

18198

CO 533/425
KENYA

18198

LETTERS FROM SIR JOSEPH BYRNE

POLITICAL AND FINANCIAL SITUATION

Previous

1974/1975

Subsequent

Byrne	1975
Mr. J. J. ...	✓
1975	1975
Mr. ...	1975
Mr. Allen	1975
Byrne	1975

Mr. Allen (away side) (His time can take
so permit me)

From Sir J. Byrnes
to Sir S. Wilson
9/1/32
No 11

Please see the two attached
letters from Sir J. Byrnes &
(day)
let me have your remarks before
I send on to Sec of State

Y.A.C.

24.7.32

Sir S. Wilson

A full account of the abortive mass meeting
at Nairobi (p. 2) is given in the cutting from the
E.A. Standard (the settlers' newspaper) flagged in 1800
below.

The Magazine (A.S., who acted recently as Col. S.O.)
mentions to me today that when he left Nairobi
in the middle of December, the E.A. Standard's
hostility to the Government had developed into a social
boycott. These letters are welcome evidence
that the Unofficials are beginning to take a
more reasonable view.

A. Franks
24/7/32

To O

Sec of State
for me forwarded to me
the two letters from Sir J. Byrnes
attached 24.7.32
Y.A.C.

In view of the
 Government's opinion &
 the today article
 I am not sure that
 we are right in delaying
 the authorization of
 the New Road of
 Agriculture. Had we
 had better give him
 discretion to announce
 approval at his own
 opportunity -

P. L.

5/13/32

Action taken on
 18029/32 as to
 recommendation of Board of Agriculture
 17188/31: Chief Native Commissioner

minutes copied on 18029/32

Excluded registered in relevant pp.
 17299/31 Muslim Assoc. Memorial
 18071/32 Signal Bay Factory
 & others T.P. 17

4/11/32 do do 7/7/32
 CB Attendant 1/11
 whether the latest developments in
 regard to financial position & proposed
 revenue measures
 (Excluded registered in appropriate pp.)
 Income Tax 17090/32 EA
 Poll Tax 18224/32 EA
 Native Tax 18230/32
 Levy on Salaries 18228/32
 Leave Privileges 18225/32
 Financial Position 18040/32
 Taxation 18224/32

Excluded
 18029/32
 18029/32
 18029/32
 18029/32

4/11/32 do do 7/7/32
 CB Attendant 1/11

5/13/32 Tel in 28/7/32
 Report to No. 4 Poll Tax
 measured by 20 cents per gallon. Tax Native
 Poll Tax doubled on the basis of draft Bill
 Enclosed in Moore's letter. Both measures
 passed on 28th Meeting 26 July
 See minutes on 18040/32 No 11
 Financial Position

(to be now transferred to Commercial
 Position file)

to extract regd. for record.
? No. 6 & No. 4 may be
not by

L. & W. H. H. H. H. H.
5/9/32
Extracts from 4 have been registered
on the part in sub files.

? as proposed.
H.S. P. Masika
5/9/32

W. Allen
G
C. Atwell

See

4. Sir J. Byrnes. Conf (19. 9. 32) 10 Dec 32
Suggests great caution over additional funds for
the Land Bank, gives details of trouble with maize
& wheat farmers & suggests application of any further
loan to finance land bank be clearly limited. As to that
any instructions may be sent to arrive on 14 Jan 33
(Action taken on 18/12/32 Kenya).

P. H.
P. H.
2

CONFIDENTIAL.
AIR MAIL.



Shaw regd on 18/12/31
Land Bank
18/12/31

GOVERNMENT HOUSE
KENYA
EAST AFRICA
10th December,
1932.

74

Dear Sir Philip,

Noted

Very many thanks for your letter of the
24th November. It was kind of you to give me such a full
account of your interview with the delegation. I must
say you were very patient with Inagan who is an insufferable
bore when he gets on the currency question. He never will
leave it alone.

It was fortunate that you put me in possession
of your views for this morning. Lord Francis Scott and
Captain Schwartze came to see me after having had a three
hours interview with Captain Anderson. They said that
they now understood you had promised to state to the
colony another £200,000 for the Land Bank. They wanted
me to call to you asking permission to send a letter to
this effect when I address representatives on Wednesday.
I informed them that my reading of the
verbatim report did not confirm their interpretation. It
merely indicated that you were most sympathetic and
intensely anxious to help and that you were sending the
Chancellor of the Exchequer on the subject. I agreed to

Yours faithfully,
[Signature]

2.

having a meeting with them, Captain Anderson, and the three Superintendents of the Leading Banks on the understanding that it should be purely informal and non-committal. Owing to Legislative Council, and Christmas and the New Year intervening I have fixed this meeting for the 5th January. If you have any special instruction or information to give me perhaps your Private Secretary would write to me by the Air Mail due to arrive at Nairobi on the afternoon of the 4th January.

If I might presume to do so I would suggest great caution over additional funds for the Land Bank and over the Government becoming involved in any way in dealings with surplus or foreclosed land. We all want to help the Colony during these distressing times and there is no doubt whatever about encouraging the tourist traffic and the advent of Residential Settlers. It is a fine country for them and these pensioners and others with moderate means are a great asset. What I am terribly afraid of is an influx of any more maize and wheat farmers at least until the world prices become more stable. I anticipate that this agitation about sub-dividing or offloading land will be in respect of properties mainly suitable for such crops....

5
GOVERNMENT HOUSE,
KENYA,
EAST AFRICA.

5.

crops. I leave out Cattle farming, Dairying and Coffee ^{planting} which require capital and knowledge.

Now, I have had an immense amount of trouble with the maize and wheat farmers during the past few weeks. I recently had a deputation from the ^{former} farmers when we thrashed the thing out. The upshot is that they threaten going out of production unless the Railway will carry all the maize offered and when offered at the flat rate of Sh.15/- a ton ("Z" rate). The Railway Council have advised me as High Commissioner that this cannot be done and that only a limited amount of this class of traffic can be carried at this losing rate. In agreement with Uganda the amount allotted was subdivided between cotton seed and maize, the latter getting a very fair share. All additional maize would be carried but only at a much higher and, I think, prohibitive rate. Uganda's argument is perfectly sound: they say that if either Colony wishes to subsidise an industry by granting non-paying rates on the railway, this subsidy should come from the Government concerned and not from the Railway Administration which is a joint concern.

I.....

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AYUSA

I then ascertained that the amount of this subsidy for 1955 (with a 70,000 ton crop) would be in the neighbourhood of £42,000, and I had a meeting of Executive Council this morning when I laid the problem before them. The unanimous advice was that in the present state of the Colony's finances such a subsidy could not be justified.

The line Francis Scott and his followers are taking is that the unfortunate General Rhodes has some sinister motive and wishes to kill the Maize Industry. The reply that General Rhodes is merely doing his duty, that his costing figures have been carefully worked out by trained accountants and that the result has received the approval of Railway Council is of no avail. It is somewhat difficult to reason with these people but the nett result is that the Railway cannot go on carrying at a loss and that the Colony cannot subsidise, so it is difficult to see a solution except to let the industry find its own level which I believe they will eventually do as there is a certain amount of bluff behind it all.

The demand now is that I should approach you and that you will order the railway to carry all the maize at the cheap rate desired. I am calling a Railway Council meeting.....

GOVERNMENT HOUSE,
KENYA,
EAST AFRICA.

meeting in January to discuss the problem but I am sure Uganda will be adamant.

Turning now to the wheat industry. For the second year in succession (chiefly due to locusts) they are unable to supply anything like enough to meet East African requirements. Accordingly I have to approach you again (officially) asking permission to import foreign wheat duty free in order to maintain the few mills now operating and to keep in being the local markets. Do you wonder that I advocate caution over land or finance in any way connected with these crops? Please do not think I am opposed to additional funds being granted to the Land Bank. The granting, on good security, of long term credits to sound farmers is in every way desirable and it would be well spent money. But to utilise the money towards assistance to new farmers who cannot possibly make good under existing conditions would, in my judgment, be unsound.

I do hope therefore that if any further loan to finance the Land Bank receives your approval you will clearly limit its application.

I.....

6.

I entirely agree about Armitage-Smith's report: it is excellent and it is proving very useful to us with our similar problems. I am rather anxious, however, about his recommendations regarding Customs Import Duties (Chapter II para 3(1)). The repercussions will be serious if the Customs Union is tampered with and if local industries are jeopardised. However, I am sure that these points will receive your consideration.

I enclose a copy of a speech I made at the Caledonian Dinner. There are only two portions which I have marked which may possibly interest you: those dealing with Kakamega and with Ottawa.

I shall now suspend writing and continue on Friday in time to catch Saturday's Air Mail. I shall then be able to send you a copy of the address I am making at the opening of Legislative Council on Wednesday.

December, 15th.

I made my address in Council yesterday and I enclose a copy of it, together with a copy of the Leading Article in the "East African Standard". From what I can make out.....

7.
GOVERNMENT HOUSE,
KENYA,
EAST AFRICA

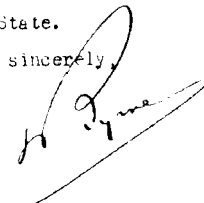
out this frank statement has been well received.

The reference to Inogor was at the request of Francis Scott and the Elected members.

You will notice that two of the Indian non-co-operators have now taken their seats. This is all to the good as I am most anxious to get the Indians to help us, for they have very large interests in the country.

May I, Sir, offer you and Lady Cunliffe-Lister my best wishes for the New Year and may I thank you cordially for the help and support you have invariably given me since you became Secretary of State.

Yours sincerely,



The Right Honourable
Major Sir F. Cunliffe-Lister, B.C., G.B.E., M.C.
Secretary of State for the Colonies.
LONDON, E.W.1.

African Standard



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THE OUTLOOK IN KENYA.

Review of Finances.

FOR A HEAVY EFFICIENCY.

It Problems.

CALM CONSIDERATION

...only to be fairly faced to be declared His Excellency the Governor of the Colony's financial position before the Legislative Council

...not the time to indulge in prophetic... the outlook for agriculture in the... the better whilst the trade position... most recent Customs figures was... same period last year

...decided that it had been decided to... tours to 48 and 36 months... an official has under or over... service. The new conditions... tours in the case of officers with... months' service, whilst officers on... required to accept the new terms... such agreement.

...Bill will be published shortly, for...
Civil Service Tours.

for expenditure in the following year. This year however we propose to deal with the Budget in a manner somewhat out of the normal for we feel that Hon. Members and indeed the public at large are entitled to see the Expenditure (Advisory Committee's final recommendations before any proposals for raising additional revenue are laid before this Council. The report of the Committee will not be available till late in January.

...the those from which many other countries are successfully emerging and they have only to be fairly faced to be capable of

Before the depression descended upon the property and business settlement revenue had accumulated Kenya to a somewhat high level of expenditure, and a high standard of living. The basis of these policies has been rudely shaken away partly by outside causes causing export prices to fall partly by the least invasion and partly by the cumulative burden of internal costs which we can no longer afford. We are not out of the wood yet and continued effort must be put forth in the direction of increased production and reduced expenditure upon unproductive work. The effective practical of these remedies in the solution and evasion or procrastination will only tend to postpone the desired improvement which undoubtedly can be achieved from the utilization of the great potentialities of this country.

Reassuring Facts.

This is essentially not a time to indulge in prophetic or pious hopes regarding the general world depression. There are, however, at present some local facts which are definitely reassuring.

As regards agriculture, my friend Mr. Holm is of opinion that the outlook is rather brighter. There has been a slight advance in value and the forecast of the exportable surplus of agricultural production is distinctly encouraging. It is estimated that the total quantity of exports for 1933 will exceed that of 1932 by about 45,000 tons. Notable increases are to be found in coffee, maize, potatoes and wheat.

Board and Government is giving immediate attention to the question of permitting the importation of wheat to make up the shortfall, due chiefly to locust damage, on somewhat the same conditions as have been adopted this year.

Relief to the maize industry, in this period of its distress, is not an easy matter. Its case has been examined by a Subcommittee of the Board of Agriculture and sympathetic consideration has been given to the recommendations made. Greater facilities have been granted at the Port by some reduction of the storage charges, and Government has decided to defer for this forthcoming season the contribution which should be made to the Interest and Sinking Fund on the capital cost of the Conditioning Plant. The conditioning charges will accordingly be reduced by about 15 per bag. I received a deputation which represented the position of the industry very fully to me, chiefly in regard to the impediments and losses created by the restrictions imposed on the movement of maize for export. I am sure you will realize that the difficulties are increased by the fact that the Railway Administration is an inter-territorial service, and if it gives special concessions to any one industry, which results in a loss to that Administration, the Colony concerned may reasonably be expected to reimburse any loss incurred.

It will doubtless be recalled that during the last two or three years Government has granted substantial financial assistance to maize farmers, but the earnest desire to do all that it can responsibly be expected to do to support depressed industries is frustrated by the absence of available resources for the purpose. The view may also be advanced as to whether it would be right or economically sound to continue to make further grants to the maize industry, having regard to the Colony's depleted financial resources, the absence of any assurance that the money advanced could be repaid within a reasonable time, and the

nomies decided upon cannot be left to this so short a period.

It often happens that reductions in establishments actually cause increased expenditure in the year in which they are made owing to payment of gratuities, passages, etc.

The problems which we as a Government have to meet are twofold firstly, reduction in expenditure to the lowest working level, and secondly, the raising of revenue to meet this essential expenditure. I will deal with the latter first.

THE ESTIMATES.

Deficit of £214,000 Allowed for.

The Budget as presented estimates a deficit of £214,000 for the year's working. I am satisfied that the Revenue Estimates are conservative, but on the facts, as we know them at present, you will, I have no doubt, agree that it is wise to estimate our revenue with caution. However, this estimate can be reviewed when the Budget is again laid before you, I hope, in February. By that time we shall have fuller information, both regarding this year's position and regarding the revenue prospects for next year.

I now turn to the expenditure side of the Estimates, and in this connexion I should like on behalf of the Government to express our gratitude to the Expenditure Advisory Committee. I have had visible evidence of the intensive manner in which they have applied and are applying themselves to their difficult investigation for they have been in session day and day out in Government House. I have, moreover, had to consider many interim recommendations submitted by them for economies including some which it would scarcely have been thought necessary or possible to entertain a year ago. There has been a thorough examination of the Government's expenditure, and the part of his official members, and an almost complete sacrifice of their interests on the part of the

Considerable economies should also result from the approval given to the recommendations of the Fitzgerald Committee on the subject of passage privileges and to the possibility of future entrants having to accept a pension constant of 1/800ths instead of 1/400ths as at present.

The Secretary of State has consented to these drastic alterations in the conditions under which officers are now serving solely on account of this world-wide financial depression which has so seriously affected the Colony. I hope and trust therefore that for this reason officials will loyally accept them; it is better and fairer thus to deal with the situation than to have recourse to further retrenchments which would result in a loss of departmental efficiency and to grave hardship on individuals thrown out of employment.

INCOME TAX.

Bill to be Published Soon.

Although in February in the light of more information as to the Revenue position and as to the effect of economies resulting from the Expenditure Advisory Committee's report the large prospective deficit may be reduced, I feel that additional revenue in the shape of Income Tax will inevitably be required, since even with the aid of such additions there seems to be little prospect of making the Budget for 1933 balance. In order, therefore, to give this Council and the public the opportunity for studying the measure proposed, a Draft Bill will be published in the Government Gazette on an early date.

The Estimates laid before you are what I might term "Estimates subject to adjustment", and if they are accepted on this understanding I can give you the assurance that from the 1st January up to the time when the Estimates are further reviewed in the light of the Expenditure Advisory Committee's report I will only be able to carry on essential services.

The deficit of £214,000 shown in this provisional Budget is disappointing, and we must make strenuous efforts before the next sitting to get a reduced, or nevertheless proportionate, budget for 1933. I personally have every hope that equilibrium will be restored in 1934, and that by then our expenditure will have been reduced to a figure more in keeping with our resources.

Native Betterment Fund.

One of the complexities we have had to face this year is the inauguration of the Native Betterment Fund. As you are aware the principle is that a proportion of native direct taxation should be set aside for certain native services, and that the control of the money so set aside should be exercised by the Betterment Fund Committee. In practice Lord Moyse's recommendations were not so easy to adopt in their entirety. It was found, for example, that many of the officials devoted part of their time to work in the Reserves and part to more general work, and that it was almost impossible to find a formula which would provide a satisfactory sub-division. We are therefore, as an experiment, this year charging directly against the Fund only the emoluments of those officials and the expenditure on those activities which are without doubt devoted solely to Native Services. An adjustment is accordingly made to ensure a reimbursement from the Fund which has been put at the total figure recommended by Lord Moyse: a reimbursement in general of revenue in order to cover those joint items to which I have just referred.

I have confined this address to salient facts affecting the Estimates now before you and I have purposely refrained from any detailed examination of the figures involved. These will be explained to you in the Memorandum presented to you, and in the customary statement which will be made by the Colonial Secretary. I hope, however, that you will

approve of the course of action which we have been compelled to adopt. We must all pull together during these difficult times and I can assure you that the Government is doing and will do its utmost to put the Colony's finances on a sound basis. Probably never in our history was there such a need for calm non-partisan consideration of our problems.

Currency Proposals.

Honorable Members, it is true that Mr. Grogan has advocated the same manipulation in the case of interest-bearing and that although I am sure that a study so he had no mandate from the official community of this Colony and was speaking purely on his own behalf, I think it right and proper to inform you and the public that the Secretary of State is quite apprehensive of any such proposal.

THE K.U.R.H.

Financial Position Reviewed.

I desire now to say a few words on the financial position of the Railways and Harbours Administration whose estimates for 1933 you have already received for consideration. These estimates will be introduced and explained in detail by the General Manager later during this present Session.

The general depression has had its effect on the finances of the Railways and Harbours, as loss of revenue on the part of the Colony; the total deficit on the year's working budgeted for in this year's estimates was £102,238, which deficit was a re-embodiment of the financial situation in September last, was expected to be £207,250, but as a result of slightly better working figures these last few months it is hoped that the eventual figure will be well under £100,000. Full provision has of course been made for all Interest and Sinking

(Continued on page 5).

service, whilst officers are required to accept the new terms of agreement.

will be published shortly for

Service Tours.

signatures totalled 2,268, Europeans and Indians. It had been understood that the Indian community were also petitioning against the repeal of the Tariff and Goods by Motor Ordinance but no protest was made in the form of a petition.

Following the Governor's speech, the normal business of the day was carried through. The Attorney General, on behalf of Government, obtained the suspension of standing orders to permit the first reading of two Bills to be taken without the notice, and the Elected Members announced that they would not offer any objection. One of the Bills is to continue the levy on salaries of the K. T. R. H. service officers and must be made effective before the end of this year. The other makes provision for dealing with the outbreak of rubies.

Twenty-one other Bills were read a first time, a formal matter. One of these, Government stated in a written reply to Capt. Schwartz, would be sent to a select committee to consider in detail and report—the Chattels Transfer Amendment Bill.

HIS EXCELLENCY.

Confidence in the Future.

His Excellency said— Before I commence my address I should like to extend a welcome to the Indian members who have for the first time taken their seats for this morning. I appreciate fully that this action has only been taken in view of the disabilities under which the Indian community have been labouring due to their prolonged absence from the Legislative Council. I realize that in making their seats, they have done so without prejudice to the formal claim of their community to be represented on a Common Roll.

Usually at this period the Estimates are presented to you in their final form and after scrutiny and amendment a Select Committee are referred back for the approval of Council. The appropriate ordinance is then passed and it constitutes the authority

are definitely reassured. As regards agriculture, my friend Mr. Holm is of opinion that the outlook is rather brighter. There has been a slight advance in value and the forecast of the exportable surplus of agricultural production is distinctly encouraging. It is estimated that the total quantity of exports for 1933 will exceed that of 1932 by about 65,000 tons. Notable increases are to be found in coffee, maize, potatoes and wattle bark, while relatively smaller increases are expected in pulse, cotton, sunnion, ground nuts and dairy produce. The marketing of basal is largely dependent upon the marketing price. With a slight advance on increase in quantity to be exported may be expected as there are arrears of cuttings to be made up in some of the plantations. It is fortunate for the Colony that the Coffee Industry, in which so much capital has been invested and which contributes so largely to Government revenue, both directly and indirectly, should not be affected so grievously as other industries by the depressed markets. The output of Kenya coffee of high quality has shown a steady increase and for some time past prices have been steady and satisfactory.

It will be noted that this range of exports covers both European and Native production. It may, therefore, be safely predicted that even if present values remain constant for 1933 the value of agricultural exports for that year will exceed that of the present year. On a conservative basis this increase is at present estimated at approximately £900,000.

Levels of production do not affect native growers to the same degree as other farmers in the absence of capital investment, overhead charges, etc. and there is evidence throughout the Colony of a substantial increase in the area of land under cultivation in the Native Reserves and of an increase in the output of several products notably glass.

Wheat and Maize

Harvest consideration is being given to the improvement of marketing of native products, a matter of the first importance in the advancement of native agriculture. The cereal industries, which have been severely hit not only by the heavy fall in prices but by the destruction and incense of locusts are the cause of much anxiety to the Government. The case of the wheat industry has been represented by the Wheat Advisory

depressed industries as a result of the absence of available resources for the purpose. The view may also be advanced as to whether it would be right or economically sound to continue to make further grants to the maize industry, having regard to the Colony's depleted financial resources, the absence of any assurance that the money advanced could be repaid within a reasonable time, and the likelihood that such a policy of assistance would not be confined to the present crop.

The problem is indeed a difficult one and I could only wish that a solution of the difficulties, which at present appear insurmountable could be found.

Kakamega.

Then there is Kakamega about which I can at present tell you no more than you have gathered from Sir Albert Kitson's report. Although a considerable amount of prospecting will have to be done before capital of any magnitude will be attracted, still this opportunity and valuable discovery has already had the effect of stimulating trade and relieving unemployment.

CUSTOMS REVENUE.

Improvement in the Returns.

The improvement in the customs returns during the past few months is another fact which I am informed that the value of Kenya exports for the period August to November has already doubled that of the same period last year. The actual figures are 1931—£215,000 and 1932—£1,000,000. November point-to-point collections indicate some improvement in trade being estimated at approximately £10,000 in excess of the amount collected in November 1931 and, if duty on bulk imports of wheat is estimated at £18,000, in excess of collections during October, 1932. Indeed it appears not improbable that the collections during the last month of this year may reach £100,000.

Hon. Members, we are entering the way of unbroken success which we have been following for the past few years and return to the path which I will within a measurable time lead not only to budgetary equilibrium but to the gradual restoration of our surplus balance. This I am confident will be realized in 1933 for the full effect of an

had to consider many interim recommendations submitted by them for economies including some which it would scarcely have been thought necessary or possible to entertain a year ago. There has been a laborious task requiring much extra work on the part of the financial members, and an almost complete sacrifice of other interests on the part of the financial members—Lord Francis S. and Major Cavendish-Bentinck and Mr. Lewis, all busy men who have accepted this additional duty solely from a sense of duty.

It is that these unofficial members with the knowledge they were gained of the completed various machine during the last few months will have realized at the popular cry for economy that they are not to be so easily proclaimed but not so easily to carry into practice. The Government must not be so lamented as to impair its future efficiency and officials must not be singled out for criticism on these grounds that will give them grievance and discontent. Nothing could do more for the Colony than a disciplined Public Service. We require a very best of which I speak about very few of contradictions at present and we should work with the second best if the second best is so attractive. Kenya offers all far short of those offered by other colonies in the Empire.

CIVIL SERVICE.

An Extension of Tours.

The expenditure estimates for 1933 do not reflect such interim recommendations of the Expenditure Advisory Committee as would be immediately accepted by the Government. The most important of these is explained in a paper which will be laid on the table containing correspondence with the Secretary of State regarding terms of services. From this you will see that tours have been extended to 48 and 86 months according to whether the officials are under or over nine years continuous service. Furthermore, that the conditions relating to existing tours should be applied to officers with less than 20 months service on the 31st December this year. Officers on agreement will be required to accept new terms in the event of such agreement.

to the time when the Estimates are further reviewed in the light of the Expenditure Advisory Committee's report. I will only authorize, under General Warrant, such expenditure as is necessary to carry on essential services.



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Bump Boys, Oxford Boys, Oxford Book Girls, Wonde

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Daily Annual Nels Narsell Coll Fodl Gine A Box So W

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THE OUTLOOK IN KENYA.

(Continued from page 1.)

Financial charges which total the very large sum of £84,953 and the debt which will be financed temporarily from balances mainly provided by the Renewals Fund. A very arduous and extensive re-arrangement of personal and large outlays in maintenance and other charges have been effected during the past two years, and I will not detain Hon. Members with any details regarding the organization and Finance of the Administration as a later date, give a full explanation. I should like to take this opportunity of congratulating the Chief Manager and his staff on the work they have accomplished in this very difficult period and also to thank the Members of the Railway Council and the Port Board for the assistance they have rendered in the many problems which have come before them, but particularly to those capable of serving in some way with the preparation of the Estimates for the coming year.

The total revenue estimate of the Railway for 1933 is £1,750,000, and for the Port £307,485, these being decreases respectively on the Revenue Estimates of the current year of £190,042 and £48,169. The total expenditure estimate for 1933, eliminating the debt and depreciation charges over which the Administration has no control, is £694,137 for the Railway, and £124,004 for the Port, a decrease over the corresponding estimates for the present year of £149,685 and £84,115 respectively. The combined Railway and Harbour expenditure estimates during the


The total revenue estimate of the Railway for 1933 is £1,750,000, and for the Port £307,485, these being decreases respectively on the Revenue Estimates of the current year of £190,042 and £48,169. The total expenditure estimate for 1933, eliminating the debt and depreciation charges over which the Administration has no control, is £694,137 for the Railway, and £124,004 for the Port, a decrease over the corresponding estimates for the present year of £149,685 and £84,115 respectively. The combined Railway and Harbour expenditure estimates during the

financial situation in September last, was £2,972,250, but as a result of slightly better working figures these last few months it is hoped that the overall figure will be well under £2,000,000. Full provision has, of course, been made for all interest and sinking (Continued on page 5).

Just two years have elapsed since the last time that I have had the pleasure of addressing you and I have not only returned from my detailed examination of the figures involved, these will be explained to you in the Memorandum presented to you, and in the customary statement which will be made by the Colonial Secretary. I hope, however, that you will find no less a sum than £27,250, and personnel and contingencies are now reduced to a minimum if the safe working conditions are maintained. All existing major savings, such as closing certain portions of the office, have been examined but in present circumstances it has been considered that the savings already effected by closing portions of the office would not be counterbalanced by the loss and disturbance of business which would be caused. I will not detain Hon. Members with any details regarding the organization and Finance of the Administration as a later date, give a full explanation. I should like to take this opportunity of congratulating the Chief Manager and his staff on the work they have accomplished in this very difficult period and also to thank the Members of the Railway Council and the Port Board for the assistance they have rendered in the many problems which have come before them, but particularly to those capable of serving in some way with the preparation of the Estimates for the coming year.

New Bills. Hon. Members, in addition to the financial matters, you will be asked during this sitting to consider many Bills most of which are non-controversial. These of which are perhaps of the greatest social importance are: The Rabies Bill, The Carriage of Goods by Motor (Prohibition) Bill, The Mining Amendment Bill, The Native Lands Trust Amendment Bill, The Sialit Tea Industry Bill, The Coffee Industry Bill, and The King's African Rifles Bill. As regards the Rabies Bill the matter is urgent and I will ask you to consent to the suspension of Standing Orders. Although the position is well in hand it is necessary to take drastic action in regard to the nursery of this very dangerous disease. (Applause.) After a sitting lasting hardly an hour, the Council rose at 10 o'clock this morning.

three quarters and full... trial, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, 15th, 16th, 17th, 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th, 29th, 30th, 31st, 32nd, 33rd, 34th, 35th, 36th, 37th, 38th, 39th, 40th, 41st, 42nd, 43rd, 44th, 45th, 46th, 47th, 48th, 49th, 50th, 51st, 52nd, 53rd, 54th, 55th, 56th, 57th, 58th, 59th, 60th, 61st, 62nd, 63rd, 64th, 65th, 66th, 67th, 68th, 69th, 70th, 71st, 72nd, 73rd, 74th, 75th, 76th, 77th, 78th, 79th, 80th, 81st, 82nd, 83rd, 84th, 85th, 86th, 87th, 88th, 89th, 90th, 91st, 92nd, 93rd, 94th, 95th, 96th, 97th, 98th, 99th, 100th.



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VERY large airy well furnished double bedded room with full board. Suitable for 8 friends near Highlands Club. Terms Shs. 180/- per month. Tennis courts. Apply Voucher No. 4084. Standard. Nairobi.

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GREAT Dane Pups, six weeks old, by Regent of Danecourt. Out of Judy. Dogs £5. Puppies £4. Apply H. S. Cobb. Box 58, Nairobi.

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Rhode Island Reds, Sittings Shs. 5/-; Pullets in lay Shs. 7/50; Cookerels, Shs. 5/-; Day old chicks, Shs. 10/- per dozen. Also Australorps for sale. Table egg and dressed poultry to order.
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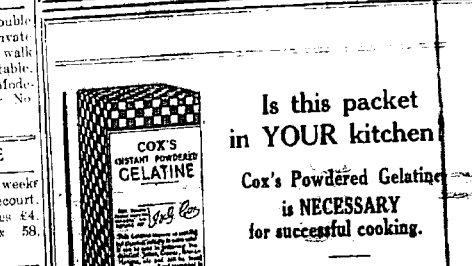


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The opportunity of having your suit cleaned properly because you had not
"FOUND"
That we are specialists in the art of dry cleaning, let us do your cleaning next time and you will be
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With a perfect job at the lowest price.

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KENYA BAZAARS, LTD.
NAIROBI

African Standard

THURSDAY, DEC. 16, 1932.

His Excellency's Speech.

In his speech to the Legislative Council yesterday His Excellency the Governor of Kenya can be congratulated on steering a course between needless pessimism and undue optimism. Without seeking to disguise the gravity of the financial problem with which the Colony is faced, he drew attention to signs of improvement which, if slight, are nevertheless encouraging. Even so, it is apparent that there is a very difficult period ahead and there will be a general desire to respond to His Excellency's plea for a calm consideration of the difficulties without Government's already grave task being rendered more arduous by needless partisanship. Whilst detailed discussion of the draft estimates will not and cannot properly take place until the report of the Expenditure Advisory Committee is available, the figures now before Legislative Council are definitely disappointing. The measure of expenditure which Government can afford following the complete absorption of the Colony's surplus balances after four years of unbalanced budgets is the country's ability to pay. The position must be faced and no good will be achieved by any reluctance on the part of all sections of the community to realise the facts. As His Excellency said, the country is by no means out of the wood yet and nothing will be gained by evasion or procrastination. The saving which will be effected by alterations of some of the terms of service, by the promised readjustment of future pension commitments and by a re-grading of passages will be widely welcomed as steps in the right direction. These reliefs will not, however, represent any very material saving next year and meantime next year's accounts call for adjustment. Unless the Expenditure Advisory Committee (the commendation of whose service to the community by His Excellency will be endorsed generally) can indicate very considerable further economies, the outlook will be by

no means a happy one. Moreover it should be remembered that four of the major spending departments are excluded from the purview of the Committee's enquiry. It must be recognised that the task of bridging the gap between estimated revenue and expenditure in 1933 by economies or additional taxation is a formidable one. Looming in the background, too, is the unhappy financial position of the Railway which, if times do not improve, may easily become a liability of the two countries which it serves primarily. His Excellency made no reference in the course of his speech to the country's liquid cash position, which is far from being free from anxiety. There can be no question but that that position will become really disturbing long before the end of 1933 if in fact the Budget deficit approximates to the figure indicated by the draft estimates. The urgency of this aspect of the financial problem must force reconsideration of what may yet be regarded as desirable or essential services. Whilst none is anxious to see the essential machinery of Government impaired, it is still vitally necessary to review the extent of the social services rendered by Government. The task of rehabilitating the Colony's finances is indeed a heavy and anxious one; inevitably its accomplishment will call for further sacrifices from all sections of the community.

(Continued from page 7.)

importance of maintaining the existing Customs Agreement and at the same time of taking our proper place in the Empire Trade Scheme presented an extremely difficult problem, but I am happy to say that at Ottawa these disabilities have not prevented the Secretary of State from securing for East African produce shipped to Empire destinations the maximum preferential treatment accorded to the United Kingdom products (Applause).

Australia, the Union of South Africa, Newfoundland, India and Southern Rhodesia which previously granted no preference to the Colonial Empire have agreed for the first time to place it in the same preferential position as the United Kingdom in their markets, and the United Kingdom in its turn has strengthened the preference granted to Empire products such as coffee and flat white maize.

I understand that this generous treatment is already exerting an influence in the Empire Trade stream, and the acceptance of the principle cannot fail to have an effect in the trade of East African produce shipped to Empire destinations in the future. I therefore urge each individual purchaser of goods on terms which do not deprive him of the full value of the advantages which have been conferred without reciprocal legislative action on our part and I venture to point out the Gentlemen a obligation of increasing a voluntary preference in purchasing from Empire sources whenever possible. (Applause)

The London Office

I will now touch briefly on the satisfactory solution which has been found during the year of a difficult problem that has been exercising our minds for some considerable time past. You all know of the East Africa London Trade and Information Office which was situated in Cockspur Street. It was a very efficient organization, but, which owing to the financial crisis we almost had to withdraw I am sure the commercial community will agree with me that this would have been a great misfortune. Well a much more substantial centre has now been launched and more continuous and less expensive offices have been acquired in the most fitted building in Strandway House. Here not only will the general work be carried on under Major Bate's Commissioner, but Kenya and the Railway will each have a special section under its own representative.

While these negotiations were taking place there was a strong movement in the Colony in favour of increased powers for the committee as a whole and for particular parts of it. This was all in the right direction, but I was rather afraid that there would be overlapping which is not economical and that that close liaison with Government and the London Office which is so essential would be difficult to arrange.

The formation of the Kenya Association (1932) has however, removed these difficulties and my fears. (Applause) In it we have a responsible and representative association with which Government can cooperate in conducting an effective and wise publicity campaign.

Locusts.

Imperial Airways Liners should be defeated, so comparatively small a *divid* as a locust. (Laughter). We expected this month to have commenced the experiment of dusting flying swarms from a large aeroplane chartered from Imperial Airways, the cost being defrayed from the Colonial Development Fund. Unfortunately there has been a delay in connection with structural alterations required in the machine.

The Natives.

In drinking to the "Native" we live in," our fine Natio population must not be forgotten. They cannot understand any letter than the rest of us what is happening in the economic world. Whereas, formerly a decent heifer would buy seventy to one hundred shillings she will now buy only twenty. Among natives—part from the rising and more or sophisticated generation—livestock is still currency, and they flow the old antinational table—5 goats=1 bull 2 bulls=1 cow and 8 cows=1 wife (laughter), and most people will I think agree with the late Mr. Martin who he said that the first step in progress among the native peoples should be the demonetization of the goat. What effect this reform would have on the life of the native I am unable to say, but there is something to be said for curbing off the goat standard. (Laughter). However this may be, the shilling with its variations in value has become a most disturbing factor in the social economies of the native village. From being regarded as some curious innovation of the wazungu which for a variety of reasons, not the least being the payment of hut tax, had to be acquired it has become regarded as an essential element in everyday life and the applicable fact intrudes itself the shillings have now become so scarce that their acquisition presents a daily increasing difficulty. A theory which at one time gained considerable popularity was that the funds who made the King's shillings had become rather past his work and was in the process of handing over to a successor, who had not yet learnt his job. (Laughter)

Land Problems.

Land and land problems have greatly exercised the mind of the Native population during the past year. The Carter Commission, a one of the most important, has now set out in the Colony with us and is carrying on gradually by the thoroughness with which it is setting about its task. (Applause) I understand that I myself as a trespasser am that the grounds of Government House are claimed as some individual's property, while one of the Colony's earlier pioneers is I see asserting a right to the whole of Mount Kenya. (Laughter) The validity of these claims will doubtless be determined by the Commission in the fulness of time. (Laughter).

Wherever I have been, I have travelled over most of the Colony. I have been received with great courtesy by the Native population, and I have invariably been treated with all the consideration and honour due to the King's representative. The tribes have suffered the hardships resulting from drought, locusts, and other natural calamities, and even with good humour although the most of

social and economic development of the Reserves. This development is of the first importance and the progress which has been achieved would have been far more apparent were it not for the general depression.

Gentlemen, I thank you for the welcome which you have given me and for the patience with which you have listened to this very inadequate speech. (Applause)

THE LAND O' CAKES.

"The world was indebted to Scotland for many things, said Mr. H. Kettle-Boy, in giving "The Land o' Cakes". Among them were golf, haggis and porridge. Haggis was not, he added, a female bagpipe."

THE KIRK.

Giving the toast of "The Kirk," Major Milligan emphasized the part that religion has played in the world's history and development. It was responded to by the Rev. J. F. G. Orr, M.A., B.D.

"OUR GUESTS."

The toast last closed with "Our guests," which gave Mr. A. D. A. Macgregor the opportunity once more to extend a hearty welcome to representatives of kindred Societies. But Dr. Keatinge said that the speaker's arrival in the Colony was a disaster of the first magnitude because of the number of Ordinances he had been responsible for.

The singing of "Auld Lang Syne" brought another delightful evening to a close.

WEDDING AT THIKA.

Sutcliffe-Ellis.

["STANDARD" CORRESPONDENT.]

Thika, November 20.

The marriage of Major Arthur Sutcliffe, D.S.O., M.C., District Officer at Thika, to Miss Ethel Ellis of Rubiana Estate, Thika, daughter of the late John Ellis, Esq., of Rubiana Don, Aberdeen, was celebrated last Saturday at Thika Memorial Church.

The small church, decorated with beautiful lilies and delphiniums, could hold only a few of the numerous friends who came from far and near.

The bride, wearing a most becoming gown of biscuit-coloured velvet and lace, was given over out in the arms of James Lawson. She was attended by two small bridesmaids, Rachel Miller and Joan Sumpter, daintily attired in long frocks of delphinium blue, and little Mungo Walker, in a biscuit velvet suit, was a perfect pain-bearer.

The Rev. Canon Gordon officiated and Major J. Crocker acted as best man. Capt. Frost presided at the organ which he had lent for the occasion, and the service was fully choral.

Thika Sports Club, transformed by beautiful floral decorations, was the scene of the subsequent reception. Mr. and Mrs. Walter Fox were the hosts to over two hundred guests.

The happy couple left at 10 understood, for Nairobi.

MOTOR COLLISION.

Careless Motorist.

Arrival of Sir Aylmer and Lady Hunter-Weston.

Lieut. General Sir Aylmer Hunter-Weston, K.C.B., D.S.O., M.P., and Lady Hunt-Weston, arrived in Nairobi by yesterday morning's train from the Coast, and are staying at the Guthaiga Country Club.

Lieut. General Sir Aylmer Hunter-Weston has come to East Africa under the auspices of the Colonial Office, which has worked out an itinerary for him. The chief object of his visit is to learn as much as possible of conditions, political, industrial, and agricultural in East Africa, in order to be able to understand, and to get others to understand, the point of view of "the man on the spot," in many matters which from time to time come within the purview either of Parliament or of Government Departments.

From Nairobi Lieut. General Sir Aylmer and Lady Hunter-Weston will journey through Nakuru, Kisumu and Eldoret, back to Nairobi by Naivasha, and thence to Arusha, Moshi and Tanga. On January 10, 1933, they leave Nakuru and arrive at Dar es Salaam, leaving the latter port on January 17 for Morogoro, Dodoma, Kilimanjaro, Mwanza, Bukoba, Bukoba, and arriving at Entebbe on February 1. At Entebbe they have been invited to stay with the Governor of Uganda, Sir Bernard B. Hillson.

On February 28, they leave Kampala for Masindi, Butaba, Pakwach, Nampuli and Juba where they enter the Sudan. From the Sudan they go on to Palestine by Sir Aylmer, who is Chancellor of the Order of St. John, has duties to perform in connection with the St. John Ophthalmic Hospital at Jerusalem. At Jerusalem they will stay with Sir Aylmer's Wai-chope.

Sir Aylmer and Lady Weston left Hunterston, West Kilbride, Ayrshire, their home in Scotland, on November 7 for London, whence they travelled to Marseilles to embark on the "Llandaff Castle" for East Africa.

COFFEE MARKET.

Latest Reports from London.

Messrs. J. W. Milligan and Co., Sole Agents for the Messrs. John K. Gilliat and Co., Ltd., have received the following cable coffee report dated London November 20:—

Kenya Coffee.

During the week ended November 20, 3,220 bags Kenya coffee were offered at auction, of which 2,842 bags were sold, realising an average price of sh. 272 per cwt. The highest price paid for A, B and C grades were as follows:—

Grade A, highest £124.10 per cwt.

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One mile from town Salisbury Road

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P.O. Box 123 Table Boarders Catered for. — Phone 2110

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Beautiful Views, Cool Fresh Climate Comfort and Good Cooking.

THE OUTSPAN HOTEL, NYERI

Y.W.C.A. HOSTEL, Kirk Road

A comfortable home for young women Terms £6 to £9-0-0 (inclusive) for residents. Casual Visitors 5s., 7s. to 8s. 9/- per day. TERMS ARRANGED FOR LONGER PERIODS.

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FAIRBANKS

To let as a going concern. Suitable for office.

from a very human sympathy which has been shown to the financial side of the matter. I had to withdraw. I am sure the commercial community will agree with me that this would have been a great misfortune. Well, a much more economical scheme has now been launched and more commodious and less expensive offices have been acquired in the Grand Hotel buildings in Trafalgar Square. Here not only will the general work be carried on under Major Dale as Commissioner, but Kenya and the Railway will each have a special section under the cover of residential flats.

While these negotiations were taking place there was a strong movement in the Colony in favour of increased publicity for the courts, try as a whole, and for particular parts of it. This was all in the right direction, but I was rather afraid that there would be overlapping which is not economical and that, in that case, liaison with Government and the Land Office which is so essential would be difficult to arrange.

The formation of the Kenya Association (1932) has, however, removed these difficulties and my fears. (Applause.) In it we have a responsible and representative association with which Government can co-operate in conducting an effective and wise publicity campaign.

Loans.
It is difficult to speak of loans in terms of moderation and impossible to give adequate expression to my sympathy with those who have suffered from their predations. The long succession of disasters which has happened to wheat and maize farmers is enough to break the heart of anyone less resilient and courageous than the Kenya settler. (Hear, hear.) Natives are wont to express surprise that an apparently omnipotent Government has failed to devise some measure to rid the

shillings had become rather past his work and was in the process of handing over to a successor who had not yet learnt his job. (Laughter.)

Land Problems.
Land and land problems have greatly exercised the minds of the Native population during the past year. The Carter Commission, one of the most important that has ever sat in the Colony, is now with us and is earning our gratitude by its thoroughness with which it is settling about its work. (Applause.) I understand that the Government of Kenya has been based on some individual property, while the of the Colony's chief pioneer is I see asuring a right to the whole of Mount Kenya. (Laughter.) The validity of these claims will doubtless be determined by the Commission in the fullness of time. (Laughter.)

Wherever I have been, and I have travelled over most of the Colony, I have been received with great courtesy by the Native population, and I have invariably been treated with all the consideration and honour due to the King's representative. The tribes have suffered the disabilities resulting from economic distress with admirable forbearance and even with good humour although the causes of their distress are far beyond their understanding. To the Chiefs and Headmen in particular I wish to express my appreciation of the example that they have set to their people, and of the manner in which they have served Government during a very difficult period. I also wish to say how much I did appreciate the help of the Local Native Councils. They have done of the greatest assistance to the District Commissioners who are the Presidents of the Councils and in particular have by

daughter of the late Gen. Allenby, of Baghdad. Her absence was celebrated last Saturday at Thika Memorial Church.

The small church, decorated with beautiful flowers and garlands, could hold only a few of the numerous friends who came from far and near.

The bride, wearing a most becoming gown of beautiful-colored velvet and lace, and was accompanied by her bridesmaid, Miss M. Walker, in a bright, velvet suit, was a perfect little beauty.

The Rev. Wm. Gordon, minister and Major Wm. Crozier, acted as best man. Mr. Cross presided at the organ which he had lent for the occasion and the service was full of cheer.

The Sports Club, transformed by beautiful floral decorations, was the scene of the subsequent reception. Mr. and Mrs. Walter Cox were first and hostess to over two hundred guests.

The happy couple left, it is understood, for Nairobi.

CORTEE MARKET.
Latest Reports from London.

Messrs. J. W. Milligan and Co., Sole Agents for Messrs. John K. Gullik and Co. Ltd., have approved the following table coffee buyers dated London, November 30—

Kenya Coffee.
During the week-ended November 30, 3,820 bags of Kenya coffee were offered at auction, of which 3,043 bags were sold, realising an average price of £72-1-8 per ton. The highest prices paid for A, B and C grades were as follows—

Grade A, highest, £134; lowest, £77-4-0; Grade B, highest, £91-10; lowest, £57-10; Grade C, highest, £38; lowest, £57.

Tanganyika Coffee.
During the same period, 1,378 bags of Tanganyika coffee were offered at auction of which 1,129 bags were sold, realising an average price of £72-13-4 per ton. The highest price paid for Gold Sica was £66 per ton.

This week there is a rather better demand, particularly for "B" and "C" grades, which have sold at slightly improved prices.

MOTOR COLLISION.
Cars Meet Head-on Near Sagona.

["STANDARD" TRANSPORTER.]
Murgoo, November 27.
A motor crash occurred at Sagona on the Nyero road on the afternoon of Saturday, November 26.

A longed native taxi and a lorry met in a head-on collision at a blind corner and though the taxi was wrecked and the lorry badly damaged the accident was fortunately not attended with personal injuries.

JUST RECEIVED.
"Chasing the Rainbow"
A new and beautiful book of poems by R. C. THOMAS
author of "Kenya" and other poems.
"Delightful little Ninas Present"
4/25 post free.
S. J. MOORE,
Bookseller, Government Road.

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THE STANDARD STATIONERY STORES,
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FROM 12/50 per day.
At Jerusalem. At Jerusalem they will stay with Sir Arthur Waugh.

(Sir Aymer and Lady Weston left Hamilton, West Kilbride, Ayrshire, their home in Scotland, on November 7 for London, whence they travelled to Marseilles to embark on the "Lindisfarf Castle" for East Africa.)

The Hotel in a Garden
Beautiful Views, Cool Fresh Climate
Comfort and Good Cooking.

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Y.W.C.A. HOSTEL, Kirk Road
A comfortable home for young women
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situated in Cockspur Street. It was a very efficient organization from which owing to the financial crisis we almost had to withdraw. I am sure the commercial community will agree with me that this would have been a great misfortune. Well, a much more economical scheme has now been launched and more economists and less expenditure have been acquired in the Grand Hotel buildings in Trafalgar Square. Here not only will the general work be carried on under Major Dale as Commissioner, but Kenya and the Railway will each have a special section under its own representative.

While these negotiations were taking place there was a strong movement in the Colony in favour of increased publicity for the country as a whole and for particular parts of it. This was all in the right direction, but I was rather afraid that there would be overlapping which is not economical and that this also, liaison with the Government and the London Office which is so essential would be difficult to arrange.

The formation of the Kenya Association (1932) has, however, removed these difficulties and my fears. (Applause.) In it we have a responsible and representative association which the Government can cooperate in conducting an effective and wise publicity campaign.

Loquists.
It is difficult to speak of loquists in terms of moderation, and impossible to give adequate expression to my sympathy with those who have suffered from their depredations. The long succession of droughts which has happened to wheat and maize farmers is enough to break the heart of anyone less resilient and courageous than the Kenya settler. (Hear, hear.) Natives are wont to express surprise that an apparently unscrupulous Government has failed to devise some measure to rid the

land and land problems, but greatly assured the minds of the farming community during the past year. The Carter Commission, one of the most important that has ever sat in the Colony, is now with us and is earning our gratitude by the thoroughness with which it is getting about its task. (Applause.) I understand that the Commission of Government has appointed a sub-committee to inquire into the best of the Colony's agriculture, and I see asserting its right to the whole of Mr. J. K. Carter's (Laughter.) The validity of these claims will doubtless be determined by the Commission in the fullness of time. (Laughter.)

Whether I have been, and have travelled over most of the Colony, I have been receiving with great courtesy by the Native gentlemen, and I have invariably been treated with all the consideration and honour due to the King's representative. The tribes have suffered the disabilities resulting from economic distress with admirable fortitude and even with good humour, although the causes of their distress are far beyond their understanding. In particular I wish to express my appreciation of the example that they have set to their people, and of the manner in which they have served Government during a very difficult period. I also wish to say how much I and my officers value the work of the Local Native Councils. They have been of the greatest assistance to the District Commissioners who are the Presidents of the Councils, and in particular have by

the small number of Churches which benefited, and the fact that the generous friends who come from far and near.

The bride wearing a most becoming gown of beautiful coloured velvet and lace, and was given in marriage by the James Lawson. She will take her new matrimonial journey to the matrimonial office of long frocks, doublet and blue, and Mrs. M. J. Walker, in a white velvet, was a perfect bride.

The Rev. Mr. Gordon officiated and Miss Drozda acted as best man. The bride and groom were accompanied by their friends and the ceremony was fully attended.

The Sports Club, transformed by beautiful floral decorations, was the scene of the subsequent reception. Mr. and Mrs. Walter Cox were host in chairs to over two hundred guests.

The happy couple left in an undercoat for Nairobi.

MOTOR COLLISION.

Cars Meet Head-on Near Sagana.

[STANDARD'S CORRESPONDENT.]
Murgu, November 27.
A motor crash occurred at Sagana on the Nyora road on the afternoon of Saturday, November 26.
A loaded native taxi and a lorry met in a head-on collision at a blind corner and though the taxi was wrecked and the lorry badly damaged the accident was fortunately not attended with personal injuries.

Tanganyika Coffee.

During the same period, 1,378 bags of Tanganyika coffee were offered at auction, of which 1,123 bags were sold, realising an average price of £12-13-4 per ton. The highest price paid for A, B and C grades was as follows:—
Grade A, highest, £124 lowest, £97; Grade B, highest, £91-10, lowest, £85-10; Grade C, highest, £83, lowest, £57.

This week there is a rather better demand, particularly for B, C and O grades, which have sold at slightly improved prices.

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author of "Kenya" and "Other Poems" (Delightful little Xmas Present)
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can be obtained at
THE STANDAPD STATIONERY STORES, NAIROBI

And by this year's MacGregor and Major W. W. Milligan, D.S.O. Their guests included His Excellency the Governor, Sir Joseph Byrne, K.C.M.G., K.B.E., C.B.E., the Colonial Secretary, Hon. E. M. Moore; the Chief Justice, Sir Jacob Barthe; the General Manager of the K.U.R. and Mr. Brig. Gen. the Hon. G. D. Rhodes; Sir Morris Carter, chairman of the Kenya Land Inquiry Commission; Very Rev. W. J. Wright, Dean of Nairobi, and Presidents of the Royal Society of St. George, the Irish Society, and the South African Society of East Africa—Mr. G. L. Gilbert, Dr. Keatinge, and Mr. Barton respectively.

The Pipes.

For 26 years Mr. J. Munro, the honorary piper, has played the guests in to dinner. He did so again on Wednesday, and the skirl of the pipes was heard later in the evening when he heralded the Haggis as it was borne aloft by Mr. N. E. Fraser and placed with the ceremony before the President. This was not the only music, for an appropriate programme of Scottish tunes was played during the evening by the Band of the K.A.R., under Mr. A. G. Holmes, the bandmaster.

Dinner, over, speeches were in order. By mutual consent, gifts were exchanged this year. Mr. T. L. Hately, in one of his wily speeches, recalled that Mr. W. G. Mitchell had once said "the land we live in" as "a political gambit designed to afford His Excellency the Governor an opening to make the usual counter move." That was right and proper when the Caledonian dinner was the only function of the year at which the Governor had an opportunity of taking the public into his confidence. But, as both Mr. Hately and His Excellency now said, that splendid isolation was a thing of the past. But the speeches were none the worse for that.

The Toasts.

The loyal toasts, and "The Pious Memory of St. Andrew" preceded from "the chair pre-empted" by the Imperial Forces, presided by Capt. J. Cleland, M.C., and responded to by Col. R. Wilkinson, D.S.O., O.C. Northern Brigade, K.A.R. He made

space of time and against so many difficulties." He concluded by saying "No one who has lived here, through the past 20 eventful years and who has seen the immense progress made in development of our land and improvement in our city, can fail to have confidence in the future of the land we live in. The spirit, which animated the old pioneers, will live in their children and will enable them to fulfil their destiny and bring our Colony through troublous seas to its proper place in the world and in the Empire." (Applause.)

HIS EXCELLENCY.

A Non-political Review.

His Excellency, in reply, said—I had, Mr. President, the pleasure two weeks ago of spending a very delightful week-end in the company of the proposer of this toast when we caught numerous trout, many of which were of a size far beyond the dreams of those who like myself have flogged the rivers for years in Ireland. It may be that Scotland can compete with Kenya in this respect, but I rather doubt it. Our talk during that week-end was mostly devoted to fishing, a subject on which he and Mr. Copley are acknowledged experts. I had no conception then that he was also the orator which his speech to-night proves him to be, and if I may be permitted to say so, some of the glimpses of Kenya scenery and of the people which he has opened to us were most admirably and picturesquely worded (hear, hear). I thank you very cordially for the way in which you, Mr. Hately, have proposed this toast of the land we live in, the land which is so dear to all of us and particularly to those who have made it their home.

I must not encroach upon what will doubtless be referred to by other speakers, but perhaps I may be allowed as an Irishman to pay tribute at this dinner to the memory of that great Scotsman, Walter Scott, who has so enriched English literature. John Buchan's English edition of this lovable genius is well known.

It seems to be the proudest because the most representative of Sentamen, since in his mind and character he brings out more fully than any other the

extent to the fact that those engaged in mining have hitherto neglected the Native population. I shall look to the "Migrants' Association" to continue to give us all the help they can to control the increased number who possibly will come to operate in these mines that must be remembered that the area is situated in the Native Reserve among primitive people jealous of their rights in their land which have been assured to them by His Majesty's Government. They should be treated sympathetically and generously, and every possible effort should be made to explain to them that the prospecting stage is temporary and that compensation will be paid for disturbances; and furthermore that when organized rest mining begins the smaller areas of land necessary for that purpose will come under a proper lease the terms of which will safeguard their interests. (Applause.)

If we all work on these principles and with this spirit, I am confident that we shall secure the inestimable advantage of having the natives with us instead of against us. I suppose it is useless for me to warn people possessing small savings against hasty and ill-judged speculation. Remember that Kakamega is not unlike other mine fields and that history often repeats itself.

Ottawa.

It is a far cry from Kakamega to Ottawa, but there is a connexion between the two places in that the both indicate promise of better things to come. Although I am sorry that more could not be done for the forestry and timber industry at the Conference, still we have otherwise been fortunate and we largely owe this to the personal efforts made on our behalf by Sir Philip Cunliffe-Lister. As you know Imperial obligations under which are known as the Congo Basin Treaties preclude us from granting Imperial Preference, and, in addition, the terms of the Mandate bind Tanganyika Territory to a policy of complete commercial equality. The payment—if I may use the blessed word (laughter)—the payment im-

(Continued on page 5.)

5,61d.; November 18, November 19, 10, 1934; November 21, 6.00d. Closing prices—Copper—November, 5.24d.; December, 5.24d.; January, 5.24d.; March, 5.24d.; May, 5.24d. Manchester reports that the tone of the market continued healthier. There was more confidence in values and the turnover showed steady expansion, but much heavy rain has still to be made up before conditions are anything like satisfactory.

Other Commodities.

Metals—Prices generally have eased somewhat. Copier November 18, 1934; November 19, 1934; November 17, 1934; November 21, 1934 11.10d.; November 21, 1934 15.10d. Tin closed yesterday at 2154 and Zinc at 157.6.

Copra—Very little business going on and value of East African f.o.m.s. 214.5.0 per ton c.i.f.

Groundnuts—Nothing offering from East Africa, but against Cornamandel the value is about £18 per ton ex ship optional ports

for November shipment—East African Sesame Seed—Yellow valued at White and/or Yellow valued at about £18.12.6 per ton ex ship for November shipment: Mixed about £12 per ton.

Cloves—Market steady with a little business done in atoot at 193.11.10d. Zanzibar spot quoted 77d. November December shipment 85d. c.i.f. London stocks of Zanzibar 1,480 bales.

Hides—The market has been rather firm and a fair turnover has been effected mainly in wet-salted descriptions. Mombasa have been on offer at about 12d. advance on last week's quotations and a few sales have been effected at 12 to 14s. up.

Skins—Market dull but with a fair undertone for sheepskins and improvement in this market expected. Goatskins continue to be neglected.

Butter—Market weak: New Zealand fines 90/- to 94/- Australian 84.0/- to 84/-

RATES OF EXCHANGE.

The following rates of exchange were announced by the Nairobi banks yesterday:—Pound Sterling 81-16-10; Indian Rupee 8-10-11-10; Bombay, T.T. on London 1/6 up 1/8.

linguistic difficulties. For the next hour and more the Commission wrestled with linguistic difficulties. An aged Masai chief or brother of Lenana, was called in an attempt to determine the date of the settlement of Kikuyu in certain questions. It necessitated a chain translation from English into Swahili, then into Kikuyu, and finally the Masai tongue—to put the questions—the operation being reversed to enable the Commission to understand the answer. The chief, one Garuya ole Nwava, wore a cloak made of blue monkey skins. He was understood one time belonged to the Masai. It was only when the latter were weakened by internal fighting that the former came into the district. The Masai did not complain to Government officers when the Kikuyu built villages in Dagoret.

Survey Expedition.

Capt the Hon. H. F. Ward, M.L.C. for Nairobi North, and the late Mr. Kenyan in December 1933, came to Nairobi in 1930 he was seconded from the K.A.R. to the Survey Department for the purposes of a geodetic survey from Kyambui north-west of the bono, east to the Tana. In this area the Commission gathered that there were few if any Kikuyu. On a shooting safari he started from Nairobi across the rance, following the old Fort Hall track. There were (said) up to 20 miles and 2000 Sabus. Returning he walked 80 miles along the top track, below the present site of the Kyanu homo. This was apparently a buffer country between the Kikuyu on the hills and the Masai on the plains.

Mr. Blaney Perrier, the well known game hunter, and Mr. Roy Whitby, M.C. of the Game Department, appeared before the Commission in the afternoon. They described the country close to the North-West Frontier with special reference to the disposition of the Sabu tribe. The Commission sat again yesterday and completed the taking of European evidence in Nairobi. During the next few days they will migrate into more mbari cloist, and on Tuesday leave for Voi and the Coast again.

should receive from local sources \$100,000 in cotton tax. In addition we have nearly a million pounds sterling in Reserve. And on the top of that we impose Income Tax. With further trenchments in the necessary Services already foreshadowed it looks as though Uganda will be so over-burdened with hard cash that it will have to find some outlet for expenditure. And of course no relief from existing taxation such as the highest railway freights in the world, customs Duties 20 per cent (twopenny halfpenny) to put a letter from one box into another, death duties, trading licences and so on. Stationed as we are very far from the Punjits that never having seen us, decide our destiny, we suppose we shall have to carry on grim and bear it until the break-up strain is reached. And then?

HUGE TURNOVER OF CREDITS.

Record Operations by Bank of England.

[THROUGH BARBER'S AGENCY] Rugby, December 1934.

In the City today a turnover of credit exceeding in magnitude any previous record took place. Approximately £100,000,000 will be paid into the Bank of England to huge credit displacements. The final winding-up of the past year's conversion operations. The chief disbursers in respect of the repayment of the principal was converted War Loan and the 14 per cent Treasury Bond, besides War Loan dividend payments. The chief payments in the Bank of England are in respect of the present conversion and of 95 per cent on the 2 per cent Treasury Bonds. In the balance, market supplies of cash will be increased to a moderate extent. British Official Wireless Service. No.

P.T.O.

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Extract from a letter from the Secretary of State to Sir Samuel Wilson, dated the 18th August

8. I am sorry that Byrne is having further trouble with his Elected Members. In the matter of Income Tax he will not only have my complete support, but both he and they will know that it is the unanimous view of the House of Commons that Moyne's Report should be implemented. [I am securing increased preference on coffee, which ought to be an encouragement when we are able to publish the details, and there is also a new preference on flat white maize.]

Rep. on
General M.C.

Times 27/7/52

INCOME TAX IN KENYA

IMPOSITION NEXT YEAR

FOR THE COMING YEAR

NAIROBI, July 26

Sir Joseph Byrne, the Governor, announced to the Legislature today the Government's decision to impose an income tax next year on the recommendation of Lord Morris's report.

The Governor said that he believed that the base for the tax was unassessable and that the proposal would meet with the approval of a large section of the community. An expert from London would arrive in Kenya shortly to draft the necessary legislation for presentation in the Budget session of the Legislature and to organize the requisite administrative machinery. An income tax was likely also to be introduced in Uganda and Tanganyika, which territories would share with Kenya in the export's expenses.

The deficit on this year's estimates is now expected to reach £300,000, towards which £180,000 is available through economies. In addition to the increased levy on Civil Service salaries and the additional poll tax already announced, the Legislature today approved a further 20 cents on the petrol consumption tax, making the price 2s. 9d. a gallon. The indications are that Customs revenue this year will be £100,000 less than last year. The Governor in his speech expressed sympathy with the farmers, whose losses this year from locusts have been much greater than last.

9th July, 1932.

Dear Sir Cecil,

The Governor is leaving Nairobi this morning for a hurried tour in Nyanza, particularly with the object of visiting Kakamega and seeing for himself the conditions on the goldfields and so will not have the time to write his usual letter this week. We took, however, some important decisions in Executive Council yesterday, and as time is too short to make them the subjects of formal despatches if they are to catch the Air Mail to-day, the Governor has asked me to let you know demi-officially what the latest developments are.

We have decided to hold the next meeting of Legislative Council on the 26th July. The principal business at this meeting will be the following:

- (a) A small supplementary vote to meet the cost of getting out an officer from the Inland Revenue Department to initiate income tax. As soon as ever the vote is passed we should like him to be made available and perhaps, therefore, the tentative enquiries carried out by MacGregor could be pursued by the Department in the meantime, so that there may be no delay in getting a really good man. We should have to be largely guided by your advice as to the emoluments that would be necessary to secure him.

- (b) It is proposed to introduce under a certificate of Emergency a Bill to increase the Petrol Consumption Tax by 20 cents. This is estimated by the Treasurer to bring in £22,000 in a full year, and there are

This should be
read with C.O.
Secret. tel. No. 142
7 July 8^h + me
reply Kumbi, about
have passed
I initiated
his pass.
me

some hopes - how substantial I cannot say - that the whole of the increase may not be passed on to the consumer.

Swindon

(c) We are proposing to impose as from the 1st August next an additional Non-Native Poll Tax of Shs. 30/- per head and to extend its provisions to cover women in certain circumstances. If the Attorney General has it ready in time, I will send with this letter a draft of the proposed Bill, which is to be published in the Gazette next Tuesday. The net figure which we shall obtain in this manner is hard to estimate owing to the complications introduced by trying to tax women here, but a tentative figure put up by the Treasurer was £33,000 on males alone.

(d) It is proposed to increase the existing Levy on Salaries rates of 5 per cent and 7½ per cent to 6 per cent and 10 per cent respectively, on the same salary basis as obtains in the existing levy on salaries. This proposal is estimated by the Treasurer to yield approximately £4,500 on six months.

In this way we hope to improve our revenue position by about £50,000, and although this will, of course, not be enough to prevent a deficit on the year's working, it may go some way to keep that deficit within manageable proportions.

The general financial position has not materially altered from that reported to you in Kenya

Confidential Despatch No. 85, of the 18th June, 1932, though the latest appreciation which the Treasurer has just produced for the Watch Dog Committee confirms, in his opinion, the view previously expressed that the revenue shortfall will amount to £250,000, and may even reach £300,000. As stated in the last paragraph of that despatch, the Governor had decided to await the publication of Lord Moyne's Report before deciding on what emergency steps should be taken this year by way of extra taxation to improve the position. His feeling is that publication of Lord Moyne's Report must make it clear that additional taxation of some kind is immediately necessary and that the proposals I have just referred to, admittedly of a temporary and unscientific character, are the best that can be devised pending the introduction of a scientific income tax.

↑

Perhaps I should say a word in explanation of the decision further to increase the levy on salaries. This has been adopted owing to the following considerations:

(a) That owing to the manner in which the general financial position has deteriorated and the necessity for further general taxation, and regard being had to the salary cuts made both at home and in other colonies, it would not be unreasonable to increase the levy as a temporary measure, on the distinct understanding that this additional levy would be removed as soon as income tax had been introduced. Our anxiety has been not to hit unduly the lower ranks of the Service, and for that reason the rate in their case has only been raised from 5 per

There was a young man of Ngoni
The burden and lay of whose song
Was "A Tinker a day
Keeps the doctor away
And Ngugi gave strength to the
strump."

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NAIROBI, THURSDAY, DECEMBER 15, 1932.

PRICE 20 CENTS.

THE OUTLOOK IN KENYA.

Governor's Review of Finances.

BUDGETING FOR A HEAVY DEFICIENCY.

Difficult Problems.

APPEAL FOR CALM CONSIDERATION WITHOUT PARTISANSHIP

"Our difficulties have only to be fairly faced to be surmountable," His Excellency the Governor in his review of the Colony's financial position before the Legislative Council yesterday.

Whilst he agreed it was not the time to indulge in prophecies regarding the end of the world depression, Sir Joseph Byrne said the outlook for agriculture in the Colony was slightly better whilst the trade position revealed by the most recent Customs figures was brighter than for the same period last year.

His Excellency announced that it had been decided to extend Civil Service tours to 48 and 36 months according to whether an official has under or over nine years' continuous service. The new conditions will apply to existing tours in the case of officers with less than twenty months' service, whilst officers on agreement will be required to accept the new terms on the renewal of such agreement.

A draft Income Tax Bill will be published shortly for general information.

Extended Civil Service Tours.

His Excellency the Governor, Sir Joseph Byrne, K.C.M.G., signatures totalled 2,268, Europeans and Indians. It had been

for expenditure in the following year. This year, however, we propose to deal with the Budget in a manner somewhat out of the normal for we feel that Hon. Members and indeed the public at large are entitled to see the Expenditure Advisory Committee's final recommendations before any proposals for raising additional revenue are put before the Council. The report of the Committee will not be made till late in January. It is to be hoped that the proposals which have not been so far as those from which many other countries are successfully emerging and they have only to be fairly faced to be capable of solution.

Before this depression descended upon us prosperity and buoyant Government revenue had accumulated Kenya to a somewhat high standard of living. The basis of these policies has been rudely swept away partly by outside events causing export prices to fall and partly by the cumulative burden of external costs which we can no longer afford. We are not out of the wood yet and continued effort must be put forth in the direction of increased production and reduced expenditure upon imported raw materials. The effective practice of these remedies is the solution, and wean or procrastination will only tend to postpone the desired improvement which undoubtedly can be achieved from the utilization of the great potentialities of this country.

Reassuring Facts.

This is essentially not a time to indulge in prophecies or pious hopes regarding the general world depression. There are, however, at present some local facts which are definitely reassuring.

As regards agriculture, my friend Mr. Holm is of opinion that the outlook is rather brighter. There has been a slight advance in value and the forecast of the exportable surplus of agricultural production is distinctly encouraging. It is estimated that the total quantity of exports for 1933 will exceed that of 1932 by about 45,000 tons. Notable increases are to be found in

Board and Government is giving immediate attention to the question of permitting the importation of wheat to make up the shortfall, due chiefly to locust damage, on somewhat the same conditions as have been adopted this year.

Relief to the maize industry, in this period of its distress, is not an easy matter. Its case has been examined by a Sub-committee of the Board of Agriculture and sympathetic consideration has been given to the recommendations made. Greater facilities have been granted at the Port by some reduction of the storage charges, and Government has decided to defer for this forthcoming season the contribution which should be made to the Interest and Sinking Fund on the capital cost of the Conditioning Plant. The conditioning charges will accordingly be reduced by cents 15 per bag. I received a deputation which represented the position of the industry very fully to me, chiefly in regard to the impediments and losses created by the restrictions imposed on the movement of maize for export. I am sure you will realize that the difficulties are increased by the fact that the Railway Administration is an inter-territorial service, and if it gives special concessions to any one industry, which results in a loss to that Administration, the Colony concerned may reasonably be expected to reimburse any loss incurred.

It will doubtless be recalled that during the last two or three years Government has granted substantial financial assistance to maize farmers, but the earnest desire to do all that it can reasonably be expected to do to support depressed industries is frustrated by the absence of available resources for the purpose. The view may also be advanced as to whether it would be right to economically soundly continue to make further grants to the maize industry, having regard to the Colony's depleted financial resources, the absence of any assurance that the money advanced could be repaid within a reasonable time, and the

nomies decided upon cannot be felt within so short a period.

It often happens that reductions in establishments actually cause increased expenditure in the year in which they are made owing to payment of gratuities, passages, etc. The problems which we as a Government have to meet are twofold, firstly, reduction in expenditure to the lowest working level, and secondly, the raising of revenue to meet this essential expenditure. I will deal with the latter first.

THE ESTIMATES.

Deficit of £214,000 Allowed for.

The Budget as presented estimates a deficit of £214,000 on the year's working. I am satisfied that the Revenue Estimates are conservative, but on the facts, as we know them at present, you will, I have no doubt, agree that it is wise to estimate our revenue with caution. However, when the Budget is again laid before you, I hope, in February, by that time we shall have fuller information, both regarding this year's position and regarding the revenue prospects for next year.

I now turn to the expenditure side of the Estimates, and in this connexion I should like on behalf of the Government to express our gratitude to the Expenditure Advisory Committee. I have had visible evidence of the intensive manner in which they have applied and are applying themselves to their difficult investigation for they have been in session day in and day out in Government House. I have, moreover, had to consider many interesting recommendations submitted by them for economies including some which it would scarcely have been thought necessary or possible to entertain a year ago. There has been extra work on the part of the official members, and an almost complete sacrifice of their interests on the part of the

Considerable economies should also result from the approval given to the recommendations of the Fitzgerald Committee on the subject of passage privileges and to the possibility of future entrants having to accept a pension constant of 1,600 shs. instead of 1,480 shs. as at present.

The Secretary of State has consented to these drastic alterations in the conditions under which officers are now serving solely on account of this world-wide financial depression which has so seriously affected the Colony. I hope and trust therefore that for this reason officials will loyally accept them: it is better and fairer thus to deal with the situation than to have recourse to further retrenchments which would result in a loss of departmental efficiency and to grave hardship on individuals thrown out of employment.

INCOME TAX.

Bill to be Published Soon.

Although in February in the light of more information as to the Revenue position and as to the effect of economies resulting from the Expenditure Advisory Committee's report the large prospective deficit may be reduced, I feel that additional revenue in the shape of Income Tax will inevitably be required, since even with the aid of such additions there seems to be little prospect of making the Budget for 1933 balance. In order, therefore, to give this Council and the public the opportunity for studying the measure proposed, a Draft Bill will be published in the Government Gazette on an early date. The Estimates laid before me are what I might term "Estimates subject to adjustment", and if they are accepted on this understanding I can give you the assurance that from the 1st January up to the time when the Estimates are further reviewed in the light of the Expenditure Advisory Committee's report I will only announce any extra work on the part of the official members, and an almost complete sacrifice of their interests on the part of the

The deficit of £214,000 showing in this provisional Budget is disappointing, and we must make strenuous efforts before the next sitting to get it reduced to manageable proportions. Although we may not be able to balance our Budget during 1933, I personally have every hope that equilibrium will be restored in 1934, and that by then our expenditure will have been reduced to a figure more in keeping with our resources.

Native Betterment Fund.

One of the complexities we have had to face this year is the inauguration of the Native Betterment Fund. As you are aware the principle is that a proportion of native direct taxation should be set aside for certain native services, and that the control of the money so set aside should be exercised by the Betterment Fund Committee. But in practice Lord Moyne's recommendations were not so easy to adapt in their entirety. It was found, for example, that many of the officials devoted part of their time to work in the Reserves and part to more general work, and that it was almost impossible to find a formula which would provide for a sub-division. We are therefore, as an experiment, this year charging directly against the Fund only the emoluments of those officials and the expenditure on those activities which are without doubt devoted solely to Native Services. An adjustment is accordingly made to ensure a reimbursement from the Fund which has been put at the total figure recommended by Lord Moyne's recommendations. It is to be hoped that in the future we shall be able to cover those joint items to which I have just referred.

I have confined this address to salient facts affecting the Estimates now before you and I have purposely refrained from any detailed examination of the figures involved; these will be explained to you in the Memorandum presented to you, and in the customary statement which will be made by the Colonial Secretary. I hope, however, that you will

approve of the course of action which we have been compelled to adopt. We must all pull together during these difficult times, and I can assure you that the Government is doing and will do its very best to put the Colony's finances on a sound basis. Probably never in our history was there such a need for calm non-partisan consideration of our problems.

Currency Proposals.

Honourable Members, it has been brought to my notice that Major Grogan has advocated currency manipulation in the course of interviews he had with the Secretary of State in London and although I am aware that in doing so he had no mandate from the unofficial community of this Colony and was speaking purely on his own behalf, I think it right and proper to inform you and the public that the Secretary of State is quite unprepared to entertain any such proposal.

THE K.U.R.H.

Financial Position Reviewed.

I desire now to say a few words on the financial position of the Railways and Harbours Administration whose estimates for 1933 you have already received for consideration. These estimates will be introduced and explained in detail by the General Manager later during this present Session. The general depression has had its effect on the finances of the Railways and Harbours Administration, and the total deficit on the year's working budgeted for in this year's estimates was £102,263, which deficit, on a reconsideration of the financial situation in September last, was expected to be £307,230, but as a result of slightly better working figures these last few months, I have hoped that the eventual figure will be well under £200,000. Full provision has of course been made for all interest and sinking (Continued on page 5.)

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THURSDAY, DEC. 15, 1932.

His Excellency's Speech.

In his speech to the Legislative Council yesterday His Excellency the Governor of Kenya can be congratulated on steering a course between needless pessimism and undue optimism. Without seeking to disguise the gravity of the financial problem with which the Colony is faced, he drew attention to signs of improvement which, if slight, are nevertheless encouraging. Even so, it is apparent that there is a very difficult period ahead and there will be a general desire to respond to His Excellency's plea for a calm consideration of the difficulties without Government's already grave task being rendered more arduous by needless partisanship. Whilst detailed discussion of the draft estimates will not and cannot properly take place until the report of the Expenditure Advisory Committee is available, the figures now before Legislative Council, are definitely disappointing. The measure of expenditure which Government can afford following the complete absorption of the Colony's surplus balances after four years of unbalanced budgets is the country's ability to pay. The position must be faced and no good will be achieved by any reluctance on the part of all sections of the community to realise the facts. As His Excellency said, the country is by no means out of the wood yet and nothing will be gained by evasion or procrastination. The saving which will be effected by alterations of some of the terms of service, by the promised readjustment of future pension commitments and by a re-grading of passages will be widely welcomed as steps in the right direction. These reliefs will not, however, represent any very material saving next year and meantime next year's accounts call for adjustment. Unless the Expenditure Advisory Committee (the commendation of whose service to the community by His Excellency will be endorsed generally) can indicate very considerable further economies, the outlook will be by

no means a happy one. Moreover it should be remembered that four of the major spending departments are excluded from the purview of the Committee's enquiry. It must be recognised that the task of bridging the gap between estimated revenue and expenditure in 1933 by economies or additional taxation is a formidable one. Looming in the background, too, is the unhappy financial position of the Railway which, if times do not improve, may easily become a liability of the two countries which it serves primarily. His Excellency made no reference in the course of his speech to the country's liquid cash position, which is far from being free from anxiety. There can be no question but that that position will become really disturbing long before the end of 1933 if in fact the Budget deficit approximates to the figure indicated by the draft estimates. The urgency of this aspect of the financial problem must force reconsideration of what may yet be regarded as desirable or essential services. Whilst none is anxious to see the essential machinery of Government impaired, it is still vitally necessary to review the extent of the social services rendered by Government. The task of rehabilitating the Colony's finances is indeed a heavy and anxious one; inevitably its accomplishment will call for further sacrifices from all sections of the community.

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very efficient organization from which owing to the financial crisis we have had to withdraw. I am sure the commercial community will agree with me that this would have been a great misfortune. Well, a much more economical scheme has now been launched and more commodious and less expensive offices have been acquired in the Grand Hotel buildings in Fradler Square. Here not only will the general work be carried on under Major Dale as Commissioner, but Kenya and the Railway will also have a special section under his ever representative leadership.

While these negotiations were taking place there was a strong movement in the Colony in favour of increased publicity for the colony, as a whole, and for particular parts of it. This was all in the right direction, but I was rather afraid that there would be over-lapping, which is not economical and that that close liaison with Government at the London Office which is so essential would be difficult to arrange.

The formation of the Kenya Association (1932) has, however, removed these difficulties and my fears. (Applause.) In it we have a responsible and representative association with which Government can co-operate in conducting an effective and wise publicity campaign.

LOCUSTS.

It is difficult to speak of locusts in terms of moderation, and impossible to give adequate expression to my sympathy with those who have suffered from their depredations. The long succession of disasters which has happened to wheat and maize farmers is enough to break the heart of anyone less resilient and courageous than the Kenya settler. (Heard cheer.) Natives are wont to express surprise that an apparently omnipotent Government has failed to devise some measures to rid the

Land Problems.

Land and land problems have greatly exercised the minds of the Native population during the past year. The Carter Commission, one of the most important of the year ever set in the Colony, is more with us and is earning our gratitude by the thoroughness with which it is getting about its task. (Applause.) Understanding has been reached in a measure and that the Heads of Government Bodies are advised as to individual property while one of the Colony's chief pleasures is I see as being a right to the wings of a fairy Kenya. (Laughter.) The matter of these claims will continue to be determined by the Commission in the fulness of time. (Laughter.)

Wherever I have been, and I have travelled over most of the Colony, I have been received with great courtesy by the Native population, and I have invariably been treated with all the consideration and honour due to the King's representative. The tribes have suffered the disabilities resulting from epidemic distress with admirable forbearance and even with good humour, although the cause of their distress are far beyond their understanding. To the Chiefs and Headmen in particular I wish to express my appreciation of the example that they have set to their people, and of the manner in which they have served Government during a very difficult period. I also wish to say how much I and my officers value the work of the Local Native Councils. They have been of the greatest assistance to the District Commissioners who are the Presidents of the Councils and in particular have by

Ellis of Rubiana Estate. This daughter of the late John Ellis Esq. of Rubiana, Don Aberdeen, was celebrated last Saturday in Thika Memorial Church.

The small funeral, accompanied with beautiful rites and solemn music, took place early in the afternoon at the home of the bride and bridegroom.

The bride, who was most becoming person, of beautiful colour, is to be married to a young man, who was given in marriage by the James Lawsons. She was attended by two bridesmaids, Misses Mabel Miller and Joan Gilpin, and the groom, who was in long frock of deep blue, was attended by two groomsmen, Messrs. J. Walker and J. V. Walker.

The Rev. Canon Gordon, minister and Mr. J. Crozier, acted as best man and first bridesmaid at the ceremony, which had lasted for the occasion and the service was fully choral.

The Sports Club, transformed by beautiful floral decorations, was the scene of the subsequent reception. Miss and Mrs. Walter Crozier, host and hostess to over two hundred guests.

The happy couple left, it is understood, for Nairobi.

MOTOR COLLISION.

Cars Meet Head-on Near Sagana.

[STANDARD (NORTH RIVER) REPORT.]
A motor crash occurred at Sagana on the Nyero road on the afternoon of Saturday, November 30.

A loaded native taxi and a lorry met in a head-on collision at a blind corner and though the taxi was wrecked and the lorry badly damaged the accident was fortunately not attended with personal injuries.

John Oppenheim, Hospital at Jerusalem. At Jerusalem they will stay with Sir Arthur Waugh.

Sir Aymer and Lady Weston left Humberston, West Kilbride, Ayrshire, their home in Scotland, on November 1 for London, whence they travelled to Macclesfield to embark on the "Llandudno" for East Africa.

CORFEE MARKET.

Latest Reports from London.

Messrs. W. W. Kilgallon and Co., 25, Abchurch Lane, Messrs. John Fox Gilliat and Co., 17, Abchurch Lane, received the following cable coffee report dated London, November 30:—

Kenya Coffee.
During the week ended November 30, 5,830 bags Kenya coffee were offered at auction, of which 2,942 bags were sold, realising an average price of £72.18 per ton. The highest price paid for A, B, and C grades were as follows:
Grade A, highest, £124; lowest, £87; Grade B, highest, £91.10; lowest, £55.10; Grade C, highest, £88; lowest, £57.

Tanganyika Coffee.
During the same period, 1,378 bags Tanganyika coffee were offered at auction, of which 1,128 bags were sold, realising an average price of £73.18.4 per ton. The highest price paid for B and C grades was £80 per ton. This week there is a rather better demand, particularly for B and C grades, which have sold at slightly improved prices.

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Comfort and Good Cooking.
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Y.W.C.A. HOSTEL, Kirk Road
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Terms 28 to 50-0-0 (inclusive) for residents,
Casual Visitors Shs. 7/- to Shs. 9/- per day,
TERMS ARRANGED FOR LONGER PERIODS.

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BISHOPS ROAD—THE HILL.
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JUST RECEIVED.
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A new and beautiful book of poems by B. C. THOMAS
author of "Kenya" and "Sixty Poems"
(Delightful Little Music Press)
4/25 post free
S. J. MOORE,
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THE MOMBASA TIMES
can be obtained at

THE STANDARD STATIONERY STORES, NAIROBI

Sole Agents—
HANSING & CO. (E.A.) P.O. Box 211, Mombasa.
Local Agents—Messrs. DRISDAV & CO., NAIROBI.

from a very efficient organization from which owing to the financial crisis we almost had to withdraw. I am sure the commercial community will agree with me that this would have been a great misfortune. Well, a much more economical scheme has now been launched and more commodious and less expensive offices have been acquired in the Grand Hotel buildings on Trillington Square. Here, not only will the general work be carried out under Major Dale's supervision, but Kenya and the Railway will each have a special section under its own representative.

While these negotiations were taking place there was a strong movement in the Colony in favour of increased publicity for the country as a whole, and for particular parts of it. This was all in the right direction, but I was rather afraid that there would be overlapping which is not economical and that that close liaison with Government and the London Office which is so essential would be difficult to arrange.

The formation of the Kenya Association (1922) has however removed these difficulties and my fears. (Applause.) If it is to have a responsible and representative association with which Government can co-operate in conducting an effective and wise publicity campaign.

Locusts.

It is difficult to speak of locusts in terms of moderation, and impossible to give adequate expression to my sympathy with those who have suffered from their depredations. The long succession of disasters which has happened to wheat and maize farmers is enough to break the heart of anyone less resilient and courageous than the Kenya settler. (Hear, hear.) Natives are wont to express surprise that an apparently omnipotent Government has failed to devise some measure to rid the

Land Problems.

Land and land problems have greatly exercised the mind of the Native Population during the past year. The Carter Commission one of the most important of those over which the Colony has now set its feet and in turning our backs on the African continent which is teeming about its tasks. (Applause.) I understand that a physical man in possession of the title deeds of Government land is not to be considered as a squatter, while one of the Colony's squatters is I see asserting a right to the whole of Mount Kenya. (Laughter.) The validity of these claims will doubtless be determined by the Commission in the fullness of time. (Laughter.)

Whenever I have been, and I have travelled over most of the Colony, I have been received with great courtesy by the Native population; and I have invariably been treated with all the consideration and honour due to the King's representative. The tribes have suffered the disabilities resulting from economic distress with admirable fortitude and even with good humour, although the cause of their distress are far beyond their understanding. To the Chief and Headmen in particular I wish to express my appreciation of the example that they have set to their people, and of the manner in which they have served Government during a very difficult period. I also wish to say how much I and my officers value the work of the Local Native Councils. They have been of the greatest assistance to the District Commissioners who are the Presidents of the Councils and in particular have by

under its terms and under the title deeds of the Government. The daughter of the late John Dilla, son of a Bahian, 77, 21, Mrs. Dilla, was celebrating her birthday at the Memorial Church.

The small suburb decorated with beautiful lilacs and delphiniums could not only give a view of the numerous flowers which come from far and near.

The bride, wearing a most becoming gown, a beautiful coloured veil and lace hat, was given in marriage by Mr. James Lawson, W.C. of the Law, 17, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

The Rev. Wm. Gordon, minister and Major J. Crozier, acted as best man. Capt. Frost presided at the banquet which was held for the bride and groom. The banquet was fully attended and the dancing which took place in the hall, transformed by beautiful floral decorations, was the scene of the subsequent reception. Mr. and Mrs. Walter Cox were host and hostess to over two hundred guests.

The happy couple left, it is understood, for Nairobi.

MOTOR COLLISION

Cars Meet Head-on Near Sagana

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HIS EXCELLENCY'S VIEWS ON KAKAMEGA.

A Promise of Better Things.

FORTHCOMING EXPERIMENT IN LOCUST DESTRUCTION.

The annual dinner of the Caledonian Society of Kenya Colony was held in Nairobi on Wednesday, St. Andrew's Night when the President, Mr W. G. MacLeod MacDonald presided over the gathering...

The dinner was attended by the usual ceremonial and the arrival of the Haggis was heralded by the Society's Honorary Piper, Mr. J. Munro.

The usual toasts were honoured although on this occasion politics were barred in the speeches. His Excellency the Governor responded to the toast of "The Land We Live In."

Effect of Ottawa Conference.

We wish our best to every guest. The same to every brother. And may this be the happiest night.

light of the authority of having to serve two masters in Kenya and Uganda.

"THE LAND WE LIVE IN"

Then the toast of the evening "The Land we live in". With politics barred Mr Huteley tried to steer clear of any reference also to income tax, Kakamega, unofficial conferences and bonnets and to confine his remarks to praise of Kenya. They included reminiscences of 25 years ago, in which he stoutly combated the assertion that East Africa had nothing to offer the tourist beyond big game shooting and that there was no scenery worth seeing. It led him to give word pictures of various parts of the country, including them by saying "He that hath eyes to see let him see!"

He concluded by saying "No one who has lived here through the past 25 eventful years and who has seen the immense progress made in development of our land and improvement in our city can fail to have confidence in the future of the land we live in. The spirit which animated the old pioneers will live in their children and will enable them to build their country and bring our Colony to the level of the best of the world."

idiomatic quality of his countrymen translates them into a universal tongue. He is with Burns Scotland's great liberator and reconciler... gently he led her back to nature and the old simplicities.

May I remind you of the fact that during this centenary year another great and gallant leader was brought from Bismarck to be near Scott at Durburgh. He was much interested. Mr Huteley in the reference you made to the speech made by Mr Mitchell, I think two years ago when in the toast of the "Land we live in" was held by him to be a political gambit designed to afford an opening to make the usual counter move. I must admit that I agree with you in thinking that for this year at least the custom of utilizing the general gathering as the occasion of a political pronouncement by the Governor might well be suspended. Laughter. There are now in this land indicated numerous occasions when such pronouncements are made by the appropriate body. There are the Legislative Councils, the meetings with the Executive Council with deputations from various political bodies such as the Agricultural Association and the Native Association. I particularly mention the latter because it is to reiterate the suggestion I submitted in a local paper that I should willingly see enough to confine these statements to issues that are when they are discussed in the face of a high laughter. I will think it better to abstain from discussing subjects of this kind. I should like to see your friend Kakamega in free form that tant except as regards the restoration of a large area for his leave prospecting. I hope it will not be long before a decision on this matter is reached.

Kakamega.

I am voicing the feelings of all here in expressing our high appreciation of the work Sir Albert Kusun has done for the Colony during the short time he has been with us. Applause. Those who have served in the West must know of his splendid achievements there and of the great help and advice, coupled with the name of Sir Albert I should like to mention Mr. Johnson and his associate, Major Barnes and Mr. Arnold, who according to the report are stated to have discovered the field towards the end of last year.

I would suggest that we in Kenya take this opportune discovery very soberly and very earnestly. Prospecting and mining have up to now been conducted in a prize-worthy manner and I am particularly glad that the natives have been treated with proper consideration. (Applause.) This is due to a number of factors, but those of an extent in mining have hitherto been residents of Kenya well acquainted with the Native population. I shall look to the Milners' Association to continue to give me all the help they can to control the increased number of prospectors who will come to operate in these mine fields. It must be remembered that the area is situated in a Native Reserve. It is my hope that the Government will be able to bring our Colony to the level of the best of the world."

Little Change in Markets.

Slow Demand.

SLIGHT IMPROVEMENT IN COTTON.

The week ending November 21 on the London markets was dull with little change in prices. states the report by the E.A. Dependencies Trade and Information Office

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Coffee.

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Cotton.

Cotton prices were steady. The market was dull with little change in prices. states the report by the E.A. Dependencies Trade and Information Office

Further Evidence Before the Land Commission.

AN AGED CHIEF

Buffer Country Between Masai and Kikuyu

The Masai and Kikuyu are in a buffer country between the two tribes. The Masai are a nomadic people who have been settling in the area for many years. The Kikuyu are a more settled people who have been in the area for a long time. The Land Commission is currently hearing evidence from both sides regarding the boundaries of the buffer country.

Karum Area

The Karum area is a buffer zone between the Masai and Kikuyu. It is a hilly area with some agriculture and some nomadic settlements. The Land Commission is currently hearing evidence from both sides regarding the boundaries of the buffer country.

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Linguistic Difficulties

Linguistic difficulties are a major problem in the buffer area. The Masai and Kikuyu speak different languages and this makes communication difficult. The Land Commission is currently hearing evidence from both sides regarding the boundaries of the buffer country.

To Consider Estimates Next Week.

A BUSY SESSION

The Council is expected to consider estimates next week. The session is expected to be busy with the discussion of various proposals and the approval of the budget.

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by many of the past Presidents, and by this year's Vice-Presidents, Hon. A. D. A. MacGregor and Major J. W. Millson, D.S.O. Their guests included His Excellency the Governor, Sir Joseph Byrne, K.C.M.G., K.B.E., C.B.; the Colonial Secretary, Hon. H. M.-M. Moore; the Chief Justice Sir Jacob Barth; the General Manager of the K.U.R. and H. R. Rhodes; the Hon. G. D. Bridgen; Sir Morris Carter, chairman of the Kenya Land Inquiry Commission; Major W. J. Warburg, Agent of Nairobi, and Presidents of the Royal Society of St. George, the Irish Society, and the South African Society of East Africa—Mr. G. L. Gilbert, Dr. Keatinge, and Mr. Earton respectively.

The Pipes.

For 26 years Mr. J. Munro, the honorary piper, has played the guests in to dinner. He did so again on Wednesday, and the skirl of the pipes was heard later in the evening when he heralded the Haggis as it was borne aloft by Mr. N. E. Fraser and placed with due ceremony before the President. This was not the only music, for an appropriate programme of Scottish tunes was played during the evening by the Band of the K.A.E., under Mr. A. G. Holmes, the bandmaster.

Dinner over, speeches were in order. By mutual consent, plaudits were bestowed this year (Mr. T. L. Hatley, in one of his witty speeches, recalled that Mr. W. C. Mitchell had once described the toast of "The land we live in" as "a political gambit designed to afford His Excellency the Governor an opening to make the usual counter move." That was right) and proper when the Chief Justice was the only function of the year at which the Governor had an opportunity of taking the public into his confidence. But, as both Mr. Hatley and His Excellency, now said, that splendid isolation was a thing of the past. But the speeches were none the worse for that.

The Toasts.

The loyal toasts, and "The Pious Memory of St. Andrew" from the chair preceded "the Imperial Forces," proposed by Capt. J. Cleland, M.C., and responded to by Col. R. Wilkinson, D.S.O., C.O. Northern Brigade. A.R. H. made

show an equal progress in so short a space" of time and against so many difficulties." He concluded, by saying "No one who has lived here through the past 20 eventful years and who has seen the immense progress made in development of our land and improvement in our city, can fail to have confidence in the future of the land we live in. The spirit which animated the old pioneers will live in their children and will enable them to fulfil their destiny and bring our Colony through troublous seas to its proper place in the world and in the Empire." (Applause.)

HIS EXCELLENCY.

A Non-political Review.

His Excellency, in reply, said:—I had, Mr. President, the pleasure some weeks ago of spending a very delightful week end in the company of the proposer of this toast when we caught numerous trout, many of which were of a size far beyond the dreams of those who like myself have fished the rivers for years in Ireland. It may be that Scotland can compete with Kenya in this respect, but I rather doubt it. Our talk during that week-end was mostly devoted to fishing, a subject on which he and Mr. Copley are acknowledged experts. I had no conception then that he was also the orator which his speech to-night proves him to be, and if I may be permitted to say so, to the glimpes of a Kenya acorny and of Kenya life which he has opened to us were most admirably and picturesquely worded. (hear, hear). I thank you very cordially for the way in which you, Mr. Hatley, have proposed this toast of the land we live in, the land which is so dear to all of us and particularly to those who have made it their home.

It is not onerous upon what will doubtless be referred to by other speakers, but perhaps I may be allowed as an Irishman to pay tribute to this dinner to the memory of that great Scotsman, Walter Scott, who has so enriched English literature. John Buchan's appreciation of this lovable genius is worth quoting:—

"He seems to be the greatest because the most representative of Scotsmen, since in his mind and character he sums up more fully than any other all the

with proper consideration. This is due to a large extent to the fact that those engaged in mining have hitherto been residents of Kenya well acquainted with the Native population. I shall look to the Miners' Association to continue to give me all the help they can to control the increased numbers who possibly will come to operate in these mines. It must be remembered that the area is situated in a Native Reserve and that primitive people jealous of their rights in their land which have been assured to them by His Majesty's Government. They should be treated sympathetically and generously, and every possible effort should be made to explain to them the prospecting stage is temporary and that compensation will be paid for any disturbance; and furthermore that when organized gold mining begins the smaller amount of land necessary for that purpose will come under a proper lease the terms of which will safeguard their interests. (Applause.)

If we all work on these principles and with this spirit, I am confident that we shall have the inestimable advantage of having the natives with us instead of against us. I suppose it is useless for me to warn people possessing small savings against hasty and ill-judged speculation. Remember that Kakamega is not unlike other mine fields and that history often repeats itself.

Ottawa.

It is a far cry from Kakamega to Ottawa, but there is a common ground between these two places in that they both indicate promise of better things to come.

Although I am sorry that more could not be done for the fairly tried sial industry at the Conference, still we have otherwise been fortunate and we largely owe this to the personal efforts made on our behalf by Sir Philip Cumifer-Lister. As you know Imperial obligations under the Treaties preclude us from granting Imperial Preference, and, in addition, the terms of the Mandate bind Tanganyika Territory to a policy of complete commercial equality. The paramount if I may use this blessed word (laughter)—the paramount im-

(Continued on page 3.)

November 16, 5:44; and 5:17; 5:61d; November 18, 5:61d; November 19, 5:61d; November 21, 5:60d. Closing prices of American futures as under: December, 5:24d; January, 5:28d; March, 5:4d; May, 5:29d.

Manchester reports that the tone of the market continued healthier. There was more confidence in values and the turnover showed steady expansion, but much less will be made up before conditions are anything like satisfactory.

Other Commodities.

Metals.—Prices generally have eased somewhat. Copper, November 15, 599; November 16, 594; November 17, 594; November 18, 591 1/4; November 21, 591 1/4. Tin closed yesterday at 2154 and Zinc at 167.6.

Copra.—Very little business going on and value of East African f.o.b.s. 214.5.0 per ton c.i.f.

Groundnuts.—Nothing offering from East Africa, but against Comandanda the value is about £18 per ton ex ship optional ports.

For November shipment: East African Basama Seed.—East African White and Yellow valued at about £18.12.6 per ton ex ship for November shipment: Mixed about £12 per ton.

Cloves.—Market steady with a little business done in spot at 64d. c.i.f. Zanzibar spot quoted 74d. November December shipment 64d. c.i.f. London stocks of Zanzibar 1,480 bales.

Hides.—The market has been rather firm and a fair turnover has been transacted mainly in the lighter descriptions. Mombasa have been on offer at about 4d. ad. advance on last week's quotations, and few sales have been effected at 12d. to 14d. up.

Skins.—Market dull but with a firm undertone for sheepskins and improvement in this market expected. Goatskins continue to be neglected.

Butter.—Market weak: New Zealand f.o.b.s. 90/- to 94/- Australian g.a.c. 87/- to 84/-.

RATES OF EXCHANGE.

The following rates of exchange were announced by the Nairobi banks yesterday:—Pounds 91/11/8; Francs 8.10 1/10; Bombay T.T. on London 1/0 1/8.

Kikuyu then living peacefully alongside of each other.

Linguistic Difficulties.

For the next hour and more the Commission wrestled with linguistic difficulties. An aged Masai chief or brother of Lennana, was called in an attempt to determine the date of the settlement of Kikuyu in certain areas around Nairobi and kindred questions necessitated a slight translation from English into Swahili, then into Kikuyu, and finally the Masai tongue, so that the questions—the operation being reversed to enable the Commission to understand the answer. The chief, one Garyula Nguva, wore a cloak made of blue monkey skins.

He was understood to say that Nairobi and Ngong one time belonged to the Masai. It was only when the Masai were weakened by the inter-tribe fighting that the former came into the district. The Masai must complain to Government officers when the Kikuyu built villages at Dagoret.

Survey Expedition.

Capt the Hon. H. F. Ward, M.L.C. for Nairobi North, said he came to Kenya in December 1903. About November 1906 he was seconded from the I.A.R. to the Survey Department to determine fixed points for the purposes of a geodetic survey from Kyambui, northwest of the river, east to the Tana. In this area the Commission gathered that there were few, if any Kikuyus. On a shooting safari he started from Nairobi across the rangelands, following the old Fort Hall track. There were Masai up to Tanka and Donyo Sababu. Returning he walked 30 miles along the old track, below the present site of the Kyambui boma. This was apparently a buffer country between the Kikuyus on the hills and the Masai on the plains.

Mr. Blaney Percival, the well known game hunter, and Mr. Roy Whitby, M.C., of the Game Department, appeared before the Commission in the afternoon. They descended the country close to the Kikuyu to the disposition of the

Commission set upon visiting the territory and completed the taking of European evidence in Nairobi. During the next few days they will prepare a memo 'mbari' and on Tuesday leave for Voi and the Coast area.

cotton market. Government should receive from £80,000 to £100,000 in cotton tax. In addition we have nearly a million pounds sterling in Reserve, and on the top of that we impose Income Tax. With further requirements in the necessary Services already foreshadowed it looks as though Uganda will be so over-burdened with hard cash that it will have to find some outlet for its expenditure. And, of course, no relief from existing taxation such as the higher railway freights in the world, customs Duties, 20 cent (twenty per halfpenny) to put a letter from one box into another, death duties, Trading licences and so on. Stationed as we are very far from the Punjab that, never having seen us, decide our destiny, we suppose we shall have to carry, on grain and bear it until the breaking strain is reached. And then?

HUGE TURNOVER OF CREDITS.

Record Operations by Bank of England.

[THROUGH BEECHER'S AGENCY.] Rugby, December 1.

In the City to-day a turnover of credit exceeding in magnitude any previous record took place. Approximately £700,000,000 will be paid into, or disbursed by, the Bank of England. The huge credit displacements mark the final winding up of the past year's conversion operations.

The chief disbursements are in respect of the repayment of the principal sum converted War Loan, of the 4 1/2 per cent War Loan and the 4 1/2 per cent Treasury Bonds, besides War Loan dividend payments. The chief payments to the Bank of England are in respect of the present conversion loan and of 35 per cent on the 2 per cent Treasury Bonds. On the balance market supplies of cash will be paid to a moderate extent. British Official Wireless Service. To

PTO

by many of the past Presidents, and by this year a Vice-President, Hon. A. D. MacGregor and Major J. W. Milligan, D.S.O. Their guests included His Excellency the Governor, Sir Joseph Byrne, K.C.M.G., K.B.E., C.B.; the Colonial Secretary, Hon. H. M.-M. Moore; the Chief Justice Sir Jacob Barth; the General Manager of the K.U.R. and H. Brig.-Gen the Hon. G. D. Rhodes; Sir Morris Carter, chairman of the Kenya Land Commission, Sir R. W. Wright, Dean of Nairobi, and Trustees of the Royal Society of St. George, the Irish Society, and the South African Society, of East Africa—Mr. G. L. Gilbert, Dr. Keatinge, and Mr. Barton respectively.

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The Toasts.

The loyal toasts, and "The Pious Memory of St. Andrew" from the chair preceded "the Imperial Forces," proposed by Capt. J. Cleland, M.C., and responded to by Col. R. Wilkinson, D.S.O., O.C. Northern Brigade, K.A.R. He made

show an equal progress in so short a space of time and against so many difficulties.

He concluded by saying "No one who has lived here through the past 20 eventful years and who has seen the immense progress made in development of our land and improvement in our city, can fail to have confidence in the future of the land we live in. The spirit which animated the old pioneers will live in their children and will enable them to fulfil their destiny and bring our Colony through troublous seas to its proper place in the world and in the Empire." (Applause.)

HIS EXCELLENCY.

A Non-political Review.

His Excellency, in reply, said:—

I had, Mr. President, the pleasure some weeks ago of spending a very delightful week-end in the company of the proposer of this toast when we caught numerous trout, many of which were of a size far beyond the dreams of those who like myself have fished the rivers for years in Ireland. It may be that Scotland can compete with Kenya in this respect, but I rather doubt it. Our talk during that week-end was mostly devoted to fishing, a subject on which he and Mr. Copley are acknowledged experts. I had no conception then that he was also the orator which his speech to-night proves him to be, and if I may be permitted to say so, some of the glimpses of Kenya scenery and of Kenya life which he has opened to us were most admirably and picturesquely worded. (hear, hear). I thank you very cordially for the way in which you, Mr. Hately, have proposed this toast of the land we live in, the land which is so dear to all of us and particularly to those who have made it their home.

I must not overdo upon what will doubtless be referred to by other speakers, but perhaps I may be allowed as an Irishman to pay tribute at this dinner to the memory of that great Scotman, Walter Scott, who has so enriched English literature. John Buchan's appreciation of this lovable genius is worth quoting:—

"He seems to be the greatest because the most representative of Scotmen, since in his mind and character he sums up fully and truly any other Scot."

with proper consideration. This is due to a large extent to the fact that those who are residents of Kenya have hitherto regarded the Native population. I shall look to the Miners' Association to continue to give me all the help they can to control the increased numbers who possibly will come to operate in these mine fields. It must be remembered that Kenya is situated in a Native Reserve among primitive people whose primitive rights in the land which have been assured to them by His Majesty's Government. They should be treated sympathetically and generally, and every possible effort should be made to explain to them that the prospecting stage is temporary and that compensation will be paid for disturbances; and further, that those who organized the mine should begin the smaller amount of land necessary for that purpose will come under a proper lease the terms of which will safeguard their interests. (Applause.)

If we all work on these principles and with this spirit, I am confident that we shall secure the inestimable advantage of having the natives with us instead of against us. I suppose it is useless for me to warn people possessing small savings against hasty and ill-judged speculation. Remember that Kakamega is not unlike other mine fields and that history often repeats itself.

Ottawa.

It is so far cry from Kakamega to Ottawa, but there is a connexion between these two places in that they both indicate promise of better things to come.

Although I am sorry that more could not be done for the woolly tried sial industry at the Conference, still we have otherwise been fortunate and we largely owe this to the personal efforts made on our behalf by Sir Philip Caniff-Lister. As you know, Imperial obligations under what are known as the Congo Basin Treaties preclude us from granting Imperial Preference, and in addition, the terms of the Mandate bind Tanganyika Territory to a policy of complete commercial equality. The paramount principle we may use this blessed word (laughter)—the paramount principle.

(Continued on page 8.)

November 16, 5.44; November 17, 5.01a; November 18, 5.01a; November 19, 5.6d; November 21, 5.6d. Closing prices of American futures as under:—

December, 5.24d; January, 5.23d.; March, 5.24d.; May, 5.23d.

Manchester reports that the tone of the market continued healthier. There was more confidence in the values and the turnover showed steady expansion, but much heavy has still to be made up before conditions are anything like satisfactory.

Other Commodities.

Metals—Prices generally have eased somewhat. Copper, November 16, 4.88; November 16, 4.92a; November 17, 4.92a; November 18, 4.91; November 19, 4.91. Tin, closed yesterday at 105.0. Zinc at 115.7.6.

Copra—Very little business going on and values of East Africa Copra, \$14.5 (A per ton c.i.f.)

Groundnuts—Nothing offering from East Africa, but against Coromandel the value is about £12 per ton ex ship, optional ports for November shipment.

Beans—Market quiet. East African White and Yellow, both ex ship about £12.6 per ton ex ship about £12 per ton.

Cloves—Market steady with a little business done in Africa at 84d. c.i.f. Zanzibar spot quoted 78d. November December shipment 64d. c.i.f. London stocks of Zanzibar 1,480 bushels.

Hides—The market has been rather firm and a fair turnover has been transacted mainly in well-salted descriptions. Mombasas have been on offer at about 1d. advance on last week's quotations and few sales have been effected at 1d. to 1d. 1/2.

Skins—Market dull but with a firm undertone for sheepskins and improvement in the market expected. Goatskins continue to be neglected.

Butter—Market weak: New Zealand 4s. 80/- to 94/- Australian 4s. 87/- to 84/-

RATES OF EXCHANGE.

The following rates of exchange were announced by the Nairobi Bank yesterday:—

France 81 16/10
Dollars 8.10 11/10
Bombay, T.T. on London 17/8 1/2

Kikuyu then living peacefully alongside of each other.

Linguistic Difficulties.

For its next hour and more the Commission wrestled with linguistic difficulties. An aged chief or brother of Lennan, was called in an attempt to determine the date of the settlement of Kikuyu in certain areas around Nairobi, and kindred questions. It necessitated a chain-translation from English into Swahili, then into Kikuyu, and finally the Masai tongue to put the questions to enable the Commission to understand the answers. The chief, one Garaya ole Neta, wore a cloak made of blue monkey skins. He was understood to say that he and Ngoni one time he belonged to the Masai. It was only when the latter were weakened by inter-tribe fighting that the Masai came into the country. The former made no complaint to Government officers when the Kikuyu built villages at Dagoret.

Survey Expedition.

Capt the Hon. E. F. Ward, M.L.C. for Nairobi North, and he came to Kenya in December 1903. About November 1900 he was seconded from the U.A.R. to the Survey Department to determine fixed points for the purposes of a geodetic survey from Kyambu, in the north-west to the north-east to the Masai. In this area he Commission gathered that there were few if any Kikuyus. On a shooting safari, he started from Nairobi across the rangelands, following the old Fort Hall track. There were Masai up to Taka and Denge Sabuli. Returning he walked 30 miles along the "top track," below the present "site of the Kenyan buffer country between the Kikuyus on the hills and the Masai on the plains.

Mr. Blaney Percival, the well-known game hunter, and Mr. Roy Whitte, M.C. of the Game Department, appeared before the Commission in the afternoon to discuss the country with special reference to the disposition of the Sabuli tribe.

The Commission sat again yesterday and completed the taking of European evidence in Nairobi. During the next few days they will configure into more "mbari" chief, and on Tuesday leave for Voi and the Coast area.

Government should receive from £80,000 to £100,000 in cotton tax. In addition we have nearly a million pounds sterling in Reserve. And on the top of that we impose Income Tax. With further requirements in the necessary Service already furnished it looks as though Uganda will be so over-burdened with hard cash that it will have to find some outlet for expenditure. And, of course no relief in the existing taxation such as the highest railway freights in the world, Customs Duties, 20 cent (twopenny) halfpenny to put a letter from one box into another, death duties, trading licences and so on. Stationed as we are very far from the Punjab that, never having seen it, we should our destiny, we suppose we shall have to carry on grim and bear it until the breaking strain is reached. And then?

HUGE TURNOVER OF CREDITS.

Record Operations by Bank of England.

[THROUGH LETTERS AGENCY] Rugby, December 1.

In the City today a turnover of credit exceeding in magnitude any previous record took place. Approximately 700,000,000 will be paid into or disbursed by the Bank of England. It has huge credit displacements, the final winding up of the past year's conversion operations.

The chief disbursals are in respect of the Government of the principal and converted War Loan of the 1914-1918 War Loan and the 1914-1918 Treasury Bonds, the War Loan dividend payments. The chief payments in respect of the England are in respect of the 95 per cent on the 1914-1918 Treasury Bonds. The balance market supplies of cash will be increased to a moderate extent. British Official Wireless Service.

PTO

*Copy recd on
Income Report file
attached in document for
1/17.*

611

Extract from a letter from the Secretary of State to Sir Samuel Wilson, dated the 18th August

2. I am sorry that Byrne is having further trouble with his Elected members. In the matter of Income Tax he will not only have my complete support, but both he and they will know that it is the unanimous view of the House of Commons that Heyne's Report should be implemented. [I am securing increased preference on coffee, which ought to be an encouragement when we are able to publish the details, and there is also a new preference on flat white maize.]

*Recd. on
General file*

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4A

Times 27/7/52

INCOME TAX IN KENYA

IMPOSITION NEXT YEAR

FROM THE CORRESPONDENT

NAIROBI, July 26

Mr. Joseph Byrne, the Governor, announced to the Legislature to-day the Government's decision to impose an income-tax next year on the recommendation of Lord Mornay's report.

The Governor said that he believed that the base for the tax was unanswerable and that the proposal would meet with the approval of a large section of the community. An expert from London would arrive in Kenya shortly to draft the necessary legislation for presentation in the Budget session of the Legislature and to organize the requisite administrative machinery.

An income-tax was likely also to be introduced in Uganda and Tanganyika, which territories would share with Kenya in the export's expenses.

The deficit on this year's estimates is now expected to reach £100,000, towards which £150,000 is available through economies. In addition to the increased levy on Civil Service salaries and the additional poll-tax already announced, the Legislature to-day approved a further 20 cents on the petrol consumption tax, making the price 2s. 4d. a gallon. The indications are that Customs revenue this year will be £100,000 less than last year. The Governor in his speech expressed sympathy with the farmers, whose losses this year from locusts have been much greater than last.

4

THE SECRETARIAT,
NAIROBI.

9th July, 1932.

Dear Sir Cecil,

The Governor is leaving Nairobi this morning for a hurried tour in Nyanza, particularly with the object of visiting Kakamega and seeing for himself the conditions on the goldfields and so will not have the time to write his usual letter this week. We took, however, some important decisions in Executive Council yesterday, and as time is too short to make them the subjects of formal despatches if they are to catch the Air Mail to-day, the Governor has asked me to let you know demi-officially what the latest developments are

We have decided to hold the next meeting of Legislative Council on the 30th July. The principal business at this meeting will be the following:

- (a) A small supplementary vote to meet the cost of getting out an officer from the Inland Revenue Department to initiate income tax. As soon as ever the vote is passed we should like him to be made available and perhaps, therefore, the tentative enquiries carried out by MacGregor could be pursued by the Department in the meantime, so that there may be no delay in getting a really good man. He should have to be largely aided by your advice as to the emoluments that would be necessary to secure him.

- (b) It is proposed to introduce under a certificate of Emergency a Bill to increase the Petrol Consumption Tax by 20 cents. This is estimated by the Treasurer to bring in £32,000 in a full year, and there are

This should be read with GO. Secret tel. No 142 of July 8th + my reply thereto, which was last present since I dictated his para. (m)

some hopes - how substantial I cannot say - that the whole of the increase may not be passed on to the consumer.

Subs.

(c) We are proposing to impose as from the 1st August next an additional Non-Native Poll Tax of Shs. 30/- per head and to extend its provisions to cover women in certain circumstances. If the Attorney General has it ready in time, I will send with this letter a draft of the proposed Bill, which is to be published in the Gazette next Tuesday. The net figure which we shall obtain in this manner is hard to estimate owing to the complications introduced by trying to tax women here, but a tentative figure put up by the Treasurer was £33,000 on males alone.

(d) It is proposed to increase the existing Levy on Salaries rates of 5 per cent and 7½ per cent to 6 per cent and 10 per cent respectively, on the same salary basis as obtains in the existing levy on salaries. This proposal is estimated by the Treasurer to yield approximately £4,500 on six months.

In this way we hope to improve our revenue position by about £50,000, and although this will, of course, not be enough to prevent a deficit on the year's working, it may go some way to keep that deficit within manageable proportions.

The general financial position has not materially altered from that reported to you in Kenya.

Confidential Despatch No. 85, of the 18th June, 1932, though the latest appreciation which the Treasurer has just produced for the Watch Dog Committee confirms, in his opinion, the view previously expressed that the revenue shortfall will amount to £250,000, and may even reach £300,000. As stated in the last paragraph of that despatch, the Governor had decided to await the publication of Lord Moyne's Report before deciding on what emergency steps should be taken this year by way of extra taxation to improve the position. His feeling is that publication of Lord Moyne's Report must make it clear that additional taxation of some kind is immediately necessary and that the proposals I have just referred to, admittedly of a temporary and unscientific character, are the best that can be devised pending the introduction of a scientific income tax.

Perhaps I should say a word in explanation of the decision further to increase the levy on salaries. This has been adopted owing to the following considerations:

(a) That owing to the manner in which the general financial position has deteriorated and the necessity for further general taxation, and regard being had to the salary cuts made both at home and in other colonies, it would not be unreasonable to increase the levy as a temporary measure, on the distinct understanding that this additional levy would be removed as soon as income tax had been introduced. Our anxiety has been not to hit unduly the lower ranks of the Service, and for that reason the rate in their case has only been raised from 5 per

cent to 6 per cent. This, over a period of five months only, does not amount to very much.

- (b) It has been decided on reconsideration to modify the original Leave Moratorium proposals to this extent; that leave earned in respect of the additional six months service should not be lost entirely, as originally proposed, but should be drawn by the officer on ultimate retirement, on transfer, or on retrenchment. This, while it will involve the government in little, if any, extra expense during the current year, will be of distinct benefit to officers ultimately, and may be regarded as some quid pro quo to the additional salary levy. Further, on reconsideration, it is proposed to restore to certain officers whose duties necessitate constant travelling some form of commuted travelling allowance. The total of the expenditure so involved has not yet been estimated, but it will probably be between £4,000 and £7,000. This will be of definite benefit to travelling officers, and the additional levy scale now proposed will, it is thought, distribute the burden of sacrifice more fairly, in accordance with the individual capacity to bear it. H

- (c) The above proposals will assist us in confronting difficulties raised by Uganda as regards the incidence of the Leave Moratorium on Joint Services.

Yrs sincerely,
H. W. Walker.

**A BILL TO PROVIDE FOR THE PAYMENT OF
ADDITIONAL POLL TAX BY NON NATIVES
IN THE YEAR 1932.**

BE IT ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:-

Short title.

1. This Ordinance may be cited as "the Non-Native Poll Tax (Additional Taxes) Ordinance, 1932," and shall be read as one with the Non-Native Poll Tax Ordinance as amended by the Non-Native Poll Tax (Amendment) Ordinance, 1929, hereinafter together referred to as "the Principal Ordinance".

Cap.52.

No.4 of 1929.

Interpretation.

2. In this Ordinance "non-native" includes any person who is not a native.

Additional
taxes pay-
able by non-
natives in
1932.

3. In addition to the tax payable under section 3 of the Principal Ordinance there shall be paid the following:-

- (a) by every male non-native who on the first day of July, 1932, had attained the age of eighteen the sum of thirty shillings; and
- (b) by every female non-native who on the first day of July, 1932, had attained the age of eighteen and who between first January and thirtieth September, 1932, was employed within the Colony and in respect of such employment received or earned remuneration at an average rate of not less than fifteen pounds a month or who between the aforementioned dates received within the Colony from any source a sum of not less than one hundred and thirty five pounds, the sum of thirty shillings.

Taxes when payable.

4. The additional taxes imposed by section 3 of this Ordinance shall be payable between the first day of August and the thirty-first day of October, 1932:

Provided that in the case of a non-native who is not resident in the Colony on the first day of August, 1932, or who, although resident in the Colony on such date, leaves the Colony without having paid the additional tax payable such non-native shall pay the additional tax within three months of his or her coming or returning to the Colony as the case may be.

And provided further that any non-native who fails to pay such additional tax within one month of the expiry of the period hereinbefore set forth for such payment shall be liable to pay double the amount of such additional tax, provided always that such liability shall not accrue if such non-native can show that such default was due to causes beyond his own control.

Information to be furnished by employers.

5. Every person who between first January and thirtieth September, 1932, employs any female non-native at a remuneration of not less than fifteen pounds a month shall, not later than thirtieth September, 1932, furnish to the Collector a return of the non-natives so employed by him the period of such employment and the rate at which each such non-native was employed.

Penalty for failing to give information or giving false information.

6. Any employer who fails to give the information required by section 5 of this Ordinance within the time prescribed or who wilfully furnishes false particulars shall on conviction by a magistrate be liable to fine not exceeding fifteen pounds or to imprisonment for a term not exceeding two months.

Persons on temporary visit to Colony exempt from tax.

7. Notwithstanding the provisions of section 3 of this Ordinance no payment under this Ordinance shall be due from any non-native on a temporary visit to the Colony not exceeding three months between first July and thirty-first December, 1932.

Provisions of Principal Ordinance to apply to additional taxes under this Ordinance.

8. The provisions of sections 5 to 14 inclusive 16 and 17 of the Principal Ordinance shall apply as if the additional taxes imposed by this Ordinance were part of the tax prescribed in the Principal Ordinance and the terms "Collector" and "Magistrate" shall have the meanings assigned to them in section 2 of the Principal Ordinance.

Duration of Ordinance.

9. This Ordinance shall continue in force until the thirty-first day of December, 1932, and shall then expire:

Provided that such expiry shall not affect any liability, penalty or punishment incurred under this Ordinance or any legal proceeding or remedy in respect of any such liability, penalty or punishment, but any such legal proceeding or remedy may be carried on or sought as if this Ordinance had not expired.

... provisions of the ...
 ... of this Ordinance ...
 ... non-exceeding three months ...
 first December, 1921.

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6. The provisions of sections 1 to 5 inclusive ...
 ... of the ...
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7. This Ordinance shall come into force ...
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GOVERNMENT HOUSE,

KENYA,

EAST AFRICA

21st May, 1952.

Dear Bottomley,

There are two pending matters regarding which I think it is desirable that you should have some information later than that contained in the formal despatches.

The first is in connection with my confidential despatch No. 21 of the 5th February on the subject of Muslim representation both in Legislative Council and on Municipal bodies. The religious cleavage is growing and I believe now that the Muslims would be prepared to throw over the "Common Roll" and accept nomination by the Governor; but of course the Indians here are very tricky, so one has to act cautiously. I have made definite recommendations to the Secretary of State in the fifth paragraph of the above quoted despatch and, if he decided to adopt my suggestion, it might clarify the position. Personally I wish that the whole Council could be reconstituted but of course that would hardly be possible at this stage. It seems absurd that the natives should be

represented....

Extracts
written
in

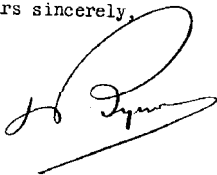
17399/31

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represented by one unofficial member only, whereas 25
voted at the Coast return a European member.

The second matter is the proposed Sisal Bag
industry. I hear on good authority that Imperial
Chemicals - through a subsidiary company - are likely to
come in on a fairly large scale as they have tried the
sample bags at Magadi and found them very suitable for
their products. You probably know more about this
than I do for the prime mover is Colonel Pollett, one of
the Directors who recently paid a visit to this country.

Yours sincerely,



Sir W.C. Bottomley. K.C.M.G., C.B., C.B.E.
The Colonial Office.
London. S.W.1.

Extracts
Re: on
TT
Kang
H.P.

AIR MAIL.

21
GOVERNMENT HOUSE,
NAIROBI,
KENYA.
11th February, 1952.

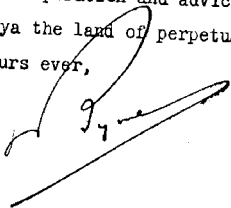
My dear Wilson,

I posted to you yesterday a long letter dealing with the political situation.

An amusing letter appeared in this morning's East African Standard which I enclose. It is symptomatic of the general change in feeling which now exists and it rather confirms the view I expressed to you regarding the attempt (or bluff) on the part of the Elected members to dominate through intimidation.

I hope and believe that they will now adopt a more helpful and reasonable attitude and that instead of considering themselves as perpetually in opposition they will assist us with their co-operation and advice. However, you can never count on Kenya the land of perpetual surprises.

Yours ever,



Brig. General Sir Samuel Wilson,
G.C.M.G., K.C.B., K.B.E.
The Colonial Office.
LONDON. S.W.1.

Governor's Appeal to People of Kenya.

"ENLIST FOR THE DURATION" AND HELP THE OLD COUNTRY.

Kenya Not a Sinking Ship.

WHAT THE "WATCHDOGS" WILL BE CALLED UPON TO DO.

"Let us enlist for the duration and hitch our waggon to the Imperial star. The old country is facing her economic difficulties. . . but she cannot stand alone. She requires the help of the Empire as the Empire requires hers.

"Let us show our confidence by devoting our full powers of heart, brain and hand in a united effort for the welfare of Kenya, East Africa and the Empire."

The foregoing are two sentences from a speech delivered by H.E. Sir Joseph Byrne, Governor of Kenya at Nakuru Farmers' Day on Thursday.

Announcements made by him included the appointment of a "Watchdog Committee", the forthcoming re-establishment of the Agricultural Board, an enquiry into Long Term Credits, a statement of Government's policy in relation to the wheat industry and a report of action taken on proposals made by Elected Members during examination of the 1932 Budget.

His Excellency mentioned that a rough computation of the effect of the recently introduced taxation showed an average additional payment of £7/10/- a year by a settler and his family.

In a reference to recent agitation the Governor declared that some utterances, he was informed, had done harm at home and in those places from which the country was trying to get capital and settlers. He denied that Kenya was a sinking ship, drifting about without guidance and contended that she was well under control, although badly battered.

Reply to Criticisms.

His Excellency said— "When the Director of Agriculture informed me about the holding of these farmers' meetings at various centres and suggested that I should attend and open the proceedings at Nakuru, I very gladly consented. At present agriculture is practically our sole industry— although I may mention that I am doing my utmost to establish without delay a Geological Survey and Mining Department—and we must all therefore push on energetically with any measures designed to help agriculture. Gatherings such as these, which are largely educational in character, are a means to that end and are worthy of encouragement and support.

Agricultural Board.

"Now one of the most pressing of these measures is the reappointment of the Agricultural Board.

funds are available for the purpose. But inasmuch as this technical subject has a bearing upon the functions of a Board of Agriculture, I have been desirous of getting the Board settled first.

White Settlement.

"As regards my attitude towards white settlement, of which I sometimes think a wrong impression is being given in every public statement I have made since I came to the Colony, I have expressed nothing but admiration of the settlers' courage, my sympathy with them in the temporary misfortune they are encountering, and my desire to help them in every way possible. I also fully realise and recognise the enterprise shown by them and the success of their efforts in developing the resources of the Colony. I am intensely keen on residential

improving native production, both in quantity and quality. Domestic stations, centres, market facilities, co-operative societies, are being fostered where practicable, and the ground is being prepared for more fruitful results when more favourable conditions are restored.

The Elected Members.

"As I have stated in Council, I am most anxious to secure the co-operation and help of Elected Members. (Hear, hear.) But I am sure my good friends, the Chairman and Lord Francis Scott, will support me when I say that the Elected Members themselves do not maintain that every idea of advice they tender must be accepted without question. Many interests are at stake and the Government must, to the best of its ability, hold the scales and decide what is best for the Colony as a whole. In no Crown Colony in the Empire are Elected Members given a better opportunity for scrutinising expenditure than they are given in Kenya. The 1932 Budget was laid before them late in August, and until the middle of November they sat more or less continuously and examined every item of proposed expenditure. The Heads of Departments appearing before them to give such information as was required. I have again closely examined the Expenditure Statement in the Select Committee's report and the only differences I can find between the amounts proposed by the official members and the unofficial members is the matter of the salary of one official amounting to £1,850.

"During the concluding stages of the sittings there was a recommendation that Government should still further curtail its expenditure for 1932 by £100,000. It was not vouchsafed any advice as to how this should be done.

K.A.R. & Police.

"The Elected Members, however, made many useful suggestions in the report which are being followed up with the utmost despatch. May I mention the most important of these. The terms of Service Report, after being examined by all Heads of Departments, has already been considered by Executive Council and the matters which I have promptly decided have been dealt with, and recommendations submitted to the Secretary of State. The details required to establish the Local Civil Service, as recommended by Mr. Fitzgerald's Committee, are now being examined and put into a form which will enable us to establish local European and Asian Services without undue delay. The suggestion that the King's African Rifles should be disbanded, and Police substituted therefor, is a

upon the Headquarters organisation of Government.

"As regards the Public Works Department, an opinion was expressed by Elected Members that the duties performed by the Department in Plateau North, Plateau South and Nakuru could be undertaken by the District Councils concerned with a large consequential saving to Government. The Government are anxious to have this suggestion examined, and an ad hoc Committee is now in course of appointment.

THE COLONY'S FINANCES.

A Review of the Situation.

"Touching on the financial position, I wish in the first instance to dispose of statements which have been given every publicity, to the effect that Government is playing fast and loose with the unspent loan balances. I am in a position to state that the unspent balances of Loan Funds were held in cash at December 31 last and that the cash position has improved materially since that date. In general, there are two aspects of the position—one relating to the immediate past and future, the other to the effect which the present world depression may have on the financial structure built up, as it is, to some extent, with loan money which leaves such heavy annual commitments. As regards the first category, in 1931 we, in common with practically every country in the world, have had to "cut our losses" to the lowest possible extent—for without exception all countries were caught napping and found themselves with budgets which, as it turned out, were far too optimistic.

A Kenya Service of Intercession.

A combined Service of Intercession in which the Church of England, the Church of Scotland and officers of the Salvation Army will take part is being held in the Cathedral, of the Highlands, Nairobi tomorrow (Sunday evening) at six thirty o'clock. In view of the present condition of the world it has been felt that this particularly is a time when Divine guidance should be sought. At present thoughts are turned to Kenya where a Disarmament Conference attended by representatives of 80 Governments is meeting, unfortunately under the shadow of the menacing situation in the Far East. In addition to those major issues of importance to world peace there is a wide range of difficult problems confronting all statesmen and peoples throughout the world. The East African

1932. To do this we had to adopt three main expedients, namely, a levy on officials' salaries amounting roughly to £50,000, minor taxation measures which bring in between £50,000 and £60,000, and further retrenchments and curtailment of services. These expedients are all inter-related. If you scrap one you throw an undue strain on the others. Some, including a majority of Elected Members, say that we ought to have taken £100,000 from the officials as we still have the power to do under the Ordinance, but in my submission this would be a very unwise course unless the position becomes much worse, for apart from other objections the Customs revenue and trading interests would feel the effect at once.

New Taxation.

"As regards taxation, you are aware that the Elected Members agreed to certain items which they vigorously opposed others, as they had a perfect right to do. The Government however, felt that some extra revenue had to be obtained from this source and that provided the individual did not suffer to any great extent it was a legitimate measure and one which was mild in comparison with the extra taxation introduced in the mother country and in most of the Dominions and Dependencies. I have had worked out for me a statement showing how this extra taxation affects the average settler and his family. On a computation which is necessarily arbitrary he would pay an additional Shs 10/- a year on food and drink Shs 53/50 on motor taxation Shs 30/- on sports requisites Shs 48/- on amusements, and Shs 10/- on letters—a total altogether of £7-10. As it stands, this is not a very large figure and it ceases to be at all formidable when it is to be remembered that the power of curtailment is very largely in the hands of the individual as it always has been with indirect taxation.

CUSTOMS REVENUE.

Estimates Still Thought to be Reasonable.

"One of the most important decisions which had to be taken in connexion with the 1932 Budget was the fixing of the Customs Revenue. On the one hand, the Commissioner of Customs, who is a very experienced officer with great knowledge not only of the direct Kenya trade but also of the indirect trade which brings us considerable revenue, expressed the opinion, after an exhaustive examination of each item in the Tariff schedule that £761,000 would be a reasonable figure, always supposing that the Colony does not suffer a further serious reverse during 1932. This when you take into

be static, particularly in regard to the trade of the territories upon which the Customs Revenue depend.

"On the other hand, his Elected Members thought, as they had a perfect right to, that Mr. Walsh was not sufficiently pessimistic and they urged that his figure should be reduced by £75,000, but they were not then aware of some of the extra taxation, and therefore I very much doubt whether the difference of opinion on what is after all purely an estimate will amount to more than £50,000. The Government had to decide as to whether they would work on Mr. Walsh's estimate or on that of the Elected Members and, rightly or wrongly, the decision was in favour of the former. On this basis we have produced a genuine Budget which is not only balanced but which shows a surplus of £50,000.

"Possibly you will say that supposing the Elected Members prove to be right and Mr. Walsh proves to be wrong—what then? The Government have not overlooked this possibility and for weeks past Heads of Departments have been preparing alternative schemes for further economies so as to have them in readiness if, unfortunately, they should be required. But I trust they will not be required for nothing could be worse for the revival of this Colony's trade and prosperity than an undue curtailment of those essential services which are so necessary if we are eventually to increase our production. You will recall that the General Manager of the Railway has indicated in his Annual Report that now traffic was lagging behind the transportation development. On this account the Railways and Harbours Administration is suffering and it is of first importance that production should not only be maintained but substantially increased. The satisfactory rate of increase of past years has been checked by the collapse of markets for primary products, but if we are able to maintain

(Continued on page 8).

Richardson

Ty
LAND AND
PRODUCE

The following are a few of
**AGRICULTURAL HOLDINGS
FOR SALE.**

KERUHO (Buret): A fine estate of 1,265 acres. 65 acres bearing coffee. Price low for quick cash sale.

should attend and open the proceedings at Nakuru. I was gladly consented. At present agriculture is practically our sole standby—although I may mention that I am doing my utmost to establish without delay a Geological Survey and Mining Department—and we must all therefore push on energetically with any measures designed to help agriculture. Gatherings such as these, which are largely educational in character, are a means to that end and are worthy of encouragement and support.

Agricultural Board.

Now one of the most pressing of these measures is the reappointment of the Agricultural Board. The view of the Government is that this purely Advisory Board should consist only of the Plant Industry which includes European, Native and Indian agriculture, and with the Coast, where special problems exist, but also with the very important Animal Industry. My view is that a Board of Agriculture more fully representative than the original Board of all the various agricultural industries and inter-related activities should be set up, and I hope very shortly to be in a position to announce its appointment. I believe that its constitution will be found acceptable but there is a difference of opinion with regard to the chairmanship and this has caused some delay. Certain responsible persons maintain that there should be an unofficial Chairman, and indeed they have reasonable grounds for their view for do not the Hall Commission after dealing with the proposal for a Minister of Agriculture recommend that an unofficial member of the Legislative Council should be Chairman. On the other hand, it may well be advanced that in order effectively to secure the closest co-operation with the Department of Agriculture—which we all desire—great advantages would be gained if the Chairman was the Director of Agriculture. Mr. Holm is undoubtedly an experienced Chairman, is intimately acquainted with the various issues to be dealt with and in a position to give effect to the Board's wishes with the least overlapping and waste of effort. The matter appeared to me to be of sufficient importance to refer it to the Secretary of State for decision. I expect to receive his decision at any moment but whatever this decision may be I would ask everyone to accept it loyally and to do their best to make the Board a success. We must above all keep it and its deliberations clear of politics.

Long-term Credits.

Another matter which has been engaging my close attention is the question of Agricultural Credit, particularly of a long term description. I shall not fail in my promise to see that a Committee is appointed to examine this question and to frame a scheme so that it may be ready if and when

White Settlement.

As regards my attitude towards white settlement of which I sometimes think a wrong impression is going about—in every public statement I have made since I came to the Colony I have expressed nothing but admiration of the settlers' courage, sympathy with them in the temporary misfortunes they are encountering, and my desire to help them in every way possible. I also fully realise and recognise the enterprise shown by them and the success of their efforts in developing the resources of the Colony. I am intensely keen on residential settlement and I am equally desirous that farming settlement should progress along sound lines and that those areas in the Colony which have been alienated should be developed I am sure, however, that you will agree that we should exercise particular care during the period of depression, and that we should confer no lasting benefit upon the Colony if new settlers are not able to succeed. It therefore behoves Government and private interests to see to it that men with the necessary means, of the right type, and preferably also with some experience are settled on the land and that they will have a reasonable chance of making good. Might I remind you that one of my first efforts after my arrival was to get the Land Bank to function, this Bank has already proved a great boon to very many farmers.

The Wheat Industry.

I am anxious to see the wheat industry prosper and have given much thought to proposals submitted to me. Some say that instead of raising the Import Duty on imported flour from Shs. 9/ to Shs. 12/ per bag I was wrong and that I should have raised it to a sum which practically amounted to prohibition. Well, there are many sides to this question and to make the issues clear, I caused a statement of the Government's attitude to be prepared. This document was circulated to members of Legislative Council, but through a misunderstanding of which I have only just become aware, it was not circulated to the Press. I shall make it available for publication at once.

Agriculture, as I have often stated, is the dominant industry of the Colony; indeed, Kenya may be likened to a huge agricultural estate which will remain undeveloped and its contribution to the wealth of the State will be restricted if the whole of its resources are not brought into the pool. The potentialities of the Native Reserves are receiving an increasing amount of attention; the co-ordinated efforts of the Departments concerned in consultation with commercial interests are stimulating and im-

most despatch. May I mention the most important of these Terms of Service Report, after being examined by all Heads of Departments, has already been considered by Executive Council and the matters which admit of prompt decision have been dealt with, and recommendations submitted to the Secretary of State. The details required to establish the Local Civil Service recommended by Mr. Fitzgerald's Committee are now being examined and put into a form which I trust will enable us to establish local European and Asian Services without undue delay. The suggestion that the King's African Rifles should be disbanded and Police substituted therefore raises questions of great complexity for the organization of the Force into two Brigades affects all four Territories, to each of which reserves can be sent should circumstances require it. We have, in fact, at the present time a portion of the Uganda Battalion serving in Turkana, where the military problems can hardly be adequately known to those who advocate the change. These problems are not confined to Turkana alone, but they arise in an acute form in the Northern Frontier Province. Now in 1922, when there was not this military union between the various territories, a most carefully thought out scheme for substituting Police for Military contingents, I imagine, most of the ideas of those who now press for a change, was proposed. It was sent to the Duke of Devonshire who found himself unable to agree and who ordered that the dual services should be maintained. It appears to me, therefore, that the proper course to adopt before we appoint a local Committee is to ascertain the views of the present Secretary of State and of the Committee of Imperial Defence on the main principles involved and a despatch has accordingly been sent to Sir Philip Cunliffe-Lieter. It might interest you to know that as a result of the recent visit of the Inspector General, we think that it will be possible to achieve still further considerable reductions in Military expenditure.

The Secretariat and the Public Works Department are always bonas of contention. As regards the former, I wonder if our critics really understand the mass of necessary work which has to be performed by this Department in a Colony of such size and varied interests. No one is more anxious than I am to reduce this work by decentralization. A Committee is already in being examining the problem of Provincial reorganisation but its deliberations had to be postponed until the Joint Committee reported on the status and functions of the Chief Native Commissioner. Its sittings will be resumed in its very near future on the return next week of the Colonial Secretary who is its Chairman. The findings of the Committee will no doubt reflect

of the present condition of the world it has been felt that this particularly is a time when Divine guidance should be sought. At present thoughts are turned to Geneva where a Disarmament Conference attended by representatives of 60 governments is meeting, unfortunately under the shadow of the menacing situation in the Far East. In addition to these major issues of importance to world peace there is a wide range of difficult problems confronting all statesmen and peoples throughout the world. The East African territories are unfortunately seriously affected by the economic difficulties besetting the rest of the world and in addition are attempting to find solutions for a set of local problems arising out of the present period of depression.

Church leaders have felt that the time is opportune for a coming together of the people in a common act of intercession and this special service has accordingly been arranged.

Although both Government and the Railway Administration started to build up reserves they were unfortunately overtaken before these reserves reached an adequate amount.

Much the same position obtains in regard to farming enterprise, in which again there has been insufficient time to accumulate and lay by reserves. Farmers have spent their resources, whether in the form of capital or profits, upon development of their property and now they find themselves short of cash and largely because of the depression in prices and of credit facilities. Hence the real need for Land Bank loans and advances such as have been granted under the Agricultural Advance Ordinance, as well as a sound scheme of agricultural credits to which I have already referred. The depression was deeper and more prolonged than anyone anticipated and it was enormously aggravated here by the locust infestation. The situation was realised very early last year and drastic economies were at once effected. If we exclude the unavoidable increase in Public Debt charges, a reduction of no less than £481,000 is reflected in the 1922 Budget as compared with the sanctioned Estimates for 1920.

This result has been achieved despite the necessity for providing for normal increments of salaries and a considerable increase in the provision for pensions. We could not save 1921 from a deficit but it was the paramount duty of the Government to see that a balanced Budget was introduced for


One of the most important decisions which had to be taken in connexion with the 1922 Budget was the fixing of the Customs Revenue. On the one hand, the Commissioner of Customs, who is a very experienced officer with great knowledge not only of the direct Kenya trade but also of the indirect trade which brings us considerable revenue, expressed the opinion after an exhaustive examination of each item in the Tariff schedule that £761,000 would be a reasonable figure, always supposing that the Colony does not suffer a further serious revenue during 1922. Thus, when we take into consideration the new provision in the tariff of the Consumption Tax and the other additional taxations, which I have mentioned, which is approximately £115,000 less than the actual collection in 1920 and a quarter of a million less than the actual collection in 1929. Only the other day I received a report from Mr. Walsh informing me of some improvement in the Customs returns for December. I will read you the final paragraph of this report.

So far as prospects in 1932 are concerned, the position remains obscure in the extreme. Problems of primary importance to international trade such as German reparations, the Indian situation, the fixation of the value of the £, and the future tariff policy of the Empire remain unresolved, whilst internal factors including an estimate of the ultimate results during the whole of 1932 of the locust infestation crop yields and prices, the effect of depletion of working balances involving a possible inability to repurchase stocks, the extent of arrears regarded as normal and the repercussions on the Customs revenues following retrenchments, loans or reductions of salaries, etc., all tend to complicate a problem which in ordinary circumstances is already sufficiently difficult. Compromise is a word not only an estimate of the total yield but also an estimate of the allocations to each of the three territories. Constant vigilance is clearly an imperative necessity, but having regard to the increase in the rates of duty now imposed including incorporation in the Tariff of the Consumption Tax, the coupled with the fact that the estimates are on a sterling basis and that stocks in the territories remain largely sufficient for current requirements, I am prepared to continue to maintain that in all the circumstances now existing the Customs Revenue estimates as finally accepted by the Government are reasonable, it being understood that when the whole world is in a state of flux, conditions in Kenya and

to be reasonable.

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LAND AND PRODUCE
LAN
The following are a few of
AGRICULTURAL HOLDINGS FOR SALE.
KERIRO (10) (Buret) A holding of 1,265 acres, 500 acres bearing coffee. Price for quick cash sale.
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KIAMI—Near Boma, a Valuable Coffee Estate, 130 acres, fully bearing, factory complete. Excellent house, low price of Favourable Terms.
NANYUKI—An excellent holding of 2,280 acres, partly developed £5,500 for a quick sale.

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Soc
P.O. Box 995

GOVERNOR'S APPEAL TO PEOPLE OF KENYA

(Continued from page 7)

the organisation of our services, both Government and commercial. I do not doubt but that there will be a revival in the traffic offered to the Railway

ECONOMIC COMMITTEE.

Composed of Officials and Non-officials.

Long before the few recent meetings which I see have been termed "mass meetings" were held I formed the opinion that we should have a rather better something in the nature of a watchdog who would keep continually watch over the trade and revenue position so that the Government would not be taken by surprise. I caused the Acting Colonial Secretary to announce my desire in the Legislative Council on December 9. I have recently received the Secretary of State's approval of my proposal which briefly is the appointment of a small Standing Economic Committee with the following list of members:

To keep under consideration the view the economic situation of the Colony in relation to the Government's revenue and to report from time to time a view to enabling the Government to take such action as may be necessary to maintain a balance between revenue and expenditure.

The official members of this Committee will be: Mr. Legat has consented to serve as a representative of the Kenya branch of the Association of Chambers of Commerce and Industry. On the official side there will be the Treasurer of the Commission of Enquiry and possibly the Chief Secretary as Chairman.

I will now deal with the steps long ago taken to gain the examination of our economic structure. On my arrival in the Colony I was pleased to appoint without delay a local Finance and Economic Committee which I was told then, and am now being told, would be a panacea for all our ills. The following extract from a speech I made in Legislative Council on the 2nd June may interest you. The picture which I have attempted to draw of the financial position both of the Colony and of the Railway must necessarily give all those interested in the welfare of Kenya cause for anxious thought and I know, both from representation

AGED INDIAN WHO WAS ROBBED BY HIS SON

(Continued from page 1)

He agreed that he had been bankrupt ever since he had been in Kenya. The Uganda people had given him a long time to pay them.

His Honour: A process known as robbing Peter to pay Paul?—There was no other help.

So you thought it better to defraud Kenya?—That is so, but I hoped I should live over.

The Official Receiver: He has been robbing these people all along without any possibility of paying them. Debtor argued that the terms of arrangement had then been hopeless—they had given him a long time. He added: The Kenya people were very kind. They had not charged him interest at a rate of 10 to 12 days. At that time business had been very good and he could then pay off his liabilities.

Finally debtor stated that expenses had become so high that he had thought it better to close his business in 1951. This statement was accepted.

Other Cases

Arjunlal Arjunlal was stated to have been arrested as a debtor. The Official Receiver stated that the liabilities were estimated to be about £100. The debtor was not present and the Official Receiver was able to take the case.

Charles Charles was stated to have been arrested from Mrs. Francis. The Official Receiver stated that the liabilities were estimated to be about £100. The debtor was not present and the Official Receiver was able to take the case.

The Official Receiver with the assistance of Mr. Frank Brady, one of the members of the firm of Messrs. Maxwell, Albert Hill, and Charles Gordon Esdrie had already been discharged, and the Official Receiver

An Appeal

gentlemen, I will now continue in the long talk first by making an appeal to the speakers and writers who sometimes overlook the fact that in their zeal to attack the Government they not infrequently bearish this fair land. Some of the recent utterances have, I am informed, done harm at home and in those places from which we are trying to get capital

TRINITY COLLEGE OF MUSIC

Result of Examinations in Kenya

The following are the results of the practical examination of Kenya candidates held by Mr. Albert Mulligan, of the Trinity College of Music, London, in Nairobi recently:—

Pianoforte (First Steps).

Honours.—Silva Nordlinger (Loretto Convent, Nairobi), Sels McLennan (Loretto Convent, Nairobi), Frelyn Galton Penzi (Loretto Girls' School), Kirstie Dunlop (Loretto Convent, Eldoret), Kenneth Bradshaw (Kathleen Bates).

Pass.—Opal Lehaz (Loretto Convent, Nairobi), Diana Taylor (Lumuru Girls' School), Elizabeth Delaney (Lumuru Girls' School), Joan Farney (Loretto Convent, Eldoret), Sheila O'Shea (Loretto Convent, Eldoret), Edna Curwen (Mrs Cameron Nakuru), Violet Green (Mrs Cameron Nakuru), Judith Carlisle (Private), Iris Hand Overy (Mrs E. M. Paine), Jeannette Strachan (Mrs L. Franklyn), Teline Messman (Catholic Cathedral School, 4th Avenue, Nairobi), and Clara de Souza (Catholic Cathedral School, 4th Avenue, Nairobi).

Violin (First Steps)

Honours.—Ireda Dubcan (Lumuru Girls' School).

Pianoforte (Preparatory)

Honours.—Amy Ashworth (Loretto Convent, Nairobi), Jean Kirby (Mrs E. M. Paine).

Pass.—Ruth Destrin (Loretto Convent, Nairobi), Barbara Hutcheon (Loretto Convent, Nairobi), Joy Pollok (Loretto Convent, Nairobi), Angela Peast (Loretto Convent, Nairobi), Pamela Moulton (Mrs E. M. Paine), Monica Smith (Parklands Private School), Zeala Howe (Mrs E. M. Paine).

Elocution (Preparatory)

Honours.—Estelle Cole (Loretto Convent, Nairobi), Betty Ekstein (Loretto Convent, Nairobi).
 Pass.—Doreen Hunter (Loretto Convent, Nairobi), Joan Jennings (Loretto Convent, Nairobi), Nettie Ogilvie (Loretto Convent, Nairobi), Amy Ashworth (Loretto Convent, Nairobi), Freda Smith (Parklands Private School).

Singing (Preparatory)

Pass.—Freda Smith (Parklands Private School).

Pianoforte (Junior)

Honours.—Doreen Hunter (Loretto Convent, Nairobi).
 Pass.—Doreen Hill (Loretto Convent, Nairobi).

ENTERTAINMENTS

Empire Theatre.

The programme at the Empire Theatre for the latter part of the week is extremely good. The principal film is "Fanny on Parade" which is really a variety entertainment on a very lavian scale. Most of the well known character stars are introduced in characteristic representations. The most famous being Maurice Chevalier, Clara Bow, Ruth Chatterton, Olive Brook and William Powell. It is a wonderful collection and the film is refreshing because of the many and big contrasts afforded in the types of colour and the settings for this most part are elaborate and beautiful. The talking throughout is clear. The rest of the programme consists of a refreshing news reel and an interesting travelogue on Egypt. Incidentally the evening's entertainment gains enormously because the curtain raisers to the big film have been cut down. So often the principal picture is preceded by many items some of them of negligible interest, that the programmes are made unnecessarily long.

Theatre Royal.

In response to numerous requests for more of the very successful talkie, "Canaries sometimes sing" this film will be shown at a matinee this afternoon and again to-night at the Theatre Royal. It is quite one of the funniest "talkies" Nairobi has yet enjoyed and doubtless there are many who will welcome the opportunity for a second visit.

MUNICIPAL COUNCIL.

Three Indian Candidates Nominated.

The following are the three Indian candidates who were nominated on Friday for the two vacant Indian seats on Nairobi Municipal Council, with their proposer and seconders:—
 Mr. Chuni Lal Kipparan, proposed by Mr. Hiranand Giddomal, seconded by Mr. Manji Jan Mohd.
 Mr. Puranchand Money, proposed by Mr. Hiranand Giddomal, seconded by Mr. Manji Jan Mohd.
 Mr. Abdul Bahman Cocker, proposed by Mr. U. K. Oza, seconded by Dr. R. V. Adalja.

The nominations were taken up at 5 p.m. on Thursday evening in the office of the E.A. Indian National Congress, by Mr. B. S. Varma, Hon. Secretary of the Indian Informal Election Committee. The election has been fixed for Sunday, February 14. In the "E. A. Standard" on Monday will be advertised the place and times

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 Box 469, NAIROBI.

structure. On my arrival in the Colony I was pressed to appoint without delay a local Finance and Economic Committee which I was told then, and now being told, would be a panacea for all our ills. The following extract from a speech I made in Legislative Council on the 2nd June may interest you. The picture which I have attempted to draw of the financial position both of the Colony and of the Railway must necessarily give all those interested in the welfare of Kenya cause for anxious thought, and I know, both from personal representations made to me personally since my arrival, and from previous representations made to the Acting Governor, that there are many who advocate as a first measure of precaution the desirability of examining our economic structure with a view to ascertaining whether any fundamental alterations or adjustments are required to meet the possibility of the present level of agricultural prices remaining more or less permanent. Such an examination would necessarily range over a wide field and would have to pass under review not only our existing Government machinery but in addition, our Railway and fiscal policy. The more I have considered the more difficult question, the more I feel that we should be all advised to entrust this inquiry to a purely local committee. Its magnitude, its technicality, and the fact that other colonies are involved or resistibly leads us to the belief that the only satisfactory solution is to obtain the help of a highly competent and impartial authority with qualifications that would command general respect. I may add that I have not since altered my opinion on this matter.

Lord Moyne's Enquiry

Whilst the Secretary of State was searching for a suitable adviser the Joint Parliamentary Committee held its sittings and in their Report they advised His Majesty's Government to have an enquiry without delay by an independent authority into certain questions relating to taxation, import duties and Railway rates which will, I feel sure, eventually result in the very enquiry I envisaged in my speech of June 2. In the view of these events, it was felt very strongly that the appointment at the present time of a local Finance and Economic Committee was not the best method to adopt. Since this opinion was formed the situation has cleared up to the decision of His Majesty's Government to send out a distinguished authority in the person of Lord Moyne to conduct this enquiry.

particulars. (Loretto Convention, Nairobi). Albert Hill, and Charles Gordon Eadie had already been discharged, and the Official Receiver.

An Appeal.

"Gentlemen, I will now conclude this long talk first by making an appeal to those speakers and writers who sometimes overlook the fact that in their zeal to attack the Government they not infrequently besmirch this fair land. Some of the recent utterances have, I am informed, done harm at home and in those places from which we are trying to get capital and settlers. Kenya is not bankrupt, she is not a sinking ship drifting about without guidance. She is as sound as a bell, and she is well under control. It is true that she has been badly battered about by the dual misfortunes of the depression and the locusts, which after all must be regarded as a temporary affliction, but if we all keep our heads and try and put together for one, early or late, whatever as to her early record, I see many visitors from the rest of the country and they one and all express their relief at coming to a land where at least they find some hope and courage and hope.

Lastly I should like if I may, to strike a less puerile note and refer to our wider responsibilities. We may not be in a position as a country to help the Imperia Technica in this present emergency by making contributions as a result of the more fortunate independence have done. We can however do and all do our bit and I commend to you with all the force at my command the appeal recently issued by His Royal Highness the Prince of Wales, our unrivalled ambassador in Empire, who has shown his interest in East Africa by two separate visits. Let us enlist for the first time and hitch our wagon to the Imperial war. The old country is facing her economic difficulties with a united and confident front but she cannot stand alone—she requires the help of the Empire as the Empire requires hers. It is to our mutual interest that we should press forward development on second lines and also that we should "Buy British". That is the way to encourage the flow of capital and to foster the Government welcomes suggestions for new constructive enterprises and from one or two recent indications it is clear that initiative is not dead and that investors have not lost their interest in this Colony. Sympathetic consideration is assured to all sound schemes, let us show our confidence by devoting our full powers of heart, brain and hand in a united effort for the welfare of Kenya, East Africa and the Empire.

"Gentlemen, I now commend to your interest the lectures which are about to be delivered on subjects which so materially affect your welfare and that of Kenya."

Singing (Propagatory).

Pass.—Freda Smith (Parklands Private School)

Pianoforte (Junior).

Honours.—Doreen Hunter (Loretto Conv., Nairobi).
 Pass.—Doreen Hill (Loretto Conv., Nairobi). Jean Henderson (Loretto Conv., Nairobi), Marv Fey (Loretto Conv., Nairobi), Daisy Blacklaws (Loretto Conv., Nairobi), Myra Siqueira (Lumumba Girls' School).

Violin (Junior)

Honours.—Maria C. A. Lambourn (L. S. Whiteson)
 Pass.—Nora Johnson (Loretto Conv., Nairobi), Jean Henderson (Loretto Conv., Nairobi).

Cello (Junior).

Pass.—Elizabeth Hutson (Loretto Conv., Nairobi)

Elocution (Junior)

Pass.—Elizabeth D. Humphreys (Private)

Piano (Intermediate)

Honours.—Eileen Tate (Loretto Conv., Nairobi).
 Pass.—Joan Howard (Loretto Conv., Nairobi), Marion Hutson (Loretto Conv., Nairobi), Elizabeth Hutson (Loretto Conv., Nairobi).

sponsored by Mr. Manji Jan Mohd. Mr. Puranchand Money, proposed by Mr. Hiranand Giddomal, seconded by Mr. Manji Jan Mohd.

Mr. Abdul Rahman Cocker, proposed by Mr. U. K. Oza, seconded by Dr. R. V. Adalja. The nominations were taken up to 5 p.m. on Thursday evening in the office of the E.A. Indian National Congress, by Mr. B. S. Varma, Hon. Secretary of the Indian Informal Election Committee. The election has been fixed for Sunday, February 14. In the "E. A. Standard", on Monday, will be advertised the place and time of voting.

SPORTS DIARY.

February 8:
 Annual general meeting of Kenya Rifle-Association at 4.30 p.m.
February 13:
 2nd Stage Waddell Shield, 300, 500 and 800 yards
February 27:
 3rd Stage Waddell Shield, 200, 500 and 600 yards
March 12:
 Final stage Waddell Shield, 800, 500 and 600 yards.

Nairobi, Nora Johnson (Loretto Conv., Nairobi), Muriel Lockheed (Loretto Conv., Nairobi), Jean E. Moulton (Mrs. E. M. Payne)

Elocution (Intermediate)

Pass.—Elizabeth Hutson (Loretto Conv., Nairobi)

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AIR MAIL.

24
GOVERNMENT HOUSE,

NAIROBI,

KENYA.

9th February, 1952.

My dear Wilson,

Thank you very much for your two letters, one dated the 14th January and the other the 18th January: both arrived yesterday.

You need not have any anxiety about the rumours regarding my attitude towards the elected members. As you know I am not a bureaucrat, for my policy is to go freely among all classes of the people so as to hear their views; in addition I welcome people generally, and particularly elected members of Council, coming to see me in my office so that they can air their grievances and put before me their side of any question.

The trouble has been with the "elected members" and to refresh your memory I will refer briefly to their system of working.

In the first place, except in the case of a few individuals, they do not really represent their constituents. Men like Durham, O'Shea, Cotter, Kirkwood, etc., are in power because none of the leading people will consent to stand. There is much grumbling at their antics and this dissatisfaction is growing daily. Under that astute politician Delamere they worked as a team sharing a Secretary with the Convention of Associations. They accepted his policy and were more or less united. Their powers.....

powers were great for not only had they some debating ability in Council, but they had at their hand the following weapons which they could use to intimidate the Government, and stir up public feeling in their favour.

- (a). A threat to walk out of Council (this was used in the last but wisely was not carried out).
- (b). A controlled Press. The East African Standard is really their organ.
- (c). Instruction to each local Association of the Convention to pass identical resolutions in their support and against the Government.
- (d). Mass meetings (we have recently had three which were dismal failures.)

Now when I came here I tried my best to encourage friendly talks with Delamere and his leading colleagues so that we could thrash out our difficulties and differences without airing them in Council. This apparently did not fit in with their plan and although my social relationship with Delamere was most cordial (Lady Delamere is probably my wife's and my greatest friend in the Colony) he would never come and talk things over and give me advice.

As I see it now the plan was to assert their right practically to rule the Colony and to intimidate the Government into accepting this rule.

The issue was joined in June when we brought in some minor and very necessary measures of taxation in conjunction with the two neighbouring territories. We were most conciliatory in debate but there was an united opposition to all taxation and the Government had no alternative but to carry out its policy which was necessary....

necessary if financial stability was to be maintained. All the weapons were forthwith brought into operation and the statement made that the Governor and the Government were ignoring the representatives of the people etc., etc. I was accused of being hostile to White Settlement largely because I refused to prohibit the import of Indian flour: bottomley will tell you all the facts about this.

The same tactics were pursued during the budget debate and during the interminable Select Committee proceedings.

At this stage Delamere died and the mantle fell upon Francis Scott who has not the former's ability and who, probably owing to his wounds, has an uncontrollable temper. He started badly by making silly speeches and by attending the abortive Mass Meeting at Nairobi which was not right as he is a member of Executive Council. In addition, some of his followers got a bit out of control and made wild statements calculated to do harm to the Colony as a whole. As I expected, a reversion of public feeling began to be felt and numbers of leading settlers and commercial men came to see me to assure me of their support and to express their desire to put a stop to all this hot air and nonsense.

I gave the wild men a bit more rope and then decided to visit the most troublesome centre, Nakuru, and to make a public statement outlining the Government's policy. A copy of my speech is enclosed and also a copy of this morning's leading article in

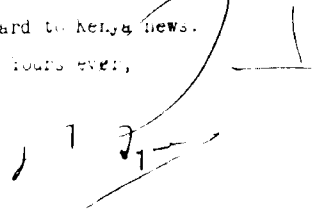
GOVERNMENT HOUSE,
NAIROBI,
KENYA.

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this and we are all working as a team determined to push on unitedly with this, which I consider is one of the most important means of increasing our wealth and prosperity. No one has recognised its value more than the Chief Native Commissioner and his department and I'm sure he would be deeply disappointed if we were compelled to abandon these meetings.

I am sorry to inflict this long letter upon you in the midst of all your other worries but it is essential that you should be kept up to date in regard to Kenya news.

Yours ever,



Brig. General Sir Samuel Wilson,
G.C.M.G., K.C.B., K.B.E.
The Colonial Office.
LONDON. S.W.1.
ENGLAND.

4.

the East African Standard.

From what I can gather the atmosphere is rapidly changing. Francis Scott appears to have changed also for he has become most friendly and helpful. Schwartz's return will also be an advantage for he has plenty of brains and he will, I believe, exercise a steadying influence on Scott.

I hope you will gather from the above that I am all out for co-operation but I'm sure you will also agree that the Government cannot allow itself to be intimidated: it must do what is right for the Colony as a whole. This attitude has kept the Indian, the African and the Commercial Section quiet during this abnormal period when everyone's nerves are on edge.

Now turning to your letter of the 18th January. I am glad that the Secretary of State agrees to leave the Chief Native Commissionership vacant for the present. I still strongly recommend Wade, but of course he clearly understands that he has no vested interest whatever.

As regards my Native Affairs consulting "body". I wonder if I have not stupidly given you a wrong impression of its functions? In the first place it deals only with development in the Native Reserves. I found that this very important work was being carried out piecemeal, there being no proper co-ordination between the Medical, Veterinary, Agricultural and Educational Departments. There was no combined propaganda. Our meetings have remedied all this....

Handwritten notes:
Rev. Mr. [unclear]
1/18/51

Handwritten notes:
I think
the [unclear]
is not

Handwritten notes:
I am [unclear]
and [unclear]
[unclear]
[unclear]

MONDAY, FEB. 8, 1932.

The Governor's Nakuru Speech.

His Excellency Sir Joseph Byrne, Governor of Kenya, made an unexpectedly long and comprehensive speech when he opened at Nakuru the first of a series of "Farmers Days". It was a welcome speech. It recognised frankly the present tendencies in public opinion and its comprehensiveness suggested a realisation by the Governor of the importance and necessity of meeting criticism on its own ground. It is a pleasure, unreservedly, to congratulate Sir Joseph Byrne on the best speech he has made since he assumed office in Kenya. The country has been anxious for some months to be given something substantial to study and it is due to the Governor to say that his Nakuru speech provides the material. It has revealed what it has been so necessary to tell the country for some time—the measures which Government are taking to strengthen the economic foundations and to cope with the present problems. His first announcement concerning the Agricultural Board indicated, regretably, that the question of the Chairman has been the subject of reference to the Secretary of State. People in Kenya are not enamoured of a policy of too frequent references to the Colonial Office in the settlement of questions which ought to be answered on the spot. Although the advantages of an unofficial chairman are well known and appreciated, there is sufficient evidence to enable the Government to decide upon the appointment of the Director of Agriculture to the position without further delay in the re-establishment of so important an organisation. The

history of the first Board made it abundantly clear to us that in the interests of the country it had become essential to involve the Department in the work of the Board in order to prevent a repetition of the criticisms which largely nullified the influence of the organisation a year ago and to make it reasonably certain that if the Board recommends a line of action its proposals will be assured of that prompt attention and support which can only be expected if the Department of Agriculture is officially associated in their presentation to Government. The

been too long delayed because there is no sound reason for the supposition that funds will not be available if a sound scheme is prepared. His Excellency's references to his interest in and admiration for white settlement should happily relieve him of the charge of opposition to a settlement policy and it will remain for him to take some steps in conjunction with public men to turn that interest into an active practical policy which embraces such assistance to the agricultural industry as the Government, in its present difficulty, can justifiably afford. The speech also included a welcome reassurance of his desire to retain the co-operation of the Elected Members. After all, they are the selected representatives of public opinion in the Councils of the country and it is to them, in the first instance, that Government should turn for advice. The "strong, silent men" who take no public interest in politics and who are sometimes suggested as an alternative source of advice and inspiration are men with no basis of responsibility for the conduct of public affairs, and whatever may be their untested qualifications, they are not entitled to discharge functions for which they have not been chosen by the community. The series of actions taken by the Governor as a result of the report of the Select Committee will be a wel-

come contribution to a re-establishment of essential confidence in the effectiveness and necessity of co-operation between Government and the unofficial members of the Council and should go far to dissipate the regrettable suspicions and criticisms of the past few months. In regard to the financial situation, the appointment of a "Watchdog Committee" will be accepted as a further extension of the basis of co-operation between Government and the country and is calculated to provide a check upon the preferences which Government has shown for its own estimates of probable income. The composition and task of that Committee will require, however, more detailed consideration but the country will catch the hope expressed by the Governor that Lord Moyne's enquiry will develop into the examination of fundamental facts without which his coming visit will lose much of its value to East

tranches—must have confidence in the staff work and see occasional evidence of its success; however little he may know or understand about details. He is certainly not likely to be impressed by the argument that his grievances, frankly and even sometimes intemperately stated, should always be so phrased and presented that they do not offend susceptibilities of critics or friends overseas. The people of this Colony are primarily interested in the affairs of the country they have made their home and although they may sometimes express opinions in terms which do not commend themselves to those unacquainted with their views and difficulties, they have not yet seen any reason in their history why these opinions should be diluted or suppressed from any mistaken sense of the ethics of so-called publicity. It is quite true that public men and less prominent settlers as well, should always cultivate a sense of responsibility and due restraint in their public utterances but that qualification is not on all fours with the assertion that public opinion in Kenya should always temper the expression of its aspirations and its own complaints by the influence of a somewhat loosely grounded belief that straight speaking may be harmful to the interests of the Colony. During the last thirty years, white settlement has had to fight for its position and the only sound way to remove the temptation to be forced a speech and action is to encourage relations between Government and people in the Colony of such a character that outspoken candour will become unnecessary and disputes can be settled amicably on the spot. The Governor's Nakuru speech holds the promise of a better understanding. He has recognised the existence of public criticism and dealt frankly with it and perhaps from that point a new and more promising start can be made. The country will join with us in congratulating him on the most effective, spirited and informative speech he has yet delivered and on the expression of his personal desire to help and be helped which it reveals. We believe his appeal will meet a ready cheerful and willing response in the expectation that a progressive policy will follow.

Extract from a letter from Sir Joseph A. Byrne to
Sir Samuel Wilson, - dated 9th February, 1932.

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