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Sugar Development

Some reasons which prevent them
taking up lease of land.

~~Mr. [unclear]~~
[unclear]

The conditions are already more
detailed than were set out in
off. letter no. 14634/19, but there
is not much material difference
(e.g.) between my own view to set up
a 4000 ton plant in 2 years and
requiring them to produce 2000 tons of
sugar in the 3rd year or 4000 tons
the 4th year.

As regards the upset price,
agree that the 37 1/2 per cent is
higher than they can see in way
of getting it.

P.L. see off. no. 150850

W.S. 26.9.21

[unclear]
[unclear]

TELEGRAMS
"MCKELL, CANNON, LONDON."
"MCKELL, LONDON."
"CENTRAL 1185"

18. Laurence Pountney Lane,
London, E.C.4 23rd Sept. 1919.

M. DU BUISSON.
WOODY STUART.
HORACE PEEL.
M. DU BUISSON.

55673
REC'D
SEP 25 1919

Dear Mr. Grindley,

In reply to your note of 20th Sept. the points that would prevent our taking up the lease are :-

- (1) That we would not bind ourselves to have a 4000 ton factory completed in two years. It would probably cost £150,000, and even if it were possible to get the machinery made, transported, and erected within the time, which is in present circumstances very doubtful, we are not at all sure that it would be wise to lay out a sum like this before one had sufficient evidence that canes could be grown to the required extent within the time.
- (2) That we would not bind ourselves to have 1500 acres planted in cane within two years, and the further acreage required in the following year. This would require that a large body of labourers be secured promptly.

From the information we have received it looks as if it might take some time to secure labourers in important numbers, and while it would be advisable to lay down the plan of work on lines that would admit for large development, it might be wise to begin on a small scale and work up, both in regard to cultivation and to machinery.

The upset price of the land is very high compared with the price at which suitable land can be bought out-right

elsewhere. While our intention would be to develop the land as
safely as possible for the production of sugar, yet we would
not ourselves care to take up land unless we were free to carry
out any work or cultivation that we might find suitable and at
such times as we might find advisable. For if we found sugar
not going to answer, we consider it only reasonable that we
should have the right to put the land to some other purpose.

Yours very truly,

Herbert Dr. Russell

Grindle Esq. C.M.G.

Colonial Office,

Downing Street. W.