR ALI BIN SALIM: Your Excellency, with regard to the taxes of the natives, so far no charge has been brought against the tribal authorities. The hon. mover has only mentioned the *askari-kanga*. I think the matter of tax collection is not fault in that the *askari-kanga* should not receive the taxes but should collect the man and take him to the tribal authorities and from the tribal authorities to the district commissioner. It is very difficult indeed if the tribal authorities send a subordinate actually to collect the tax. It is the business of the district commissioner to hold a court in the location. I do know of these kind of cases at the Coast where the same thing has happened. One of the tribal authorities sent out an *askari-kanga* to collect the tax due from a taxpayer who had refused to pay when summoned. The *askari* found him and received the tax but did not take the money to the district commissioner and the district commissioner dismissed him. In another case the *askari-kanga* of the tribal authorities received the tax but did not give it to the Government and when the man who gave him the tax was arrested, he said "I gave it to so and so". The *askari-kanga* was charged by the district Officer at Mombasa and admitted his offence and on being asked where the money was, said "I hid it". He was ordered to go and bring the money. Instead of going and trying to get the money, he took his wife and ran away, and no one knows where he is to-day.

So there is some truth in the allegations brought by these people against the tax collecting if these *askaris* are allowed to collect the taxes. I think myself that the *askari-kangas* should cease collecting the tax and that an order should be given by Government to everyone to understand that the only person to receive the tax is the "Mzee" (Elder) and not the *askari*. The old Mzee can then take the tax to the district commissioner. This is my personal opinion of the way in which all injustices can be removed.

As regards the cruelty which has been mentioned, if there is any cruelty, why this is not the first time there has been cruelty in the world. Everywhere there is cruelty and the duty of the Government when it becomes aware of it is to stop it and put it right.

LT.-COL. THE HON. LORD FRANCIS SCOTT: Sir, we European Elected Members feel very, very strongly that we are unutterably opposed to any signs of injustice and unfairness in the administration of the native peoples of this country and in the methods of collection of their taxes. We have the greatest sympathy with the hon. mover in putting forward his case. My hon. friend, Dr. Wilson, has said that under the existing system some irregularities undoubtedly do occur and some hardship must result. That, no doubt, is so, but the hon. mover has put it very much stronger than that, I am afraid. What he has put before us amounts to very much more than irregularities and some hardship and if you really analyse it, this is one of the biggest questions we have had before this House. We have heard to-day the greatest condemnation of indirect rule that I have ever heard put up or read in any document (Hear, hear). I think, Sir, that Government have got to face up to this question. We all know that in the process of changing over from direct to indirect rule, a lot of wrong things are bound to happen and the question is: How bad are those things? How much is it worth while in aiming at the ultimate result that the native people have to go through a period of suffering to get there? It is a very big question. It does not only affect Kenya, it affects all native countries. And to-day, Sir, I think it has probably done a great deal of good that this question has been so forcibly put forward. The hon. Member Dr. Wilson said that the whole history of Africa ruled by themselves is one of cruelty and brutality, I think those were the words he used, and I think anyone who looks at and studies the recent history of Haiti and Liberia cannot but agree that what he stated was thoroughly justified.

I cannot altogether support the motion as it stands, because I do not think the second part of it is a feasible proposition or could be brought into force as it is. But I do feel very much, Sir, that for all our sakes, especially for the sake of the

Administration; and also for us, that the integrity of British rule, the determination of matters by us with fairness and justice which is always carried out in our administration of all races, must be maintained, for it is very dear to us all, for we all feel just as much that we are being affected if there is any aspersion cast on our fellow-countrymen who are carrying out this administration as the Administration themselves. I am very thankful indeed that in the speech made the hon. mover made it very clear that he did not bring a single accusation against a single British officer carrying out the administration of this country; it was entirely against the chiefs and headmen and *askari-kangas* who carried out the orders. But, these accusations having been made on two occasions recently in this House I do consider a very strong case has been made out that some inquiry by an impartial committee or something of the sort should take place so as to bring the facts really to the forefront. In doing so I trust it will prove that our own people who have the onerous duty of seeing to the administration of these reserves may be proved to have carried out their duties in a way customary to our race, which I believe they have done also in this country. (Hear, hear).

MAJOR THE HON. F. W. CAVENDISH-BENTONCK: Your Excellency, while associating myself entirely with the remarks just made by our Chairman, I should like to go one step further; that is, to formally move an amendment to the motion now before the House. I believe it is quite in order under Standing Rules and Orders Nos. 35 and 36. I move that the motion be amended to read as follows:—

"This Council, in view of the fact that it has been alleged that certain methods adopted in the collection of Native Hut and Poll Tax bear heavily in certain cases on the native population, is of the opinion that a small Special Committee should be appointed to inquire into any possible or alleged abuses or hardships which may exist."

Sir, I would say it is not actually twice that suggestions have been made that all is not possibly well in the reserves, it is three times in the last year in this House; once by myself with respect to certain seizures of stock and the prices they fetched and twice by the hon. and reverend member who proposed the original motion this morning. We know that it is very easy to criticise. It is very easy in a country barely more than one generation removed from complete savagery to prevent abuses taking place. We are making no accusations against provincial commissioners or against officers whose job it is to administer the natives. We realise, as the hon. Member Dr. Wilson said, that when you put Africans to the test they are bound to break down, but we consider that it is our job

to see that if they do break down they do not break down twice and, if there is a tendency to break down in one particular direction, that direction should be impeded.

The reason that I cannot support the original motion, the reason why I am putting forward this amendment, is that I am afraid I do not quite agree with the second half of the original motion. I agree with it in principle, but in practice it could not be done. We all know that, owing to the difficulties the native population have had to contend with recently owing to economic circumstances, we have had a tremendous population of detainees in the detention camps. All that happens is that they cost a great deal of money to feed during their detention, and we do not get anything from them. In practice, I am afraid that at the present moment there are a very large number of natives indeed who would rather go and be fed in a detention camp than make any payment, even if they had to pay legitimate taxes.

With those remarks I would like to suggest that I cannot believe that Government would wish to avoid such an inquiry. It will justify them and help them, and I have suggested that it be a special committee because, in view of the accusations and publicity given the matter, in the interests of the provincial commissioners and Government itself it is just as well a special committee should have on it somebody who is not, so to speak, interested, somebody who is not of necessity a provincial commissioner or the hon. the Chief Native Commissioner himself, and I believe the latter would welcome such a suggestion.

HIS EXCELLENCY: I may say, on behalf of Government, that we thoroughly agree with the Noble Lord and are prepared as a Government to have this inquiry. We are most anxious to do it. In view of that, does the hon. member still wish to move his amendment?

LT.-COL. THE HON. LORD FRANCIS SCOTT: Possibly the mover of the original motion might accept it?

HIS EXCELLENCY: Would you agree?

VEN. ARCHDEACON THE HON. G. BURNS: I am quite prepared to accept the amendment, although I am sorry of course.

HIS EXCELLENCY: The amendment asked for a special committee. Government will make a statement about that.

MAJOR THE HON. F. W. CAVENDISH-BENTONCK: In view of that I withdraw my amendment.

VEN. ARCHDEACON THE HON. G. BURNS : Thank you very much. I should like to be exempted from that committee of inquiry.

THE HON. SHAMSUD-DEEN : I should like to be on that committee if possible! (Laughter).

THE HON. THE CHIEF NATIVE COMMISSIONER : Your Excellency, I am very grateful indeed for what the Noble Lord and the hon. Member for Nairobi North have just said, because it is what I myself proposed to mention. Government is absolutely sincere in the statement I shall make now, that we are only too willing to inquire into the allegations that are made.

In the budget speech, when I replied to the hon. and reverend member, I asked him if he would bring forward the truth of certain statements he had made. He gave me eight cases, and they are being inquired into. If this committee is appointed, as Your Excellency has just said, it will do the greatest good possible. On two occasions we have had publicity about this matter, and the fullest inquiry will certainly do the greatest possible good.

Now, Sir, the hon. and reverend member started his speech by saying that every able-bodied native should pay tax. That, of course, is obvious. We have an ordinance imposing a tax, and under that ordinance there is a penalty clause. For the last year or two it has become more and more obvious that there is a tremendous amount of passive resistance going on in reserves and, I am sorry to have to say it, it is always found in those places where the people should be able to pay. That is chiefly in Nyanza and the Central Provinces; latterly at the Coast.

I am not quite sure why this is, and I think there are two reasons. One is, that the young men prefer to go into detention camp for three months under the penal clause of the ordinance rather than pay the tax. That may sound extraordinary, but it seems to be the case. In each of the years 1933 and 1934 the figures of people sentenced to detention were round about 8,000, which is roughly just under 1 per cent of the taxpaying population. I have not the figure for 1935, but I am quite certain it is very much more. The detention camps are overflowing and it is receiving consideration with Government now as to whether something should not be done to make life in those detention camps more unpleasant.

I do not know whether it is a fact, but I have always thought that possibly letters to the papers and a debate such as this might induce natives to think : "We will get off our tax if we stop paying." In some cases it may be so, and it is

very wrong. We have an ordinance, and under it everyone must pay the tax. We have wide powers of exemption which are widely used.

The hon. member referred to the difficulty which people had to get access to district commissioners and that, I hope, will be inquired into by this committee; it is a very relevant point. I absolutely deny that there is any difficulty in getting to them. Every district officer knows, and knows very well, that on every safari which he goes, he is pestered—well, not pestered, but bothered—by people who want to see him, and he always sees them.

In response to my request for facts to substantiate what the hon. mover said a week or two ago, he put up eight cases. They are now being inquired into, and I have had a reply to four, all in the Fort Hall district. Two dealt with, I think, exemptions, and women being taken by headmen in order to make them pay; one was due for exemption. Both cases were inquired into fully on oath and were found to be absolutely without foundation. The women themselves have made a protest to the district commissioner that they were brought in about a matter of which they knew nothing.

The third case, I forget what that was about, but the woman has not been found.

The fourth case was an allegation that the headman had been taking Sh. 3 or 4 in order to get exemption for a certain woman. That woman has been found. In 1920 she paid Rs. 3 to a certain headman. That fact came to light and the headman was dismissed. That was fifteen years ago. The four cases on the Coast have not been traced yet, but the district commissioner is looking for the people supposed to be ill-treated.

The hon. mover mentioned another case just now. I think it must have been one of the four Fort Hall cases. No, it could not be, it must be another case. The woman had to borrow Sh. 12 by mortgaging her shamba and had to pay Sh. 20 to get it back. That case I know all about. The land was not taken by the headman at all. It was taken by a man named Ethem, who is an uncle of the woman concerned. The woman has property. She had not paid her tax and was being pressed by the headman to do so. She went to her uncle, and he said : "For years and years you have come to me to borrow money, and I am about tired of it. I will lend you money and take your shamba, and if you want it back you must pay me double." That was her relative, not a headman.

The hon. and reverend member mentioned young boys who are unable to pay their tax and are put into detention

camp, and the struggle they have to get the money to pay the tax. As I said, the detention camps are full of these boys, but not because they have no money to pay but because they will not pay. The Commissioner of Prisons has just returned from a tour in the Nyanza Province, and he told me he was perfectly astounded at the change in those camps; that whereas there used to be a poor, hard-up looking lot of people in them there are now upright young men who wear Fair Isle jerseys and golf trousers! That is confirmed by the District Commissioner, Central Kavirondo, who wrote:—

"The natives imprisoned were invariably young able bodied young men, who had no intention of paying tax, and had no stock to attach. A number of them were nominally at work but had left their work for periods of from two years to six months ago, and had obviously only gone out to work in order to get their Registration Certificates signed so that they could evade tax by saying they were at work. Two cases stick in my mind, those of two repatriated vagrants; sent back for the second time from Nairobi; neither had paid tax but between them they had about £4-£5 worth of clothes."

I think the hon. member will be the first to acknowledge that if there is a law imposing a tax, those people able to pay should pay it. We have powers of exemption and we use those powers, but it would be quite wrong to exempt or to do anything else but punish those who can pay and will not. (Hear, hear). That is why the detention camps are full. We put these people in prison because they will not pay and, as I said before, in my own mind I am very doubtful whether this is any deterrent at all.

The hon. and reverend member referred to stamped cards, and hoped they would have ten spaces, not twelve. We all wish that the tax was lower but, as has been pointed out, very long ago, by the hon. the Colonial Secretary, one must consider the services Government provides the natives. If you reduce the amount of taxation, you will have to reduce the services, and that is not convenient now. We have reduced the tax in the case of 18 tribes, and the assumption was—I almost gave an assurance to Government a year ago—that if the tax was reduced the amount of revenue would not be decreased because we thought we could get a much more full collection at a lower rate than at the higher one. I am sorry to say that that has not happened. We are having more difficulty in getting the tax from some tribes which have had their tax reduced than we did at the old rates.

I have just returned from the Coast, and the tax outside Mombasa has been reduced to Sh. 10 and Sh. 8 in out parts of the district. The amount of tax collected up to date is very

much less than when the tax was Sh. 12. That may sound reasonable, but it is not, because we expected a fuller collection as more people would be able to pay. During the last few months between £20,000 and £25,000 have been paid out by various cotton ginneries. The tax for the Coast Province is in the neighbourhood of £40,000, and more than half that has been paid out in cotton in the last few months. There was a very fine simsim crop, and any amount of food, the price of copra has risen, and prices of coconuts are five times higher than they were a year ago, and the tax has been reduced. Yet the people will not pay. It is a serious matter, Sir, and we have got to do something about it. I hope the hon. member will not disagree with me when I say we must be more severe with these people, always bearing in mind that certain people have to be exempted, and totally exempted.

In the second part of his motion, the hon. and reverend member referred to labour in lieu of tax. He will remember that in the 1910 Ordinance there was a section which allowed natives to be ordered to work in lieu of tax. That section was repealed in 1921 and does not appear in the present ordinance. It was felt then, and I know it is now, to be unsound to have any system of forced labour, and quite recently the provincial commissioners at a meeting considered fully the question as to whether this section should be reintroduced or whether the Tanganyika system should be adopted in this country. This system is, that a native may work for a certain period and then get what is equivalent to a tax receipt. We felt, and Government agreed, that it was not a good thing to have that in this country, and it is not being adopted. Even in Tanganyika it is not very favourably looked on, as I will show from an extract from a circular issued by Sir Donald Cameron, the then Governor, to administrative officers:—

"There is work available in the Territory for every native who wants it; at adequate rates of wage, and on the majority of plantations a generous scale of rations is provided. The circumstances, therefore, which justify the employment of tax labour should be of infrequent occurrence, and district officers should address themselves in the first instance to urging upon natives who have not the means of paying their tax the desirability of finding work, within the district if employment can be had locally, and without it if not, in order not only to earn their tax but also to obtain money for their other requirements."

That shows that while they have this authority to give the tax receipt in lieu of labour, the then Governor was not very keen about it.

In this country there is any amount of labour to be had; the coast plantations are very short, but the Girijana will not

work. I have had delegations from various farmers associations at Nandi and Trans Nzoi, and other places in connection with this matter. Labour is available, at possibly low wages, but far all that want it, but that labour demand is not supplied, although all over the country are people who have not paid the tax. It is a fact that the tax is paid far better by outlying people, like the Turkana, Suk, Northern Frontier people, than it is by more sophisticated people who live in areas where they can grow crops and obtain work. That brings us back to the question of passive resistance again; it is really serious, and something has got to be done.

I am authorised to say that Government does not accept this motion but that an inquiry will be made by a committee as Your Excellency has stated. (Hear, hear).

VEN. ARCHDEACON THE HON. G. BURNS: Your Excellency, I know that I have a very difficult role before me.

First of all, with regard to my colleague, the hon. Member Dr. Wilson. He states that the history of Africa is a history of cruelty. There can be no doubt at all of that. But surely, if we come into this country and bring into it our civilisation and other influences, and demand from the native a tax to carry out and bring to them those civilizing influences, it is one of the reasons why we should put a stop to cruelty throughout the whole of the native reserves.

With regard to what the hon. the Chief Native Commissioner has said, I find a very real difficulty, and I hope the committee which is going to make an inquiry into this matter—and I welcome it with all my heart—will not ask the headmen and the askaris or chiefs as to how such and such a system is working but that they will give the people themselves who are concerned a full opportunity of expressing their opinion with regard to this matter that I have brought before this Council. It has not given me any pleasure, Your Excellency, to have brought this motion before the Council, I assure you, but I feel it so keenly that I welcome this committee which is going to make inquiries into it.

With regard to detention camps and those upright young men who are to be found, they went in evidently as scallywags and came out upright young men. That is my point, that Government should give them some work that would make their return to the detention camp distasteful to them, work that would be of absolute use to the community, and not have them going around with a karai on their heads carrying a little bit of earth in it. But give them useful work, of benefit to the community, or benefit to the settler, whoever it may be, instead of keeping these young men, paying askaris to look after

them and feeding them for the space of two or three months, whatever it may be.

We have been given figures, that up to 8,000 or something like that during 1933 passed through these camps. I ask the hon. the Chief Native Commissioner, and I ask this noble House, what benefit have these 8,000 men been to the Colony as a whole, treated, as they have been treated, in this way in the detention camps?

What I ask in the second part of the motion was not that they should be exempted from this tax but that Government would give them such work as would justify Government, when they had spent their time, in giving them a bit to say they had, by honest and hard work, earned enough to justify Government giving them their tax receipt. That is the only thing I ask for.

With regard to the coast areas, and the unwillingness of some of the natives to pay their tax, I have on more than one occasion, Your Excellency, drawn the attention of people to the effect of tembo over the Giriama, Wadigo, Duzuma, and Gurumu. They are allowed to-day to plant extra coconut trees in the places where ten years ago they were growing food for their families, and they are not planting them with the idea of getting copra or anything like that but for the extra tembo which these young men spend their time in drinking.

As far as I am concerned, to ask Government to relieve such people as that from paying their taxes is the last thought in my mind. But I do think, and hold very strongly, that Government should take some steps to prevent the possibility of these young fellows drinking themselves, and the old men too, to death, and then expect their womenfolk to bear the brunt of their refusal to pay the tax, as they are at the present time. If I had my way, I would tax every single coconut and get the tax in that way, because it is a menace to the whole coast area where these trees are not used for the purpose of bearing nuts but for the purpose of getting tembo for these young men. In our hospital at Kaloieni, if you went there and made inquiries, the doctor in charge would take you from bed to bed and show you the patients lying in them who are victims to this very thing about which I am speaking so feelingly. There will be 50 to 60 who have broken limbs or have been slashed with knives in drunken orgies. I do appeal to Government to take some steps by which this thing can be stopped so that these coconut trees, which are bringing ruination to so many natives to-day, may be made a source of income and a source of wealth to the whole country.

I thank Your Excellency for granting such a committee, and I leave the matter with the utmost confidence in the hands

of that committee to justify all I have said in this House to-day. I beg leave to withdraw the motion in the face of what you have said and with my seconder permitting.

THE HON. SHAMSUD-DEEN: Yes, Sir.

The amendment was by leave withdrawn.

The substantive motion was by leave withdrawn.

WATER (AMENDMENT) BILL.—ADOPTION OF REPORT OF SELECT COMMITTEE.

THE HON. THE DIRECTOR OF PUBLIC WORKS: Your Excellency, I beg to move that the Report of the Select Committee appointed to consider and report upon the provisions of a Bill to amend the Water Ordinance, 1929, be adopted.

Sir, the Committee recommends certain amendments to the Bill which I will endeavour briefly to explain.

Paragraph 1 of the Report calls for no comment.

Referring to paragraph 2, it will be noted that clause 5 of the Bill proposes that section 18 of the Principal Ordinance shall be amended so as to provide for the appointment of an alternative member for each of the four unofficial members of the Water Board, the underlying idea being that, if a substantive member was unable to attend any particular meeting, he would appoint his alternate member to attend and vote in his place. It is the opinion of the Select Committee that the appointment of only two alternate members is necessary, and furthermore that those alternate members should be entitled to attend all meetings of the Water Board and should receive copies of the minutes and other papers, though, of course, without voting powers unless representing a substantive member. It is hoped by that method the alternate members will become conversant with the Ordinance and Rules and issues which come before the Water Board, so that when called upon to represent a substantive member on the Board, they will be equipped with full knowledge of the implications to enable them to form useful opinions. Moreover, it is thought, Sir, that it will never be the case or seldom be the case that more than two of the substantive unofficial members will be absent for any reason at one time. Consequently the appointment of two alternate members will be ample.

In paragraph 3 of the Report the Committee proposes a further amendment to section 20 of the Principal Ordinance. The amendment proposed in clause 6 of the Bill itself remains unaltered except that the numbering of the sub-clause is changed from (3) to (4). New sub-clause (3) now proposed by the Select Committee, is designed to give a concession regarding payment of fees to those holders of yearly permits under

the repealed law, who held permits in 1934 but who omitted owing to forgetfulness or procrastination or for other reasons, to apply for the renewal of their yearly permits for the year 1935. It will be understood that under the repealed law there were two kinds of water permits; one kind, the ordinary permit, did not require renewal annually; the other kind, the yearly permit, was more temporary in character. The holder of a yearly permit was required to submit an application for renewal of his permit for the ensuing year before the commencement of the new year if he desired a renewal for that year. The renewal was always granted unless there were cogent reasons to the contrary.

Twenty-two of the holders of the yearly permits for 1934 failed to apply for the renewal for the year 1935 before the Water Ordinance was brought into force on the 1st July, 1935, and the old law repealed. If they had applied they would have been entitled to a rebate of three-quarters of the fees otherwise payable for a sanction under the new law. It is the opinion of the Select Committee, Sir, that although those people were diverting water illegally during 1935 owing to failure to apply for renewals, they should be granted a rebate of one half of the fees they would otherwise have had to pay. Since the report of the Select Committee was submitted, it has become apparent on scrutiny of this new sub-clause (3) to which I have just referred, that it is somewhat cumbersome in its phraseology and that it could be put much more concisely and make the meaning clear. I understand that the hon. the Solicitor General will move an amendment to the motion proposing a revised sub-clause (3).

With reference to paragraph 4 of the Report, the Select Committee, by a majority of 6 to 2, considers that the liability of an occupier, under the Resident Native Labourers Ordinance, 1925—in effect a landholder, his agent or manager—for a contravention or offence against the Water Ordinance by a member of the family of a resident native labourer under contract with the occupier, should be limited to responsibility for those members of the family who are included in the contract (hear, hear). Consequently, the Committee recommend the addition of the words "included in such contract" after the word "native" in the 11th line of clause 9 of the Bill. I should explain that under section 83 (2) of the Principal Ordinance, as it stands at present, an occupier is solely responsible for offences committed by a squatter or a member of his family however remote. This section has been amended by clause 9 of the Bill as modified by the recommendation of the Select Committee to the effect that in the event of an offence against the Water Ordinance being due to a resident native or a member of his family included in the contract, a

penalty can be recovered either from the occupier or from the native who actually committed the offence or from both.

The hon. the Commissioner for Local Government and the hon. Dr. de Souza found themselves in disagreement with the majority of the Committee on this matter, holding the opinion that section 83 (2) of the Ordinance should not be amended at all, or that it should be shown first of all as a result of experience of the administration of the Ordinance that a section which gave rise to so much discussion during 1929 when the Bill of the Water Ordinance was under consideration, is unsuitable before it is amended.

Referring to the final paragraph of the Report it will be observed that clause 11 of the Bill provides for certain concessions to applicants for water permits under the repealed law, applicants who from one cause or another were not granted water permits before the old law was repealed. The clause as drafted does not go quite far enough and the Committee feel that the Water Board should have power to waive the necessity for compliance with sections 23, 26, 27, 28 and 29 of the Principal Ordinance, or any part of them, as in the case of permittees under the repealed law, if in its judgment that course is right and proper in any particular case. That would relieve such applicants of the necessity for publication or submission of plans and so forth, if in the opinion of the Board the information previously supplied was adequate.

Your Excellency, I beg to move.

THE HON. THE TREASURER seconded.

THE HON. T. D. H. BRUCH: Your Excellency, as mentioned by the hon. the mover, I desire to move an amendment to this motion. The amendment, Sir, as the hon. mover has said, concerns that part of the Report which amends the Bill by providing that when a person has had a water permit or a renewal thereof during 1934 and had not applied for a renewal in 1935 as he should have done, notwithstanding that the Water Board may grant him a sanction under section 88 of the Principal Ordinance, and in that event the fees payable shall be only half of the fees prescribed under the Principal Ordinance, and that a person who had already paid the full fees under the Principal Ordinance shall be entitled to a refund of half the fees paid. On further scrutiny it appears that the reading is not as concise or as clear as it might be and I therefore desire to move the following amendment which I will read:—

"That both paragraphs of sub-section (3) of section 20 of the Principal Ordinance set out in paragraph 3 of the

Report be deleted, and the following sub-section be substituted therefor:—

(3) (a) When a permit or a renewal thereof terminating on the thirty-first day of December, 1934, has been issued, for which no renewal terminating on the thirty-first day of December, 1935, has been issued, and was, during the year 1934, being made use of in conformity with the terms thereof, a sanction may be issued by the Water Board under section 88 of this Ordinance in lieu of the said permit, and the fees payable to the Water Board under the Principal Ordinance, in respect of the application for, and the issue of the sanction shall be one half of the prescribed fees, and any sum paid in excess of one half of such fee shall be refunded by the Director.

(b) This sub-section shall be deemed to have come into force on the first day of July, 1935."

Now, Sir, not only is this proposed sub-section more concise than it at present appears in the Report, but this proposed sub-section makes it quite clear that not only do those persons who have paid the fees prescribed before the coming into operation of the Ordinance get a refund of one half, but it also makes it quite clear and beyond all doubt that those persons who have to pay the fees only pay half.

I may say for the information of hon. members that the fee for an application for a sanction is Sh. 20 and the fee for issue is Sh. 20. Therefore the total fee payable by the persons set out in this category will, instead of Sh. 40, be Sh. 20.

I beg to move.

THE HON. THE ATTORNEY GENERAL seconded.

The question of the amendment was put and carried.

The question of the substantive motion, as amended, was put and carried.

THIRD READING.

THE HON. THE ATTORNEY GENERAL moved:

That the Water (Amendment) Bill be read a third time and passed.

THE HON. T. D. H. BRUCH seconded.

The question was put and carried.

The Water (Amendment) Bill was read a third time and passed.

Council adjourned till 10 a.m. on Friday, 10th January, 1936.

FRIDAY, 10th JANUARY, 1936

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Friday, the 10th January, 1936, His EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, G.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 9th January, 1936, were confirmed.

BILLS.

LOCAL GOVERNMENT (RATING) (AMENDMENT) BILL.

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT: Your Excellency, beg to move that the Minority Report of the Select Committee appointed to consider and report on the Local Government (Rating) (Amendment) Bill be adopted.

It was for the purpose of convenience that the Report was put up in the form of a Majority and Minority Report but, as hon. members may have observed, there is only one point of difference between the Majority and Minority Reports. I propose first to deal with those points on which there is no disagreement, and to leave to the end of my remarks the one point in regard to which a difference of opinion did arise.

Taking the Report paragraph by paragraph, the first paragraph deals with the passage of time, and recommends the deletion of the figure 1935 in clause 1 of the Bill and the substitution therefor of the figure 1936.

In the second paragraph, an additional week is given to property owners within which to decide whether to lodge an appeal to a valuation of which they have been notified by the local authority.

In regard to paragraph 3, members may remember that I expressed certain misgivings as to the form in which the clause appeared in the Bill as debated in Council a week or so ago. I am happy to say that the committee had put before them a welcome suggestion which, while it preserves the spirit of the original provision of the Ordinance of 1923, will enable a municipal authority to get over difficulties which they had experienced in the operation of that clause. We therefore provide that when rates remain unpaid for a period of three

months, the local authority may require the tenant of the property in future to pay his rent direct to them rather than to the owner.

During the debate on the second reading of the Bill, a certain amount of attention was paid, particularly in speeches from the opposite benches, to clause 6, 7, and 8. We received a certain volume of evidence before the committee on these clauses, and while we were in process of considering it a suggestion was made by the Town Clerk of Nairobi which, in the circumstances, the committee acquiesced in. The insertion of these clauses in the original Bill had been due to pressure from Nairobi Municipal Council, and Government had satisfied itself not only that a case existed in precedent elsewhere for provisions of this kind but also that there was ground for the introduction here of provisions which had precedent elsewhere.

In view, however, of the suggestion emanating from that Council's legal adviser, the committee have proposed the deletion altogether of these clauses 6, 7, and 8, and the insertion of a new clause. That new clause follows very closely the provisions of section 86 of the Municipalities Ordinance, which provides that no transfer of any premises could be registered without a certificate from the Town Clerk to the effect that all due charges for the preceding three years had been paid. That period it is now proposed in the case of rates to extend to twelve years, and it is also proposed that not only should a transfer of premises be precluded but also the transfer of any mortgage in respect of those premises.

It is hoped that the provisions as they will now appear when this Bill becomes law will enable a municipal council to collect those dues which, hitherto, they have been unable to collect.

I now come, Sir, to the one point of disagreement between members of the committee, namely, in regard to paragraph 4.

Clause 4 of the Bill introduces a new principle, that where land is reserved for a public purpose Government should be exempted from paying a rating contribution in respect of that land. As I said in introducing the Bill, opposition had been evinced to that proposal from the local authorities, but notwithstanding that opposition when the second reading of the Bill was agreed to, that principle was accepted in this House. The principle itself had been debated on more than one occasion in the Standing Committee for Local Government, and at the conclusion of several meetings it was unanimously agreed that the safeguards provided in the Bill as originally drafted met all legitimate criticism.

One further safeguard, on the unanimous proposal of the Committee, has been introduced, namely, that a local authority

shall have the right every five years to renew any objections it may have made to the reservation of any particular piece of land. The two Reports differ, however, in one further safeguard which is proposed in the Majority Report. The majority of members considered Government should be invited to agree that, where land had been reserved for a public purpose, and thereafter had been released from reservation for that purpose, a payment in arrears of five years of the rating contribution should be made by the Government to the local authority concerned if and when the land was sold.

The municipal argument, as I understand it, is more or less on these lines. "Government say they require such and such a piece of land in such and such a locality for such and such a public purpose. We say, either we do not think any land at all should be reserved, because we do not agree with the public purpose, or that Government is asking for too much land to be reserved, or that it is asking for land in the wrong place. Time passes, and eventually Government see they have made a mistake, and that we were right! Why, then, in the intervening period should we have to stand out of the rating contribution from Government in respect of that land?"

The Majority recommendation is an endeavour to meet that objection. They say, "Well, if that does prove to be the case, Government will in any event pay you a five years rating contribution."

I fully appreciate, Sir, that this suggestion emanated from the desire to win municipal acceptance to this principle, but Government feel that it is a new principle and that, if conditions alter, or if a set policy comes to be changed in such a way that it becomes necessary to review any previous decision to reserve land, then the question of compensating a local authority is indeed a new principle.

Particularly in upcountry townships the Crown is in a very special position. In order to control development and to stabilize the ordered progress of things, municipal areas have been made somewhat large and contain a considerable area of undeveloped Crown land. On the one hand, municipal authorities at the present time are not in a position financially to accept endowment of Crown land because, if they did so, while they would become possessed of an unrealisable capital asset, they would in the meantime lose a certain annual revenue in the form of Government rating contributions. On the other hand, ground has to be allocated to Colony needs as well as to municipal needs, and Government are obliged to make provision in the municipalities for the accommodation of Colony needs.

There must be one single authority to decide what the Colony needs are and how they should be provided for and, in my submission, there can only be one such final authority, and that can only be the Government of the country. If in the course of time it is thought that that need is not required, truly the Government will have to face that it has been at fault. But, on the other hand, municipal authorities must accept this position, I think, that the Government in the exercise of its authority will not be capricious, and they should rid their minds of the fear that, for the somewhat base purpose of evading a trivial rating contribution, Government would deliberately reserve more land than they actually require.

When the time comes and the public purpose is fulfilled, the town's people benefit from that purpose. If, on the other hand, conditions alter and it is not possible to fulfil that public purpose, the town's revenues will have suffered to some extent. But, in Government's view, that loss to municipal authorities should be accepted as part and parcel of the general financial relationship which exists between Government and municipal authorities, for Government is not only a ratepayer, it makes other subventions to municipal revenues in the form of contributions towards the cost of public health services, towards the cost of the construction and maintenance of main trunk roads and main district roads, and towards the cost of certain municipal salaries. It also, as being the owner of Crown land, is always ready to put its land at the disposal of the municipal authorities when they require land with which to ease their town planning problems. Again, when any land is required for municipal purposes, a free grant of that land is made. And, hitherto, it has never occurred to me that I should be adopting a becoming attitude if I said to applications from municipal authorities for Crown land for town planning or municipal purposes, "Yes, but pay back first of all what Government has in the meantime paid you on those lands and then I will make you a free grant." Government have not adopted that attitude, but have made a free grant and pocketed the loss themselves.

There is one further point, and it is this. If a piece of land has been reserved for a number of years for public purposes, and then when the public purpose is about to be fulfilled it is seen that another piece of land is really more suitable, under the proposals in the Majority recommendations Government would in the meantime not only have been paying its rating contributions in respect of the alternate piece of land but will be required to pay five years back contributions in respect of the piece of land to be surrendered.

For these reasons, Sir, I move this Minority Report. I trust that in the course of my remarks I may have convinced

members opposite that there is ground for my Minority Report. But I should say this; that in a matter of this kind, where the revenues of the Colony as a whole are affected, and it is a question of the taxpayers paying or not paying something to the ratepayers, that if, during the course of the debate, it is found there is solid opposition to this proposal from the benches opposite, Government will not proceed with the Minority Report.

THE HON. T. D. H. BRUCE seconded.

THE HON. LORD FRANCIS SCOTT: Sir, before speaking to this motion, I would crave your indulgence to make some remarks in reference to two hon. members of the House, I am afraid, will not be sitting with us on any future occasions.

I refer, of course, to my hon. friend the Postmaster General who, I am sorry to say, is not in his place to-day, and to my hon. friend—the Provincial Commissioner, Rift Valley Province.

These two officials have been with us for a great many years, and they have both earned the respect and affection of everybody who has had anything to do with them. (Hear, hear.) The hon. the Postmaster General has shown himself a most efficient controller of a department, and we must all regret very much that his services will not be available to the Colony for very much longer. With regard to my hon. friend the Provincial Commissioner, I can only say that all of us who have had intimate dealings with him in his official and private capacity look on him as the beau ideal of what an official of this country should be. (Applause.) He has always proved himself one hundred per cent efficient in his work. I have never heard anyone criticise him adversely in any respect, and in his private life he has the confidence and affection of everybody who works with him.

HIS EXCELLENCY: May I interrupt? I had intended to speak on similar lines about these two officials, but the statement of the Noble Lord is so eloquent that I can only thoroughly endorse what he has said. I cordially agree with everything you have stated, Lord Francis, and I am sure every member of the House will do the same. (Applause.)

THE HON. LORD FRANCIS SCOTT: Coming to the motion before the House, Sir, I beg to oppose the adoption of the Minority Report, and I do protest most strongly against the procedure adopted by Government. We have here a very important Bill, which has been highly contentious, which has been discussed for a very long time by all the most responsible bodies in this country who are affected thereby, which came

up to this House for consideration, was fully discussed on its second reading, and was then referred to a select committee of of the House consisting of three European elected members representing the town interest, an Indian elected member representing the Indian interests, the hon. and learned Attorney General—who I think even the Government side will admit is not a 'complete ninny' (Laughter)—the hon. the Deputy Colonial Secretary—a gentleman who has proved himself of very sound commonsense and who has had great experience in other territories—besides the hon. the Commissioner for Local Government. That committee went very thoroughly into this matter, and six out of the seven gentlemen unanimously have made a recommendation and one only, the hon. the Commissioner for Local Government, dissented.

Now, Sir, why have Government taken this attitude? A few days ago I should have felt, perhaps, somewhat constrained in saying what I am going to say, but as the hon. the Treasurer has started the precedent for disclosing what goes on in Executive Council and how members there voted, I shall inform this House to-day that I presume the reason why Government has taken this action is, that when this was discussed in Executive Council six voted in favour of the hon. the Commissioner for Local Government and five against him, a majority of one only.

We have been told that this House is a farce, is a pantomime, a harlequinade, and surely all those expressions are justified when such procedure can possibly take place that a minority of one can over-rule what is recommended by a majority of six, and six respected people. I can only think that if this sort of procedure is to be followed, not only is it harlequinade, but I feel we are reduced to playing a part out of *Alice in Wonderland*, and I should not be surprised if the next time you, Sir, call me to order, instead of saying "Order, order," I hear you say "Off with his head!" (Laughter).

Sir, I do suggest that this is really a very serious matter, because it does show what many of us have contended, that the present constitution of this country is perfectly farcical and, further than that, Government, by taking this action, are putting some of their most respected members in impossible positions if they have to vote for a motion which they have recommended, in writing, definitely against. I do make this appeal to Government, that they shall in this case, and a case where it should certainly be adopted, permit a free vote on this motion. If that is done, the protagonists of the various sides can put up their arguments and feel that once in a while they are in a position to try and persuade members to vote their way by the arguments they put up.

I oppose the motion, but trust that Government will accede to that and allow a free vote in this House.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: Your Excellency, I do not know whether it is possible to decide the question of a free vote before I speak?

HIS EXCELLENCY: I cannot grant a free vote, but as the hon. mover has announced, if there is unanimous opposition to this Minority Report Government will fall in with your views, which I think is quite sufficient.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: Your Excellency, I rise to move an amendment to the motion, that the word "Minority" in the motion now before the House be altered to the word "Majority".

Speaking to that amendment, I am sorry in a way that a free vote has not been allowed because . . .

DR. THE HON. A. C. L. DE SOUZA: On a point of order, is this an amendment?

HIS EXCELLENCY: The hon. member is proposing an amendment.

DR. THE HON. A. C. L. DE SOUZA: Does it amount to an amendment?

HIS EXCELLENCY: It is not a direct negative, it is only one-sixth in the Minority Report, and I hold the amendment is in order.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: As I was saying, Your Excellency, I am sorry that a free vote has not been allowed, because it would have been very refreshing indeed to endeavour to put up a case which one felt was not in any way pre-judged on the opposite side of the House.

This Bill to amend the Rating Ordinance contains subject matter which has been very contentious over a very long period, and the only point of difference referred to by the proposer of the original motion is one, to us at any rate, of very great importance. In order to explain that thoroughly, I would like first of all just to deal with one or two matters which have been already dealt with and which do not affect sections 2, 3, and 4 of the Bill, and I will deal first of all with the proposed amendment recommended by the select committee referring to sections 6, 7, and 8 of the Bill, which was discussed in this House before the measure went to select committee.

In the "Objects and Reasons" on page 6 of the Bill it is stated "For some time past the Nairobi Municipal Council has urged that the principal ordinance should be amended so as to provide that rates payable to a local authority shall be a first charge upon rateable property," and they suggested various ways and means under which the Council could recover moneys, very drastic ways and means indeed. During the deliberations of the select committee we heard the representative of the local authority on this subject. We also had other independent witnesses who have great experience in these matters, and we also heard the representative of the Law Society.

We came to the unanimous conclusion that, although the municipal authority had a very good case as to why they should be given special powers to enable them to collect rates, it would be quite wrong to implement this proposed clause as it stood in the amending Bill. It was pointed out that after many generations of experience the British courts had adopted a procedure and it probably would be unwise to go behind the procedure that had been built up laboriously over such a long period and that it would probably be better to insist on the municipal authority, the same as any other creditor, having recourse to the courts in the ordinary way and to have to abide by the Mortgagee Suit Rules and so on. I am in entire agreement with that, and I think the whole committee is.

I only wanted to explain that because a local authority may think we had gone into the case with as open a mind as we did. Had we adopted the suggestions originally made, a position might have arisen where somebody who had invested money in town property and had retired, perhaps to England or elsewhere, and that sub-lessee had again sublet to somebody else who failed to pay the rates, might suddenly wake up to find the property sold without his knowledge. That could never occur if the ordinary court procedure is adopted as we recommend. At the same time, we have very greatly assisted municipal authorities in the collection of rates by, as pointed out, increasing the time during which such rates can be recoverable and also making provision that no transfer of any mortgage on such premises within a municipality can be registered before any registration officer until the person who makes application for the registration is in a position to produce a certificate to the registration officer that the rates on that property have been paid. That should materially assist the municipal authorities.

I would like to come now to the contentions part of these proposals. It has been pointed out by the hon. mover of the original resolution that for some time past it has been maintained by Government that they have a right to exempt areas

of land within municipalities from contributions in lieu of rates, on the plea that those areas will in the future possibly be required for a public purpose. Now, Sir, the Municipalities Ordinance and the Municipalities Rating Ordinance were based on the Report of the Feetham Commission which came out here in 1926 and which reported in 1927. That Commission, Sir, did not visualise that Government should have the right to exempt itself from paying contributions in lieu of rates with regard to land which was not being used for a public purpose or for a list of purposes laid down in that Report. At the same time I think in a new country we are all agreed that the Government within reason should have such a right. This question has been realized in a very concrete form in the past. Government claimed to have this right and they exercised it. The municipal authority pointed out that under the existing Ordinance they had no such right. Government retaliated by exercising that right under Rules. The municipal authority appealed to the Board Valuation Committee which is appointed under Rules under the Ordinance and which consists, I believe, I am almost sure, of a magistrate, two representatives of the municipal authority and two representatives of Government. As a result of that appeal the Court or Committee unanimously were in favour of the municipal authority. Regardless of that Government continued making Rules and acting thereunder. If, Sir, you will turn, hon. members will turn to paragraph 5 of this proposed Bill to amend the Local Government (Rating) Ordinance; you will see that my contention there is absolutely proved by the fact that that clause is nothing more than an indemnity clause indemnifying Government for what it has not had the right to do in the past.

Now, Sir, that being the case that Government is attempting to do a thing which it really has no right to do, the municipal authorities have produced cases in which it would seem that Government is a little apt to exempt unnecessarily large areas. At the same time, being reasonable people and realising that Government should have some such power, we have for the last two or more years tried to arrive at a *modus vivendi*, trying to arrive at a compromise that would be fair to the municipal authorities and at the same time fair to Government. The result of our endeavours has been the clause which has been objected to *in toto*, a portion of which has been objected to by the hon. mover of the original motion. What we suggest is this: that where Government wish to set aside an area and exempt themselves from paying contributions in lieu of rates on the plea that at some time in the future that area might be required for a public purpose, we feel that it is only fair, in the first place, that the municipal authority or authority concerned should be allowed to be represented at the tribunal which is the Governor in Council who decides on

the exemption. Secondly, that authority should have the right every five years, should it wish to do so, to bring the case up for review, because conditions change, town planning ideas change, and after it has been suggested it might be found that another area was more suitable for the purpose. Lastly, Sir, and this is a very important proviso, it is suggested that if, after a long period of years, Government have been found to exempt areas for a specific purpose and it was found that those areas would not be wanted for those purposes, that then Government should, to make it as careful as possible, have some small penalty attached to it. All we suggest, Sir, is that they should pay the rates for five years back—the contribution in lieu of rates for five years back on that particular area. The area may have been exempted for twenty years. On three occasions the Municipality may have come out in that time and pointed out that it was ridiculous exempting and keeping that area, and all that they ask is that they should get five years contributions in lieu of rates if Government are found to be wrong. Furthermore, Sir, it is not suggested that Government should have to find that money until that area has been subdivided and sold, so that all it comes to is this: If after 20 years or 15 years, it is found Government have made a mistake, they will then cease to exempt that particular area. From that day they will have to pay contributions in lieu of rates and when that area is sold, out of the profits Government make, they will pay back to the Municipality five years back contributions in lieu of rates.

It has been suggested by the hon. mover of the original motion that that is unreasonable in view of the amounts which Government contributes in the ordinary way to the Municipality. I would like to point this out, Sir. I will take an area which has come into considerable prominence in connection with this question—that of the Prince of Wales School. The area exempted was 167 acres. The area being used at present is I believe 27 acres. The Municipality have agreed that they are quite willing to allow Government to exempt 67 acres or more. Government contend that some day they might require that area for a University. That may be a reasonable contention, but surely they do not require a frontage on the road for all that large area for that purpose and meanwhile the Municipality have to keep up the road, render various services and spend a lot of money for which they get no contribution in lieu of rates, nor are they likely to, because Government hold on to the land and do not allow it to be sold.

It may be said that Government do pay these enormous sums of money. I would point out that as regards roads alone the Municipality spend somewhere in the neighbourhood of £23,000 within the Municipal area. They get back somewhere in the neighbourhood of £1,500 in contributions and

get of course something in the nature of £7,000 as a very small portion annually of the motor car licences taken out in this town. So the Municipality have a very large burden to bear of the rates in respect of roads, at least £20,000, and if Government are going on or might exempt very large areas indeed for public purpose in the dim future the time might come when the Municipalities will find it very difficult indeed to make two ends meet.

Now, Sir, I consider that the proposals we have made are reasonable. If Government is reasonable and allows these matters to be brought up every five years they will never be called upon to pay a penny. If Government is unreasonable I think it is only fair that the Municipality should have some chance of not being deprived of its rightful contributions in lieu of rates. If it is suggested as proposed by the hon. mover of the original motion that it is a question of exchange of areas, then of course, as Government has paid on one area, nobody for one moment would suggest that it should pay a contribution for the area given up. Nobody has ever made such a suggestion. As we consider we have put up a very fair counter promise; we realise that Government should have the right of exemption in a new country and of reserving certain areas. We tried to make it as easy as possible for them to do so. I consider at any rate that unless clause 4 goes through in amended form as recommended by the majority of the Committee, I could not for one moment agree to clause 5 going through which is indemnifying Government for what it has done in the past. If Government are prepared to accept this compromise, I am all for indemnifying them for all they have done in the past. Let us start on a reasonable basis and I believe it is a reasonable basis. That, Sir, is my case for agreeing to the whole of clause 4 which refers to section 28 of the Principal Ordinance as set out on page 2 of this Report. Unless that goes through verbatim, I will not agree to the amendment suggested in clause 5 of the Bill before the House. (Applause).

THE HON. D. D. PUNJ: Your Excellency, in seconding the amendment to the motion before the House, I need not go into the grounds for them. According to the hon. the Commissioner for Local Government who proposed the original motion and the hon. and gallant Member for Nairobi North who proposed the amendment the only contentious clause is clause 4 which is about reservation of any land for public purposes. It would also appear that there is some disagreement between Government and Municipalities whereby Government pays a contribution in lieu of rates to the Municipality on land unoccupied or ground rent. The public pays the rates and Government had a different name—contribution in

lieu of rates. Certain lands have to be and are reserved for public purposes and everyone in this House will agree that Government has the absolute right to reserve those lands and not pay rates. None of the members of the Committee dispute that right but the contention of the majority and what we request, Sir, is that if at any time the desire arises that any land which had been reserved for public purposes is to be sold to the public and that public purpose does not exist any more, then I believe it is only reasonable to accept that the Municipality is entitled to the back rates for five years, because it is agreed that every five years the whole of the land which is reserved should come up before Governor in Council to see whether those public purposes and the reasons for which the land was originally reserved still exist.

Your Excellency, it has been said by the proposer of the original motion that if at any time it comes to this when one piece of land is given up and other land reserved, the hon. Member for Nairobi North has made it absolutely clear, that in that case nobody will ask that the rates be paid on the land given up and not on the other. So therefore the proposal before the House is this that the Majority Report should be accepted. In this case I was on the Committee and it was really a shock to me to see that six members including Government members who have been spending their time over this and brought up this and after that to find that the minority of one could not see his way to agree to this argument and put before the House his Report.

I will make it clear that the original proposal as a *cis media* between the Government and this country and the way out of it as to whether five years rates are to be paid was actually proposed by the hon. Mr. Pilling and it was his suggestion that the Committee unanimously agreed to the paragraph to which the hon. the Commissioner for Local Government could not see his way to agree. So in seconding the amendment I hope a very good case has been made out in which Your Excellency will see that a free vote is given by which the wishes of the community and of the majority of the Committee in which officials and unofficials were represented are carried out.

THE HON. A. C. TANNAHILL: Your Excellency, I rise to support wholeheartedly what the hon. and gallant Member for Nairobi North has so ably expressed. I would have much preferred that Your Excellency could have seen your way to allow a free vote because I would too wholeheartedly express my admiration of the manner in which the hon. the Commissioner for Local Government stated his side of the case. He put it very conclusively and he put both sides very, very fairly.

In regard to the Report before the House I would like to deal with two or three of the paragraphs. I do not wish to go over what the hon. and gallant Member for Nairobi North has said because he has said exactly what I should hope I should have been able to say under the circumstances. I did maintain very strongly when I gave evidence before the Select Committee that this Bill was only a palliative and that very definitely the whole Rating Ordinance required reconsideration in view of the experience that we have had of it during the last seven years.

May I refer first to paragraph 2 of the Report where the very wise proviso has been inserted that 28 days shall be substituted for the original 14 days in the Ordinance. In the Bill itself, sub-paragraph (3) of section 9 of the Ordinance, which is dealt with therein, provides that notice must be given to the ratepayer when his rate is increased. Yesterday a learned magistrate in court gave a decision which is entirely opposite to what I believe the originators of this Ordinance always understood was the correct procedure. The court yesterday ordered that it is not necessary to go before a Valuation Court in the first instance and that a person who is aggrieved by an assessment can appeal straight away to the court of what I always considered was of the second instance. I mention that because I was a member of Legislative Council when this Ordinance was first brought in and I am perfectly certain and I believe the hon. the Commissioner for Local Government agrees with me that we always believed that a valuation court was a court of first instance and that you could not miss that court and go into a court of second instance.

In regard to paragraph 3, I note that at the bottom of the page it is recorded in this section the expression "rent" includes a payment made by a lodger, a rather difficult subject as I imagine it will be not too easy to decide what is rent and what is board when it comes to collecting the amount paid by the lodger to the ratepayer. However, I imagine that there will be very few instances where this will be required or used.

In regard to paragraph 4, there is introduced again in sub-paragraph (1) the exemption of the Crown from the payment of rates, and there again, I do most strongly urge that the necessity for the revision of the original Ordinance is required, because owing to this phraseology the taxpayers of the Colony for Nairobi alone are paying over £2,000 per annum which properly should have been paid by the lessees for the Crown. I believe there is a typing error, which has perhaps been corrected in other copies of the Report, in the fifth line where the word "be" should be substituted for the word "the". In regard to this question of the Crown exempting itself from the payment of rates by reserving land for public purposes,

the majority have provided wise precautions which enable the municipal authority to protest against what they consider an unreasonable reservation and it is advisable that these precautions should be inserted and it is absolutely necessary that the Crown should listen to objections. I have in mind, Sir, that 25 years ago I was instructed to obtain by means of the Land Acquisition Act a piece of land at Mombasa from Mr. Charlesworth on a certificate by the then Governor that this land was required for railway purposes. I do not believe that since that was acquired 25 years ago the land has been used for railway purposes. I understand it is now used for oil godowns, a market site and an aerodrome. There is an instance of where land was required at that time believed to be necessary for a certain purpose and quite definitely that certain purpose has never matured. I am very strongly in support of the mover of the amendment that clause 4 as it appears in the Majority Report should be implemented.

In regard to paragraph 5, here again, I do compliment the Select Committee on providing a *modus vivendi* which amply secures to the Municipality what it required. The previous clauses 6, 7 and 8 were in my opinion a very wrong method. Again I suggest there is a small clerical error in the eighth line where I suggest the word "statements" should be in the singular.

I beg therefore to strongly support the amendment plus that it may be put to an open vote.

THE HON. CONWAY HARVEY: Your Excellency, I sincerely trust that Government will be reasonable and accept what everyone must admit is a reasonable compromise instead of attempting to force the issue on this very controversial question. Government has tacitly admitted that it has been in the wrong in the past. That was admitted, I think, by the hon. mover of the original motion in his attempt to defend the inclusion of section 5 in the amending Bill.

But there is one point on which I have considerable difficulty, a difficulty which must be shared by many hon. members. The hon. mover of the original motion stated that in the case of a Crown land reservation in a township being substituted for another similar area in the township, it would be necessary for Government to make a five years contribution of the rate in respect of the first area of reservation which has been exchanged for the second. The hon. Member for Nairobi North said the exact opposite. I should like to know which is right. I think it very important indeed that provision should exist for that exchange of land and, in my humble opinion, it would be a very great mistake for rates to be paid on the land which is exchanged for another area. I suggest

that one method of meeting that particular difficulty, if it exists—I have no doubt my hon. and learned friend will explain the matter in due course—the case might be met by reporting progress in this debate for a very short period and inserting a perfectly clear statement of the position in that regard possibly after clause 28 (3), page 2 of the Majority Report.

THE HON. SHAMSUD-DEEN: Your Excellency, I am not aware whether Government is going to allow a free vote in this matter or not, but the vote among the Indian members at that rate is going to be independent, notwithstanding the fact that one of my colleagues seconded the amendment.

I feel it does not necessarily follow that because a large number of members have voted in favour of the Majority Report they must of necessity be in the right. For instance, if the darkness of this room was intensified by heavy cloud and most members thought it was night, and one member said "No, it is still day," I should feel inclined to vote for him!

Coming back to the subject, I feel that the idea which really underlies the whole of the Minority Report is the proverbial robbing of Peter to pay Paul because, after all, what is Government, and where does Government get its money from? only from the taxpayers of the Colony, and it simply means we must get the money from the taxpayers of the Colony to pay to the townships. I am quite satisfied that where an exchange of land takes place Government should not be called on to pay rates for the previous years.

What I am really worried about in these towns, I am thinking of Nairobi, is that there are spaces which, in the opinion of many people, form very valuable pieces of land, and if there is no reservation Government, that is the taxpayers, will continue to pay rates for a number of years; at the end of ten or twenty years we find as a fact that a particular piece of land is absolutely useless. Take, for instance, the land on the other side of the level crossing, near the District Commissioner's office. All those pieces of land are reserved for sport, because it is in the interests of the town that they should be kept clear and because it is more hygienic that they should be given to sports clubs. Suppose after ten years the land was sold to the sports clubs at nominal prices? Would we expect the taxpayers to pay rates for the previous five years?

I can give a few examples. For instance, say a piece of land near Pangani was considered at one time the most valuable piece in the whole town, that it was thought it was going to be the hub of the town; to-day, the medical officer of health found the whole area perfectly useless because it could not be drained, and it was therefore no use for building

purposes. I think that in a town like this where no one is certain as to what development will take place in the future; it would be very wrong if Government were forced into the position of having to pay rates for certain areas that have been lying vacant for years and years and eventually have to be given away probably at nominal prices or for nothing at all for certain purposes.

I think I can quote a few examples. For instance, the factory sites on the sidings. It was considered at one time that Government would make a fortune out of them, and it was quite reasonable to ask them to pay the rates. To-day, prices have gone down so much that nobody will even take them for nothing. Therefore, Government ought to have a free hand in declaring that certain vacant areas are reserved for sports or other purposes without being called on every five years to be subjected to all the vexatious proceedings of hearing objections and so forth, because the whole thing is really in the melting pot and no one can say what part of the town may become valuable in the next ten years or what part will be valueless.

I oppose the amendment.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK : On a point of explanation, in view of what the hon. member said, if land is sold for athletic purposes it would be used for the purpose for which it was reserved.

Council adjourned for the usual interval.

On resuming.

VEN. ARCHDEACON THE HON. G. BURNS : Your Excellency, my part in this debate is in the form of a question.

If land had been reserved by the Government for public purposes, say a mile or two miles out of the town of Nairobi, outside the circle of the then municipality, and a little later on that circle was enlarged and included part of the land that had already been reserved, would the municipality expect the Government to pay rates on that part of the land that would be included in the circle now included in the municipality? I should like very much to have some information with regard to that when the debate is being answered.

DR. THE HON. A. C. L. DE SOUZA : Your Excellency, we are opposing the amendment and supporting the motion. My personal reason for doing that is that I am very much impressed with what the hon. the Commissioner for Local Government has said in defence of his motion and, secondly, because I shall have some peace of mind if Government continue to retain some hold on vast pieces of land in the municipality

for the future needs of the community generally. I have in mind the requirements of such communities as have not yet made enough provision for their social, religious and other needs, and I am afraid that through the provisions of this Bill the powers of Government to regulate the land may be impaired.

THE HON. THE COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT : Your Excellency, in view of what I shall later proceed to say, I am not proposing to take up any debating points that might offer themselves in the course of the debate on the amendment. Government is prepared to accept the amendment insofar as clause 4 of the Report is concerned, with this proviso: that, having done so, further examination of certain factors is required. The point raised by the hon. Member for Nyanza is one of those factors. There is no question that, as the Report is drafted, if that became law Government would be under an obligation to pay only its five years' contribution in respect of the land released from reservation but would be unable to recover any contributions paid in respect of the land substituted. It is therefore necessary to add a further clause to the clause appearing in paragraph 4 of the Majority Report.

Further factors again, such as I outlined in my opening speech, require consideration. At the present time, in connection with the town planning arrangements of Nairobi, Government has agreed to convey £10,000 worth more land to Nairobi when required for compensation purposes. That land has not been scheduled and selected in detail, and therefore in the meantime we are continuing to pay our rates in respect of that land. I think it is a point the select committee should further consider, whether in a case of that sort that provision should be made for land set aside in that way for municipal needs, the amount of rating contributions paid in respect of them should be made recoverable. It is for further consideration whether, when Government makes a free grant, it should recover from the municipality the rating contributions made.

For these reasons, and possibly one or two others that may require consideration, I have to propose that progress be reported on this Report and that the matter be referred back for further consideration to the select committee.

THE HON. THE COLONIAL SECRETARY seconded.

THE HON. LORD FRANCIS SCOTT : What is the position?

HIS EXCELLENCY : The amendment is still before the House. I do not know whether the hon. mover will agree that progress be reported?

THE HON. LORD FRANCIS SCOTT : Speaking on behalf of the European elected members, we are prepared to accept this motion that progress be reported, though I do not quite understand why the hon. mover did not bring these points up during the time he was speaking on select committee.

The question that progress be reported and that the Report be referred back to Select Committee for further consideration was put and carried.

MOTIONS.

Re KENYA DEFENCE FORCE.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK : Your Excellency, I beg to move the motion standing in my name :—

"That in the opinion of this Council a small Committee should be appointed with wide terms of reference to enquire into the organization, requirements, equipment and training of the Defence Force. The personnel of such Committee to consist of the Brigade Commander, the Defence Force Commandant and the hon. Member for Rift Valley, together with an independent secretary."

In the Report of the Standing Finance Committee on the Provisional Draft Estimates for 1936, we stated :—

"The Committee recognised that, owing chiefly to inadequate funds, the state of the Defence Force was not so satisfactory as it might be, and recommended that a small committee consisting possibly of the Brigade Commander, the Defence Force Commandant and Lord Francis Scott should inquire into its needs."

For some time past we have realised that, owing to the fact that we have had to cut down expenditure very drastically, and owing possibly to one or two other factors, the state of the Defence Force was not quite as satisfactory as we could have wished. The suggestion that an inquiry be made is not a new one.

When the hon. the Colonial Secretary moved the motion proposing the acceptance of the Majority Report of the Standing Finance Committee he did allude to this subject, and he stated, as far as I understood him, that owing to the fact that certain inquiries were being made in England by probably the Committee on Imperial Defence, this was the wrong moment to have an inquiry out here. We quite realise, in view of the international position and so on, that no doubt this part of the world is receiving the close attention of the military and naval authorities in England. But we do not consider that that is any reason whatever why we should not have such an inquiry into our own little Defence Force out here.

Probably those in authority in England would view the whole position from a very broad point of view, and very rightly so; and would entirely lose sight of perhaps the parochial point of view that we have here. What I am referring to as the parochial point of view is, at the same time, a very important point of view in this country, and that is that I believe practically everybody who lives out here is absolutely convinced that it is necessary we should have in this country a European force which is sufficiently organised to be called together and to deal with internal troubles efficiently at short notice. We are not in this debate proposing even to mention defence from possibly external enemies.

The Defence Force was the outcome of a demand for such a Force by the people of this country, and if we have reason to believe that the efficiency of that Force could be improved, that it could be made to run more smoothly, I believe we have a right to suggest that an inquiry should be made by responsible people in this country, and that it is quite unfair to say or to suggest that, without hearing our side of the case, or hearing of our particular problems, we shall be told exactly what we are to have from overseas. It may also be said that various secret or confidential matters have to be taken into consideration when one considers the Defence Force, and it is for that reason I have worded the motion as it is worded. I do not believe that anybody in the world could suggest that the Officer Commanding the Troops in this part of the world, an officer of the previous reputation and knowledge as Brigadier General Lewin (who is incidentally A.D.C. to His Majesty the King), and an officer of the experience and military reputation of the Noble Lord, the Member for Rift Valley, could not if necessary not have a certain amount of secret or confidential information conveyed to them. For that purpose also I have suggested an independent secretary, because possibly it might be necessary to have a military secretary.

That is all I have to say, and I beg leave to move this motion.

THE HON. CONWAY HARVEY seconded.

THE HON. LORD FRANCIS SCOTT : Sir, this is a question on which I feel very strongly and very acutely. As the hon. mover has pointed out, the origin of this Force was a demand on the part of the European community of this country that it was not only their duty but it was their right to be formed into a Force which should be available both for internal and external troubles which might arise in this country. There was a great deal of opposition in the early days from all sorts of sources, and a great deal of deliberate mis-statements put forth as to the objects and so on. That was overcome, and the Force came into existence.

It started, like all such Forces, with a certain amount of difficulty to overcome. They were overcome. The whole Force was got going. It then came about that there was a shortage of money in the country, and the economy campaign had to be undertaken, and for that reason we on this side of the House, and myself in particular—because I have always taken the very keenest interest in the Force from the commencement—did agree to cut down the funds available to the Force to the bare minimum which enabled it to be kept in existence.

The remarks made by the hon. the Colonial Secretary the other day fill me with great apprehension. I am afraid I have got to say that Government have not shown a particularly friendly or encouraging attitude towards this Force. It has had to struggle against a great deal of possibly passive antagonism, and it has only been by the great keenness and enthusiasm of people concerned with it that it has been able to be maintained in the state of efficiency which, I submit, it is in to-day. I may say, Sir, that there have been certain official officers who have taken a great interest in the Force and have done a great deal to help it, and I should especially like to mention if I may the hon. the General Manager, K.U.R. & H., who, from the start, has been a staunch supporter, and the Railway Company, at any rate when I had to do with the Defence Force, was a model of enthusiasm and efficiency.

But the Force has not received the whole-hearted support of Government or anything like it. It has had to struggle under the very greatest difficulties and, in spite of that, I submit that to-day it has the material for one of the finest fighting forces in the whole Empire. It is, in fact, I believe per unit the cheapest Force in the Empire, and we have just been able to keep it going by having very efficient and enthusiastic officers such as General Lewin, Colonel Swinton-Home and others who have devoted very much of their time to its work. Enthusiasm, again, among young members in the country is very great, and apart from the military value I submit that the discipline which can be instilled into the youths growing up in this country by means of annual camps is worth for more than could have been imagined by people who only look at it superficially.

In my opinion, the maintenance of the Defence Force on its present basis is absolutely essential to the country. I look on it as one of the most important things we have in the country, and any threat of interference with its fundamental constitution would cause a most tremendous outcry all through the country. At the same time, believing as I do that it is essential and necessary to the defence of this country, that it

has most magnificent material, that everything is already there for its extension into greater efficiency than it is to-day, I submit the time has come from the experience which has been gained when a committee of local people—who, after all, are the only people who can deal with such a question as this—should be formed, to make recommendations as to what is required for its future efficiency and well being.

One has to recognise the fact that different parts of the country have different problems. For instance, in Mombasa it has always been difficult. There you find quite a different type of population among the young people than one has up country. Few have really got roots in the country and are birds of passage employed by various concerns; that, of course, does not refer to some of the old-timers such as my old friend who represents Mombasa in this House. Those young people naturally have not got that great feeling of patriotism and enthusiasm which you do find among the young men up country, and therefore the problem of Mombasa is one to be dealt with on its merits. There are various other questions of the same sort, and there is no question at all that this system of starving the Force, which has been keeping the upkeep to the very minimum, cannot be continued indefinitely.

If Government would accept this motion, and we understood in the Standing Finance Committee that the Officer Commanding, Northern Brigade, advocated such a committee as being of great help to him, Government would be very wise. We were told the other day that although the question had been discussed by a distinguished Admiral out here, I submit that an admiral is not a person who could have much knowledge of the interior economy anyhow of a Force such as the Kenya Defence Force. I do urge Government, with all the power at my command, should accept this motion, and if they do accept it, nothing but good can come of it, and the people who will profit from the Report of such a committee will be Government themselves.

THE HON. THE COLONIAL SECRETARY: Your Excellency, I am in the happy position of being able to agree with almost every single thing that has been said by the hon. member, and the Noble Lord also. I have to agree that the Force has been starved. We had to starve the Force out of sheer necessity, and I think most heads of departments will say that that provision from year to year has been inadequate, at any rate for their aspirations.

To deal with one point only which the Noble Lord referred to, about consulting an admiral. It is perfectly true I did say when Admiral Rose was here we did have an important meeting at Government House and we did refer to him the

question of the possibility of the Kenya Defence Force being of some use in the defence of Mombasa which, as hon. members know, has now achieved the status of a defended port. There was some question as to whether troops would be wanted there for the purpose of manning guns possibly for the purpose of defending the place against raiding parties and that sort of thing, and only on that particular point any question of the Kenya Defence Force was referred to him.

The problem of the K.D.F. is, I think, not quite so easy as it may seem. I do not think it is merely a question of internal economy, equipment, organisation, or even the training of that Force. The problem in effect consists of a considerable number of problems and the matter, I think, that has been exercising the minds of Government and the Imperial Government is the function of the Force. Even as the present Ordinance stands it seems to me there is room for considerable doubt. The preamble reads:—

"Whereas, in view of the responsibility resting upon the European inhabitants of the Colony for the defence thereof and for the protection of life and property therein, it is desirable that special provision be made to enable such inhabitants promptly and efficiently to perform, when called upon, the duty of maintaining law and order . . ."

The nature of the preamble suggests that the K.D.F. should be nothing very much more than some sort of auxiliary police force.

We believe, in fact we know, we have got the most magnificent man-power in this Colony. We might even claim perhaps that we are better than any other part of His Majesty's Dominions in that respect. The only point that really concerns us is, how we are to use that man-power to the best effect? There are, as a matter of fact, a number of different functions for which Government ought to provide. There is the function of security in the outlying lonely farms, there is the question of security in towns—I did not mean to suggest there is the slightest probability of a riot in Nairobi, Mombasa, or any of our other towns, but Government ought to be in a position to deal with a riot if it happens, and that is only the second aspect of the security we are trying to achieve. The third aspect is the defence of the Colony against the possibility of external aggression to which the Noble Lord has referred, and in that connection we have, I think, to give particular consideration to the port of Mombasa. Then there is the fourth consideration and this is, I believe, to be of particular importance. I have referred to the magnificent quality of the man-power at our disposal, and the question arises, is it not possible to use them as officers and to train them to be officers should eventuality arise? because they are probably, I think

we may say certainly, more suited to command than the European population in other colonies and dependencies. So that the question arises, is it possible to combine some sort of Officers Training Corps with the training of the Kenya Defence Force?

Anyone who was out here during the war knows what our man-power did then in officering battalion after battalion of the King's African Rifles. Those same settlers who saved the country in the early stages of the war as troopers in the East African Mounted Rifles and other Forces, during the latter stages officered those magnificent battalions of the King's African Rifles which secured the country to us.

Those are some of the problems that have been exercising Your Excellency's Government and the Government at home, and considerable progress has been made in clarifying the various issues. But, as a matter of fact, the problems do not end there.

I say the first problem is the function of the Defence Force. We cannot afford four separate Forces—a burgher force, an auxiliary police force, defence force, and officers training corps—and we want to know how to combine best the duties of all. But it does not end there. If it is to be a military force, we must know something about its relations with other military forces. One particular question, of course, is command. Is it to have a separate command, or is there to be, I may suggest, an officer commanding all the troops of the Colony?

The situation becomes more difficult because it is not static, it is continually changing. If hon. members will have seen in the Press the recent change in Mombasa which has now achieved the status of a defended port. That produces its own particular problem. Whether it is to be treated as a separate problem entirely divorced from the Kenya Defence Force I do not know, but it is one of the problems that I imagine will have to be faced. Another new factor is the development of air fighting. We have a detachment of the Royal Air Force here at present. We do not know how long it will be with us, but I imagine the military authorities will probably want to know what the relationship will be between the K.D.F. and the other military forces in the Colony and the R.A.F. Then, again, there is the question of finance: who is to pay for the Force, how much are we to get out of the Imperial Government, whether the neighbouring territories will be prepared to co-operate and contribute?

The hon. Member for Nairobi North expressed some misapprehension that a decision was going to be come to without local opinion being consulted. I have Your Excellency's

authority for stating categorically that there is no such intention in the world. What will happen is that when the issues are ready for discussion, and when Government has formulated its views up to the point when they can be submitted for discussion, these matters will be presented to a committee of local opinion because, of course, Government would not dream of introducing far-reaching changes in a military organisation, particularly in connection with a local force such as the K.D.F., without the advice of the local persons most qualified to give it. While, therefore, I am authorised by Your Excellency to say that Government fully accepts the motion in principle, it cannot at this moment appoint a committee, that is to say, it cannot accept it in detail.

All these problems to which I have referred may necessitate, personally I think they will, some different terms of reference, and I should not be at all surprised if those terms of reference were not considerably wider than even the hon. mover proposed. The terms of reference, for instance, might read somewhat as follows: To consider and advise on the needs of the Colony in the matter of auxiliary forces. I am not committing Government to anything of the sort at present; I am merely suggesting that some such terms of reference may be found advisable and that this committee of inquiry which Your Excellency will appoint may have wider terms of reference than are contained in this motion and, also, on the terms of reference may depend the personnel. If, for instance, they embraced any of these considerations to which I have referred, we might want, and probably should want, the hon. and learned Attorney General on the committee to advise as to the legal measures to be taken; we should very likely want the hon. the Treasurer to advise us on finance; we should possibly want someone from Mombasa to tell us the particular needs of that port if that port comes within the purview of the committee.

As I have said, negotiations have advanced and the problems are, I believe, now very nearly ready to be studied and formulated, and there is every prospect, I understand, that this committee will be appointed in the very near future. Anyhow, I have Your Excellency's assurance that a committee will be appointed and that among the duties of that committee will be to examine thoroughly the conditions of the Kenya Defence Force and any proposals for its improvement.

In view of this statement, I rather hope that the hon. mover may see his way to withdrawing the motion as it stands, because Government is unable to vote for it in view of its limitations.

THE HON. SHAMSUD-DEEN: Your Excellency, I did not raise a point of order, although the last hon. speaker has really spoken out of order.

HIS EXCELLENCY: I am afraid that was my fault. I thought I had put the question.

THE HON. THE COLONIAL SECRETARY: I think you did, Sir, and then you called upon me to speak.

THE HON. SHAMSUD-DEEN: May I proceed, Sir?

HIS EXCELLENCY: yes.

THE HON. SHAMSUD-DEEN: Your Excellency, I come every morning to this hon. House making a very strong resolution of not saying anything which will upset the peace with my hon. unofficial friends but most unfortunately some one or the other is always saying so authoritatively that it is almost impossible for me to keep quiet. I know from one of the hon. members of this House the folly of plain speaking the other day but if remarks are made which really amount to certain mis-statements of fact, I cannot help it if I am constrained to say something in reply.

I think the hon. and Noble Lord said that in this Colony a European force was necessary to maintain internal peace of the country. Now Your Excellency what does the past experience show us? The hon. the Colonial Secretary has also talked about the necessity of such a force in order to prevent the possibility of risings. During the last third of a century of this country there has been only one rising to my knowledge and that was very inadequately dealt with by the local police which consisted mostly of African constables officered by Europeans. If there has been any danger of disturbance of internal peace of this Colony it has come or at any rate mostly from the gentlemen who are asking for this Defence Force to be formed in this country, and that was in 1923. I have tried my best always not to refer to this but when statements are made in this House that the Defence Force is necessary for the internal peace and order of this country, then I must refer to certain facts which are common knowledge of everybody. If the peace of the Colony has at any time been endangered that was I say by the majority of the people who to-day are forming this Kenya Defence Force. I cannot forget the sleepless nights that we have spent, at any rate the Indian community, in the year 1923 when these gentlemen who to-day form the majority of the Defence Force formed themselves into a sort of force to capture the Government and take charge of all the offices and railways and

machinery of the Colony and to imprison every Indian who was in the Colony. If that is the sort of object and if that is the kind of peace that is to be maintained in this Colony, then I think the least encouragement given to this Defence Force the better.

I am not sure, I am open to correction, but to the best of my knowledge the Defence Force does not owe allegiance to His Majesty the King and I have heard it very freely mentioned that the ultimate aim of this Kenya Defence Force has really developed into the formation of another Boston Tea Party. As far as the value of the defence of the country is concerned, I have very good reasons on the authority of the highest military experts of this country to believe that their military value is almost negligible. (Lord Francis Scott: Question). If necessary I can convince the hon. and Noble Lord of the authority I am quoting. (Lord Francis Scott: You can never convince me).

I have the greatest admiration for the members of the East African Mounted Rifles who gave their lives for the defence of this country during the War, but there is not the least doubt about it that if forces from India and South Africa had not come out, then I can quite realise what the fate of this Colony would have been if left entirely to the Defence Force. It is not a pleasant thing for me to deplore that, although I have lived in the Colony for a third of a century, that the motion before the House means that the honour of defending the country of my adoption should be only left to one section of the community and that I should be prevented from taking my due part in such defence. I should be the last person to support any scheme for a Defence Force, even if extended to Indians, if that Force did not owe allegiance to His Majesty the King, because the consequences of such are too formidable to contend with.

I do not wish to take up the time of the House but I feel very much tempted to refer to what has recently been said about the Vigilance Committee. I am keeping to the motion about the Defence Force. If the Defence Force is kept and maintained and supported then in the event of those very members of the Force forming the members of the Vigilance Committee, one cannot ignore the consequences. In view of the confusion of the public speeches I at any rate wish to oppose the motion in spite of the fact that Government accept it.

DR. THE HON. A. C. L. DE SOUZA: Your Excellency, I wish I had sufficient energy left at this stage of the session to speak against this motion and when I say against the motion it does not necessarily in my view mean that we should forget

this even as it is brought up in that the country thinks it reeks of what we call bad blood. The Defence Bill on the statute book has always been considered by us an insult to Indian manhood and to Indian loyalty and especially to the King. Apart from that altogether, looking at it from a purely business point of view, what would these gentlemen say. I heard it said only a few days ago the people of the country must be the means to defend the country. Who are the people? We want a clear definition of what is meant by people. I say if these gentlemen consider themselves the only people in the country they are very much mistaken. We know from this session and others, we have seen how much money is contributed by other communities, the weaker communities have put their hands into their pockets and when they come from a business point of view and suggest that the money given to the Defence Force is not sufficient, it adds insult to injury. They maintain they want a force for the internal needs of the country; the hon. mover said that, Sir, and the Noble Lord also said the same thing and added the word external. We know we do not want it for external needs and I do not think we shall ever want the need of the Defence Force. We do not want it at the moment when the Northern Frontier is threatened by war where is the Defence Force and what good can it do at the moment. So the question of external need does not arise. As far as internal needs are concerned, what is our requirements. As the hon. Mr. Shamsud-Deen has said "Who has been frightened and by who? Where is the danger? The police overcame it all right." We had a small shock in the case of Harry Thuku which did not take more than about 40 or 50 police and the K.A.R. to subdue and with the present peaceful state of the country why is a defence force necessary.

But now that the hon. the Colonial Secretary has given almost an assurance that a committee is going to be formed to enquire into the matter, not a military committee, but as he suggested the legal and financial side of the House will be represented on it, I do hope this Government and the Imperial Government will consider the need of changing the constitution of the Force. In fact from the words used it devolves upon the Europeans to defend the country. Why should not the native and the Indian and everyone in the Colony be entitled to serve in it? I do hope that will be one of the terms of reference to be enquired into, the standing of the other sections of the community, and also the other question mentioned by my hon. friend, Mr. Shamsud-Deen; that provision will be made in the Defence Force for an oath to be given whereby every man who joins that Force will primarily consider himself a subject of the King and not as and when occasion arises a bandit.

LT.-COL. THE HON. J. G. KIRKWOOD: Your Excellency, I rise to support the motion before the House. I understand from what has been said from the Government side that this matter is receiving attention at home. That is quite understandable. As a matter of fact if it was not I would say the Home Authorities were neglecting their duties. I think it is a very reasonable request and in view of the fact that the Home Authorities are considering it, I think it would be very helpful to them if they could have the parochial view put up from this side. I am an idealist—I always have been. I have always been a volunteer. I am a member of the Defence Force as such although it is almost a compulsory Force but personally I hope there is no occasion for compulsory service. I believe if a country is worth belonging to, it is worth fighting for. I am afraid, Sir, at the present time the danger has never been greater. We have on our borders two countries at war and from past experience we are all aware that once the conflagration is started one never knows where it is going to finish. I have had quite a good deal of experience during 40 odd years and have experienced two campaigns: one was a rebellion, the last Bambata Rebellion in Natal. That, Sir, started in a few hours and I do not want to startle this House but I do believe that the situation to-day is more serious than people who have not been there and experienced it realise. It is a white non-native population, very small compared to the native population and surrounded by natives and I consider it is a scandal to expect the Europeans to stand aside and not be in a position not only to defend their own women and children but to defend the women and children of all the non-native population of this Colony. I am not going to reintroduce the racial question. There is no occasion. As regards the oath of allegiance I would have no objection and doubt if any such Force would. I cannot understand why it has not been insisted upon now but I do maintain, Sir, that in a Colony like this with a very large area and native population, when the non-natives are practically dependent upon the natives for their protection, the danger is the native who is so easily stampeded into irresponsible action that afterwards he much regrets. After all they are like uneducated children and I have a great deal of affection for them generally but they are absolutely uneducated and they suffer from panic and a few bombs over Nairobi would cause a rebellion in this town and if the Europeans are not in a position to defend themselves and to defend the other non-native population as well as to control the native population, matters will be very serious indeed. I have always looked upon the Defence Force for internal protection and security. I do not think we have a large enough Force here to be of great value for outside purposes. Instances have happened in South Africa where as a member of the Colonial Division which I joined we proceeded to the

Orange River and crossed the Orange Drift into the Free State. We had sworn allegiance to the King—we were Colonial Volunteers—and we had to volunteer to cross outside our own territory into the Free State. It is unnecessary for me to say that when the whole of our Division was paraded and volunteers were asked to take one step forward the whole Division took one step forward. From the point of view that the Kenya Defence Force is absolutely essential under the conditions in which we are living here, I do hope that it will be maintained and given adequate funds to put it on an efficient footing which it certainly is not on now. That is all I have to say.

VEN. ARCHDEACON THE HON. G. BURNS: Your Excellency, I only rise to say one or two things. First of all, of course, I do not believe in compulsory enlistment. I just say that in passing. But the real reason of my rising is this, that when our country was in need in 1914 up to 1918 I ask this hon. House to try and remember that the people who defended this country and who gave their lives in the defence of this country than any other community were the Africans. Not only am I now speaking of the King's African Rifles for which I have a tremendous admiration for I think they are a splendid body of men, but I am also thinking of those carriers who to the number of over 60,000 went down into what was then German East Africa and never came back.

HIS EXCELLENCY: We are debating a motion to form a committee to enquire into the Defence Force. That is the motion proposed by the hon. member and it is desirable to keep somewhere within the bounds of the motion.

VEN. ARCHDEACON THE HON. G. BURNS: I say that because a moment ago the last speaker referred to the natives as being panicky. As regards the internal need of the Defence Force, I say the Africans have proved themselves to be their most loyal subjects of the King and have shown it by giving their lives for the defence of the country when they were in need.

MAJOR THE HON. F. W. CAVENDISH-BENTINCK: Your Excellency, before bringing forward this motion, I had considered it very carefully and I was wondering, at one time whether I should bring it forward or not. As a result of this debate I am extremely pleased that I did bring it forward because I think it has served a useful purpose and cleared the air and at least we know that Government have the intention of pursuing this matter. As I said, Sir, we have raised the question on one or two occasions and we were rather afraid that nothing was going to be done. Actually I shall do consider that the Government has to a certain extent put the cart

before the horse in that all the various problems enumerated by the hon. Colonial Secretary have I think been thoroughly realised and considered over a very long period and I should have thought possibly that before referring everything Home it might have been as well to have at any rate informed some of those who have a great deal of experience in these matters in this country of the lines on which enquiries at Home were being proceeded with. We have always this fear which I tried to outline in proposing the motion and it might be that as a result of these enquiries being conducted overseas, without any previous recommendations or suggestions from people who have had experience in this country, we shall get something on the lines that all that is really wanted out here as far as Imperial Defence is concerned, is an Officers' Training Corps for the Reserve of the Officers' Reserve of the K.A.R. We want a great deal more than that and furthermore that can very well be combined with the European Force as it is at present constituted. I did not understand whether the hon. Members, Mr. Sharnand-Deen and Dr. de Souza, are in favour or against it. One moment they say they did not want it and if they want an enquiry that is what we are asking for.

With regard to the ven. and hon. Archdeacon Burns' remarks, I would only say this that anybody who went through the War knows perfectly well and cannot forget the part played by the Africans and by the Indians and by all the British Empire. At the same time it has not shaken me in my belief in any shape or form. We have to be practical and not merely idealistic and to be prepared for any unpleasant eventualities. It is always possible for internal trouble to occur and it is for the people in responsible posts to see that we are prepared.

In view of the assurance given by the hon. the Colonial Secretary that a committee will be appointed, with the leave of my seconder, I propose to withdraw this motion.

HIS EXCELLENCY: I take it the House has no objection to this motion being withdrawn.

With the leave of the House the motion was withdrawn.

PENSION: B. J. A. CARVALHO.

THE HON. THE TREASURER: Your Excellency, I beg to move:

"This Council approves the payment of an unreduced pension of Sh. 2,135/17 a year to Mr. B. J. A. Carvalho, who is being retrenched from the service of this Colony with effect from the 1st February, 1936, inclusive, in lieu of a reduced pension of Sh. 1,601/38 a year and a gratuity of Sh. 5,937/90."

I do not think it is necessary for me to elaborate on this motion as many others of a similar nature have been adopted by this House quite recently. It is considered to be in the interests of Government that this officer should be allowed to draw his full pension instead of a reduced pension and gratuity.

THE HON. THE ATTORNEY GENERAL seconded.

The question was put and carried.

BILL.

SECOND READING.

THE KING'S AFRICAN RIFLES RESERVE FORCES (AMENDMENT) BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move that the King's African Rifles Reserve Forces (Amendment) Bill be read a second time.

This measure is self-explanatory. It is brought forward at the request of the Brigade Commander, and the sole effect is to admit reservists of a personnel which have not previously been admitted to the reserve, that is new men, instead of relying entirely on ex-K.A.R. personnel. It is the opinion of the Brigade Commander that with the material at his disposal from among the present ranks of the reserve it is not possible to carry on efficiently. He is therefore anxious to supplement these able-bodied men known as reservists by those who have not actually served with the Colours before. There will be no actual increase in the numbers provided for, but the reserve will be kept up to establishment instead of below as at present. The Bill is longer than it would have been because I have taken the opportunity to make various verbal corrections in the ordinance which is now being amended which contain references to the former King's African Rifles Ordinance.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that this Council do resolve itself into a committee of the whole Council to consider, clause by clause, the King's African Rifles Reserve Forces (Amendment) Bill.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

Council went into Committee.

In Committee.

THE KING'S AFRICAN RIFLES RESERVE FORCES (AMENDMENT) BILL.

The Bill was considered clause by clause.

Clause 1—

Short title.

THE HON. THE ATTORNEY GENERAL moved that Clause 1 be amended by the deletion of the figures "1935" which occur in the second line thereof and the substitution thereof of the figures "1930".

The question was put and carried.

THE HON. THE ATTORNEY GENERAL moved that the King's African Rifles Reserve Forces (Amendment) Bill be reported to Council with amendment.

The question was put and carried.

Council resumed its sitting.

HIS EXCELLENCY informed Council that the King's African Rifles Reserve Forces (Amendment) Bill had been considered clause by clause in committee of the whole Council and had been reported to Council with amendment.

THE HON. THE ATTORNEY GENERAL moved that the King's African Rifles Reserve Forces (Amendment) Bill be read a third time and passed.

THE HON. T. D. H. BRUCE seconded.

The question was put and carried.

The King's African Rifles Reserve Forces (Amendment) Bill was read a third time and passed.

Council adjourned sine die.

WRITTEN ANSWERS TO QUESTIONS.

VALUATION ROLL PROCEDURE UNDER LOCAL GOVERNMENT (RATING) ORDINANCE.

No. 40.—CAPT. THE HON. H. E. SCHWARTZ asked :

"1. Is it a fact that (a) in England and (b) in Scotland all notices of any new valuation roll or alteration in the existing valuation roll have to be sent to either the owner, occupier or agent personally and that such notice also gives the date up to which objections can be heard?

2. If the answer to (1) is in the affirmative, will Government consider amending the Local Government (Rating) Ordinance, 1928, so as to enable owners to have direct notice of valuations placed on their property and of the time for objections, instead of being compelled to search the Roll and thereafter rely on advertisements appearing in the Press to ascertain the last date for the hearing of objections?"

Reply.

1. The answer to the first part of the question is in the affirmative.

2. Government has under consideration an amendment to the Ordinance to provide that where an assessment is increased or where a new assessment is made, notice should be served by the Local Authority on the owner concerned.

SCHOLARSHIPS.

No. 51.—LT. COL. THE HON. LORD FRANCIS SOUTHWELL:

"Can Government now state whether a reply has been received from the Secretary of State on the subject of Scholarships?"

If not, will Government proceed with its own scheme irrespective of the opinion of the Colonial Office?"

Reply.

The answer to the first part of the question is in the affirmative. The Secretary of State has now signified his approval of the expenditure for which provision was made in this year's Estimates.

The second part of the question, therefore, does not arise.

WHITE HIGHLANDS—DRAFT ORDER IN COUNCIL.

No. 53.—DR. THE HON. A. C. L. FIS SHELL asked:

"Is it the intention of Government to suggest to the Colonial Office that the representatives of the European Community be given an opportunity of seeing and approving the Draft Order in Council regarding the Highlands of Kenya prior to its submission to His Majesty the King?"

If the answer to the above be in the affirmative, will Government also recommend to the Colonial Office that the representatives of the African, Indian and Arab Communities be given an equal opportunity of seeing and approving the said Draft Order in Council?"

Reply.

It has been suggested to Government that representatives of the European settlers should have an opportunity of seeing and approving the Draft Order in Council. This suggestion has been forwarded to the Secretary of State for the Colonies for his consideration. Pending his decision, the Government does not propose to make any further recommendations to the Secretary of State.

COTTON BUYING SEASON AT COAST.

No. 54.—THE HON. F. A. BEMISTER asked :

"In view of the fact that October 1st, 1935, was fixed as opening cotton buying season in Taveta district, will Government state their reasons for fixing November 4th (now altered to October 28th) for the Coast district?"

Reply.

In accordance with Government Notice No. 660, dated the 27th September, 1935, the 28th September was the date before which the purchase of cotton was prohibited in the Taita district of the Coast Province.

By arrangement with the Tanganyika Department of Agriculture, the small native cotton crop in the Taveta area is treated as an extension of the crop in the adjoining Moshi area, and is cared for by the District Agricultural Officer, Moshi. Consequently, the date for the opening of the cotton buying season in Taveta has been altered to make it coincide with that for the Moshi district.

For the Coast area, the date is fixed to suit a number of circumstances which are different from those in the Taveta area.

TITLE OF FARM L.O. 141/R.

No. 71.—MAJOR THE HON. F. W. CAVENDISH-BENTINCK asked :

"What immediate steps are Government taking to deal with the impossible situation which has arisen on Farm No. L.O. 141/R held under freehold title purchased from Government in 1912?"

Reply.

Government is aware of the situation which has arisen at Farm L.R. 141/R but does not propose to take any immediate steps in the matter.

The hon. member is no doubt aware that His Majesty's Government is at the moment considering legislation which it is hoped will clear the issue in the near future.

INDEX

A	PAGE
Administration of Oath	645, 680, 991, 1149
Alternative Taxation, Petition for Removal of	1015, 1149
Attorney General—	
Agricultural Indebtedness Committee Interim Report	1072
Architects and Quantity Surveyors (Amendment) Bill	996
Civil Procedure (Amendment No. 2) Bill 683, 685, 686, 687, 703, 704	
Estimates	783, 784, 790, 798
K.R.N.V.R. (Amendment) Bill	680, 683
K.A.R. Reserve Forces (Amendment) Bill	1215
Levy on Official Salaries Ordinance, 1931, Continuation of	1019
Local Government (Rating) (Amendment) Bill	1009, 1072
Morris Pension Bill	679, 990
Non-Native Poll Tax (Amendment) Bill 1025, 1026, 1027, 1028	
Petition re Alternative Taxation	1150
Point of Order re Presentation of Petition	1016
Police (Amendment No. 2) Bill	1025
Standing Finance Committee, Appointment of Member of	929
Subordinate Courts (Separation and Maintenance) (Amend- ment) Bill	680, 686
Traffic (Amendment) Bill	1074
B	
Bale, E. G.—	
Administration of Oath as Acting Commissioner of Customs	991
Bemister, F. A.—	
Agricultural Advances Board, Question re	690
Carriage of Goods by Motor (Prohibition) Ordinance, 1932, Continuation of	675
Cotton Acreage, Coast Province Native Reserves, Question re	666
Cotton Buying Season at Coast, Question re	1218
Estimates and Standing Finance Committee Report 831, 856, 857, 903, 1119, 1122	
Levy on Official Salaries, 1931, Continuation of	1019
Local Government (Rating) (Amendment) Bill	1010
Nyali Bridge Tariff, Question re	845
Bills—	
1936 Appropriation :	1063
First Reading	1063
Second Reading	1066
Committee Stage	1060
Third Reading	1063
Architects and Quantity Surveyors (Amendment) :	703
First Reading	996
Second Reading	1013
Committee Stage	1013
Third Reading	1013
Arms (Traffic with Abyssinia) (Amendment) :	703
First Reading	1012
Second Reading	1013
Committee Stage	1013
Third Reading	1013
Civil Procedure (Amendment No. 2) :	683
First Reading	683
Second Reading	686
Committee Stage	687
Third Reading	703
Recommittal	703
Third Reading	703

	PAGE
Bills—Contd.	
Customs and Excise Revenue Allocation (Amendment) :	
First Reading	995
Second Reading	1026
Committee Stage	1028
Third Reading	1029
*Excise Duties :	
Select Committee Report	930
Third Reading	940
*See also pages 13, 115, 119, Vol. I.	
Kenya Royal Naval Volunteer Reserve (Amendment) :	
First Reading	663
Second Reading	680
Committee Stage	687
Third Reading	687
King's African Rifles Reserve Forces (Amendment) :	
First Reading	1003
Second Reading	1215
Committee Stage	1215
Third Reading	1216
Local Government (Rating) (Amendment) :	
First Reading	932
Second Reading	1002
Select Committee	1011
Minority Report Select Committee	1185
Select Committee	1202
Morris Pension :	
First Reading	663
Second Reading, Postponed	679
Second Reading	990
Committee Stage	1013
Third Reading	1013
Non-Native Poll Tax (Amendment) :	
First Reading	905
Second Reading	1025
Committee Stage	1025
Third Reading	1029
Police (Amendment No. 2) :	
First Reading	995
Second Reading	1025
Committee Stage	1023
Third Reading	1029
Subordinate Courts (Separation and Maintenance) (Amendment) :	
First Reading	663
Second Reading	680
Committee Stage	686
Third Reading	687
Traffic (Amendment) :	
First Reading	1063
Second Reading	1074
Committee Stage	1074
Third Reading	1075
Water (Amendment) :	
First Reading	932
Second Reading	997
Select Committee	1002
Select Committee Report	1180
Third Reading	1183

	PAGE
Bruce, T. D. H.—	
Excise Duties Bill	959, 940
Water (Amendment) Bill	1182
Burns, Archdeacon	1065
Appropriation Bill	749, 792, 910,
Estimates and Standing Finance Committee Report	1003, 1145
Kenya Defence Force	1213
Kenya and Uganda Railways and Harbours Estimates	958
Local Government (Rating) (Amendment) Bill	1200
Maize Export Price Guarantee	1044
Native Hut and Poll Tax, Collection of 1158, 1166, 1173, 1174, 1179	993
Native Hut and Poll Tax, Question re	677
Sisal Softening Factory, Grant for	931
Standing Finance Committee, Motion to Appoint as Member of	1090
Water (Amendment) Bill	1090
C	
Carman, Dr. J. A., Insignia, Presentation of	616
Carriage of Goods by Motor (Prohibition) Ordinance, 1932	667
Continuation of	1214
Carvalho, B. J. A.—Pension	1064
Cavendish-Dentnick, Major—	
Appropriation Bill	1064
Estimates and Standing Finance Committee Report 717, 1100, 1143	1218
Farm L.O. 141/11, Question re Title of	1202, 1213
Kenya Defence Force, Motion for Committee of Inquiry	1017
Kenya Land Commission, Questions re Recommendations	650
Kenya and Uganda Railways and Harbours Estimates	1019
Levy on Official Salaries, Continuation of	1101
Local Government (Rating) (Amendment) Bill	1058
Maize Export Price Guarantee	1172, 1173
Native Hut and Poll Tax, Collection of	1067
Chief Native Commissioner	700, 722
Cotton Acreage, Coast Province Native Reserve, Question re	1174
Estimates	993
Native Hut and Poll Tax, Collection of	993
Native Hut and Poll Tax, Question re	989
Special Districts (Administration) Ordinance, 1934, Con- tinuation of	1063, 1065
Colonial Secretary—	
Appropriation Bill	994
Bank and Cost of Living Statistics, Question re	667, 672, 675
Carriage of Goods by Motor (Prohibition) Ordinance, 1932	995
Continuation of	995
Dairy Produce Control Bill, Question re	1936, Draft, and
Estimates of Revenue and Expenditure, 691, 616, 925, 1032,	1032, 1143
Standing Finance Committee, Report on	1075, 1108, 1141, 1143, 1145
.. .. .	937
Imperial Airways Landing Fees	640
Investiture with Insignia of C.M.G.	1205
Kenya Defence Force	848
Nyali Bridge Tariff, Question re	667
Overseas Scholarships for Indian Students, Question re	1167
Petition re Alternative Taxation	991, 1018
Schedules of Additional Provision Nos. 2 and 3, 1925	667, 933, 991,
.. .. .	814, 815
Sisal and Maize Shipping Freights, Question re	931
Standing Finance Committee, Appointment of Member of	665, 666
Water Ordinance, 1929, Question re	665, 666

	PAGE
Commissioner of Customs, Acting—	
Customs and Excise Revenue Allocation (Amendment) Bill ..	1020
Commissioner for Local Government—	
Agricultural Mortgages Relief Ordinance, 1934, Question re ..	771
Crown Lands Ordinance (<i>Cap. 110</i>), Question re ..	772
Estimates	852, 856
Kenya Land Commission Recommendations, Questions re ..	1017
Local Government (Rating) (Amendment) Bill 1002, 1011, 1185, 1201	
Communication from Chair	640
Condon, J. W.—Investiture with Insignia of M.B.E.	646
D	
Director of Agriculture—	
Cotton Acroage, Coast Province Native Reserves, Question re ..	666
Estimates	894
Maize Export Price Guarantee	1034, 1060
Director of Education—	
Estimates	885, 800, 1130
Director of Medical Services—	
Estimates	878, 1133
Director of Public Works—	
Estimates	838
Loan Fund Reallocations	670
Mombasa Water Supply, Question re	1073
Mtwapa and Kilifi Ferries, Question re	733, 734
Water Ordinance, 1929, Question re	666
Water (Amendment) Bill	907, 1001, 1032, 1180
Divisions—	
Levy on Official Salaries, Continuation of	1022
Maize Export Price Guarantee	1062
Standing Finance Committee, Appointment of Member of ..	931
Standing Finance Committee Report on Estimates	1148
E	
E.A. and Uganda Natural History Society	1107
Entertainment Tax Ordinance, 1931, Continuation of	1022
Estimates—	
Draft Provisional, 1936	691, 705, 734, 773, 816, 849, 890
Point of Order on Amendments to	789, 798, 813
Standing Finance Committee Report on	1075, 1109
F	
Fazan, S. H.—	
Administration of Oath as Acting Nominated Official Member	645
Fitzgerald, T.—Investiture with Insignia of C.M.G.	689
G	
Gama, C. F. (a)—Investiture with Insignia of M.B.E.	646
General Manager, Kenya and Uganda Railways and Harbours—	
Capital Expenditure in Uganda, Question re	903
Carriage of Goods by Motor (Prohibition) Ordinance, 1932,	
Continuation of	674
Estimates, 1936	941, 966, 974, 984, 988
Estimates, Supplementary, 1934	940
Rolling Stock, Question re	1032
Vacant Houses, Question re	816, 818
Terminal Coffee Charge, Question re	1033
Gilbert, C. O.—Administration of Oath as Acting Nominated	
Official Member	645
Gomes, A. R.—Investiture with Insignia of M.B.E.	646

	PAGE
Governor, His Excellency the—	
Communication from Chair	646
Estimates, re K.D.F.	1113
Investitures	646, 689
Native Hut and Poll Tax, Collection of	1173
Nyali Bridge Tariff	845, 846
Royal Air Force Tragedies	1031
Rulings—See Rulings	
Seasonal Greetings	1029
Valdictory; T. Fitzgerald and H. R. E. E. Welby	1189
Graves, L. E.—Pension	789
H	
Harvey, C.—	
Estimates	734, 783, 1118
Imperial Airways Landing Fees	933, 938
Kenya and Uganda Railways and Harbours Capital Expendi-	
ture in Uganda, Question re	992
Kenya and Uganda Railways and Harbours Estimates, 1936 602, 694	
Kenya and Uganda Railways and Harbours Estimates, 1934	
Supplementary, 1934	910, 911
Kenya and Uganda Railways and Harbours Vacant Houses,	
Question re	816
Local Government (Rating) (Amendment) Bill	1198
Maize Export Price Guarantee	1043
Sisal and Maize Shipping Freights, Question re	814
Standing Finance Committee, Appointment of Member to ..	930
Water (Amendment) Bill	990
Water Ordinance, 1929, Question re	665, 666
Water Ordinance, 1929, Question re	816, 815
Hoey, A. C.—	
Estimates	601
Loans, Conversion Scheme, Question re	677
Sisal Softening Factory	680
Hoeking, E. B.—	
Civil Procedure (Amendment No. 2) Bill	647
Trading in Unwrought Precious Minerals, Question re Licences	
for	647
I	
Imperial Airways Landing Fees at Juba and Malakal	933
Investitures	646, 689
J	
Johnstone, Dr. F. J. C.—Administration of Oath as Acting D.M.B.	645
K	
Kenya Defence Force, Motion re	1202
Kenya and Uganda Railways and Harbours—	
Estimates, 1936	941, 971
Estimates, Supplementary, 1934	940
Rolling Stock	1032
Vacant Houses	818
Kirkwood, Col.—	
Appropriation Bill	1065
Dairy Produce Control Bill, Question re	995
Estimates	821, 866, 867, 916, 1111, 1113
Kenya Defence Force	1212
Kenya and Uganda Railways and Harbours Estimates	
Kenya and Uganda Railways and Harbours Vacant Houses,	
Question re	937
Maize Export Price Guarantee	815
Mtwapa and Kilifi Ferries, Question re	1056
Rebate on Power Kerosene	733
Terminal Coffee Charge, Question re	1066, 1069, 1070
Terminal Coffee Charge, Question re	1033

	PAGE
L	
Levy on Official Salaries, Continuation of	1018
Licensing Ordinance, 1934; Continuation of	1023
Lillywhite, W. G.—	
Administration of Oath as Coast Member	680
Estimates	828
M	
Maize Export Price Guarantee	1034
Mangat, N. S.—Estimates	910, 916
Motions—	
Carriage of Goods by Motor (Prohibition) Ordinance, 1932, Continuation of	667
Entertainments Tax Ordinance, 1931, Continuation of	1022
Imperial Airways Landing Fees at Julia and Malakal	933
Kenya Defence Force, Committee of Inquiry re	1202
Levy on Official Salaries Ordinance, 1931, Continuation of	1018
Licensing Ordinance, 1934, Continuation of	1023
Licensing Ordinance, 1934, Select Committee to Consider Amendments to	772
Loan Fund Reallocations, Communications	670
Maize Export Price Guarantee	1034
Native Hut and Poll Tax, Collection of	1158
Pensions	678, 989, 1214
Petition re Removal of Alternative Taxation	1149
Rebate on Power Kerosene	1066
Sisal Softening Factory, Colonial Development Fund Grant for Special Districts (Administration) Ordinance, 1934, Continuation of	989
Townships Private Streets Ordinance, 1924, Select Committee re	995
Traffic Ordinance, 1928, Issue of Monthly Licences under	848
N	
Native Hut and Poll Tax, Collection of	1158
Non-Native Poll Tax (Amendment) Bill	1025, 1026
Nunan, Dr. P. F.—Pension	678
O	
Obituary—	
Major the Hon. R. W. B. Robertson-Eustace, Member for the Coast	661
P	
Papers Laid—	
Agricultural Indebtedness Committee, Interim Report of	1072
Colonial Audit Department, Annual Report, 1934	662
Colonial Loans Statement	662
Commissioner for Local Government, Annual Report, 1934	662
Education Department, Annual Report, 1934	662
Estimates of Revenue and Expenditure for 1936, Draft Provisional	662
Estimates, 1936, Memorandum on	662
Estimates, 1936, Standing Finance Committee Report on	1032
Excise Duties Bill, Select Committee Report on	689
Forest Department, Annual Report, 1934	662
Game Department, Annual Reports, 1932-4	662
Kenya and Uganda Railways and Harbours Estimates, 1936	662
Kenya Police, Annual Report, 1934	662
Land Grants, Returns of	662

	PAGE
Papers Laid—Contd.	
Local Government (Rating) (Amendment) Bill, Select Committee Report on	1072
Mining and Geological Department, Annual Report, 1934	662
Police Gratuities Regulations, 1935	662
Schedules of Additional Provision:	
No. 2 of 1935	662
No. 3 of 1935	685
Schedules of Additional Provision Nos. 2 and 3 of 1935, Standing Finance Committee Report on	901
Water (Amendment) Bill, Select Committee Report on	1032
Patel, A. B.—	
Administration of Oath as Acting Indian Member	645
Agricultural Advances Board, Question re	689
Agricultural Mortgages Relief Ordinance, 1934, Question re	771
Agricultural Mortgages Relief Ordinance, 1932	669
Carriage of Goods by Motor (Prohibition) Ordinance, 1932	771
Crown Lands Ordinance (Cap. 140), Question re	730, 1135
Estimates	950
Kenya and Uganda Railways and Harbours Estimates, 1936	681
K.R.N.V.R. (Amendment) Bill	992
Land Bank Transactions, Question re	889
Licensing Ordinance, 1934, Question re	1050
Maize Export Price Guarantee	1072
Mombasa Water Supply, Question re	847
Moneylenders Ordinance, 1932, Question re	840
Non-Native Poll Tax, Question re Revenue from	607
Overseas Scholarships for Indian Students, Question re	847
Trading in Unwrought Precious Minerals, Question re Licences for	1022, 1031
Pecuniary Interests of Members	
Pensions—	
Carvalho, B. J. A.	1214
Graves, L. E.	780
Nunan, Dr. P. F.	678
Nunan, Dr. P. F.—Pension	1016, 1149
Petition—Removal of Alternative Taxation	
Puri, D. D.—	
Administration of Oath as Acting Indian Member	645
Bank and Cost of Living Statistics, Question re	994
Bank and Cost of Living Statistics	672
Carriage of Goods by Motor (Prohibition) Ordinance, 1932	704, 773, 1140
Estimates	965
Kenya and Uganda Railways and Harbours Estimates	683
K.R.N.V.R. (Amendment) Bill	1010
Levy on Official Salaries, Amendment to Ruled Out of Order	1195
Local Government (Rating) (Amendment) Bill	1054
Maize Export Price Guarantee	1032
Q	
Questions, Oral—	
Agricultural Advances Board	689
Agricultural Mortgages Relief Ordinance, 1934	771
Agricultural Mortgages Relief Ordinance, 1932	669
Bank and Cost of Living Statistics	668
Cotton Acreage, Coast Province Native Reserves	771
Crown Lands Ordinance (Cap. 140)	995
Dairy Produce Control Bill	1017
Kenya Land Commission Recommendations	992
Kenya and Uganda Railways and Harbours Capital Expenditure in Uganda	1032
Kenya and Uganda Railways and Harbours Rolling Stock	815
Kenya and Uganda Railways and Harbours Vacant Houses	815

	PAGE
Questions, Oral—Contd.	
Land Bank Transactions	992
Licensing Ordinance, 1934	889
Loans, Conversion Scheme	691
Mombasa Water Supply	1072
Moneylenders Ordinance, 1932	847
Mtwapa and Kilifi Ferries	733
Native Hut and Poll Tax	993
Non-Native Poll Tax Revenue	846
Nyali Bridge Tariff	845
Overseas Scholarships for Indian Students	667
Sisal and Maize Shipping Freight	814
Terminal Coffee Charge	1033
Trading in Unwrought Precious Minerals Licences	847
Water Ordinance, 1929	665
Questions, Written—	
Cotton Buying Season at Coast	1218
Farm L.O. 141/R, Title of	1218
Scholarships	1217
Valuation Roll Procedure	1216
White Highlands, Draft Order in Council	1217
R	
Rebato on Power Kerosene	1066
Riddell, Major—	
Estimates	874, 876, 916
Maize Export Price Guarantee	1041, 1043
Royal Air Force Tragedies	1031
Rulings—	
Breach of Privilege	1031, 1071, 1072
Direct Pecuniary Interest of Official Members	1022, 1031
Point of Order re Presentation of Petitions	1016, 1016
Point of Order under S. R. and O. 43 (v)	780, 798, 813
Right to Speak Twice	675
State Policy, Voting by Members as Matter of	1062
S	
Salim, Sir Ali bin—	
K.R.N.V.R. (Amendment) Bill	682
Native Hut and Poll Tax, Collection of	1170
Select Committees Appointed—	
Local Government (Rating) (Amendment) Bill	1011
Water (Amendment) Bill	1002
Schedules of Additional Provision—	
No. 2 of 1935	667, 691
No. 3 of 1935	933, 1018
Schwartz, Capt.—	
Civil Procedure (Amendment No. 2) Bill	685, 687, 704
Estimates	784, 789, 806, 924
Licensing Ordinance, 1934, Select Committee to Consider	772
Amendments to	1006
Local Government (Rating) (Amendment) Bill	1022
Pecuniary Interests, Right of Official Members to Vote	1012
Point of Order re Presentation of Petition	931
Standing Finance Committee, Appointment of Member of	995
Township Private Streets Ordinance, 1924, Select Committee re	843
Traffic Ordinance, 1928, Issue of Monthly Licences	1216
Valuation Roll Procedure, Question re	1216

	PAGE
Scott, Lord Francis—	
Appropriation Bill	1064
Breach of Privilege	1072
Carrriage of Goods by Motor (Prohibition) Ordinance, 1933	669
Civil Procedure (Amendment No. 2) Bill	885
Estimates	705, 708, 860, 1085, 1140
Kenya Defence Force	1203
Kenya and Uganda Railways and Harbours Estimates	904
Licensing Ordinance, 1934	1024
Local Government (Rating) (Amendment) Bill, Minority	1189, 1202
Committee Report on	1039, 1043
Maize Export Price Guarantee	733
Mtwapa and Kilifi Ferries, Question re	1171
Native Hut and Poll Tax, Collection of	845, 846
Nyali Bridge Tariff, Question re	1166
Petition re Alternative Taxation	1217
Scholarships, Question re	929
Standing Finance Committee, Appointment of Member of	1189
Valodictory: Mr. Fitzgerald and Mr. Welby	1064
Shamsud-Deen—	
Appropriation Bill	669, 675
Carrriage of Goods by Motor (Prohibition) Ordinance, 1933	1023
Entertainment Tax Ordinance, 1931	789, 799, 852, 1094
Estimates	1209
Kenya Defence Force	967
Kenya and Uganda Railways and Harbours Estimates	1032
Kenya and Uganda Railways and Harbours Rolling Stock,	682, 687
Question re	1019, 1020
K.R.N.V.R. (Amendment) Bill	1109
Lvy on Official Salaries	1046
Local Government (Rating) (Amendment) Bill	1164, 1174
Maize Export Price Guarantee	1028
Native Hut and Poll Tax, Collection of	1155
Non-Native Poll Tax (Amendment) Bill	1016
Petition re Alternative Taxation	702, 1131
Point of Order re Presentation of Petition	1049
Shaw, Sir Robert—	
Estimates	676
Maize Export Price Guarantee	1125
Shal Softening Factory, Colonial Development Fund Grant for	1210
Soltau, Dr. do—	
Estimates	857, 860, 868, 807, 874, 876, 1125
Kenya Defence Force	971, 987
Kenya and Uganda Railways and Harbours Estimates	1025, 1026, 1027, 1028
Non-Native Poll Tax (Amendment) Bill	1140, 1167
Petition for Removal of Alternative Taxation 1915, 1916	1217
White Highlands Order in Council, Question re	920
Standing Finance Committee, Appointment of Member of	1063
Standing Orders Suspended	1196
T	
Tannahill, A. C.—	
Oath of Allegiance as Acting Member, Nairobi South	690, 691
Local Government (Rating) (Amendment) Bill	1022, 1023
Treasurer—	
Agricultural Advances Board, Question re	849, 852, 1199
Entertainment Tax Ordinance, 1931	965
Estimates	965
Kenya and Uganda Railways and Harbours Estimates	965

	PAGE
<i>Treasurer—Contd.</i>	
Land Bank Transactions, Question <i>re</i>	992
Levy on Official Salaries	1018, 1021
Licensing Ordinance, 1934	1023
Licensing Ordinance, 1934, Question <i>re</i>	889
Loans Conversion Scheme, Question <i>re</i>	691
Moneylenders Ordinance, 1932, Question <i>re</i>	848
Non-Native Poll Tax (Amendment) Bill.	1025
Non-Native Poll Tax, Question <i>re</i> Revenue from	846
Pensions	678, 980, 1214
Rebate on Power Kerosene	1068, 1070
Sisal Softening Factory, Grant for	676, 678
V	
<i>Valedictory—</i>	
Mr. T. Fitzgerald	1189
Mr. H. R. E. E. Welby	1189
<i>Vidal, Mr.—</i>	
Administration of Oath as Acting Nominated Official Member	645
W	
Walid, Abdul—Investiture with Insignia of O.B.E.	646
<i>Welby, H. R. E. E.—</i>	
Estimates	1132
Valedictory	1189
Wells, H. R.—Investiture with Insignia of M.B.E.	646
<i>Wilson, Dr.—</i>	
Administration of Oath as Substantive Member for Native	
Interests	645
Appointment as Member of Standing Finance Committee	929
Estimates	755, 763, 1123, 1124
Native Hut and Poll Tax, Collection of.	1108
Withdrawal of European Elected Members.	1024
Wolfe, H.—Investiture with Insignia of O.B.E.	646
Wright, E. H.—Estimates	763

KENYA NATIONAL ARCHIVES
PHOTOGRAPHIC SERVICE

Description of Document **LEGISLATIVE COUNCIL DEBATES, VOL. II.**

..... **20th Nov., 1935 to 10th Jan., 1936.**

Reference No. **From Legislative Council Library.**

END