

1933

Kenya

No. 3198

SUBJECT

CO 533/436

Constitutional development & Financial Control

Previous

17407/31.

Subsequent

See 46562/35. 2d. (Indian
Affairs EA)

23039/34.

2
1. Governor Byrnie Lof 61. (New York) 12 May 33
Encls. copy of a debate in Leg. Council on a motion that control of the Colony's finances should rest be vested in the elected representatives of the people. States as to change of attitude of Elected Members in pressing for constitutional advances & states does not propose to take action pending further instructions.

2. Extract from Times 24 May 33

The resolution in the Council was negatived by the use of the official majority supported by Canon Burns, the two Indians and the Arab member. The mover of the resolution ^{first} said that he did not think it was a political move, and then in his winding up speech said he withdrew that as he had been converted during the course of the debate. The general arguments put forward are that native policy is out of the way owing to the creation or impending creation of the Native Betterment Fund as suggested by Lord Moyne, that if the Elected Members had been in control there would have been less Government extravagance, and that the people of Kenya have the right to manage their own affairs. Some of them distrust the Native Betterment Fund. Captain Schwartze regarded it as a very dangerous system of having sort of separate white and black islands, and Sir Robert Shaw said that he, and he thought most of the elected Members, viewed the proposal with the utmost distrust and hostility. Captain O'Shea mentioned New Zealand as a model to follow in view of the fact that New Zealand is closely welded to the home country by ties of friendship.

3

The Governor says that while there is resentment at the present official control among the noisier element of the community, there is no agreed opinion as to what form any increased unofficial control should take and no concrete proposal. The Governor has heard that Lord Francis Scott is going to raise the question here, and enquires whether he ^{will} should be asked for observations. He goes on to say that he has not so far said anything about the composition of the Legislative Council in reply to the despatch of the 13th of July last because he did not wish to raise further controversies owing to the income tax situation and the changing attitude of the Indians, and asks whether he is to await instructions.

I think myself that the best thing to do is to let the matter rest. The agitation may gather strength or it may not. To start anything from here would only give added impetus to it. It would be accentuated if the alternative proposals to income tax are accepted. If nothing is done it may simmer out in time, and in any case they can always be invited to put up some kind of concrete proposal.

I think that the despatch might be acknowledged and the Governor thanked for the expression of his views and informed that the S. of S. does not propose to raise the matter from here, and in any case adheres to his attitude as defined in his despatch of the 13th of July, based upon the report of the Joint Select Committee.

time before the Treasury, who have
and give money loans in certain
Securities, will willingly give
and over the responsibility for
the success of the loans, but I have
not said that anything is hard
F. Scott. W.S.D.

30.5.33

Scotch State

I think you may like to see
what Sir J. Byng has to say on the
concerns to him that the so-called
"conversations" mentioned in a letter
to you and casual talks with
Lord Plymouth (Ditch) and one.

G.H.L.

2.6.33

I think one each of 3
is sufficient.

I have told Sir F. Scott
of anyone else who has
spoken to me that it
is just impossible to

6 Extract from The Times of 4th July 33

? but by A. G. ...
17/11

A. G. ...
5. etc

but

7. Extract from The Times of 7th July 33

8. Extract from letter from Lord Francis Scott of 23 June 33

9. Extract from letter to Lord Francis Scott of 26 June 33.

10. Extract from Note by Sir S. Wilson on an interview with Lord Francis Scott
Parliamentary Questions by G. T. Williams - No 2 on P. 4. file

11. To Lord Francis Scott % _____ 11 July 33.

12. To Lord Francis Scott % _____ 12 July 33.

13. A/Honour of the House 16/11/33 _____ 13 July 33
Trans. message from E. A. Indian National Congress protesting against creation of Statutory Finance Committee with European elected majority.

14. Extract from A. of C. Debates - 11 July 33

15. Extract from East African Standard 7th July 33.

16. _____
17. Lord Francis Scott % _____ 13 July 33
States that he has given no interview to the Press regarding innovations with S. of S. & also as information sent to Kenya.

18. To Lord Francis Scott % - 17 answer - 17 July 33

No 7-12 and 17-18 can be put by.

No 15. S of S. has minutes on his copy

(wh. I have returned to Mr. Boyd) :-

Recd from
Mr. Boyd
5.9.33

20. India Office _____ 15 July 33

Trans. a copy of a letter received by Govt. of India regarding demand of non-official community of Kenya for a further constitutional advance, & enquire what reply should be given to Govt. of India's request for information.

21. India Office _____ 15 July 33

Trans. copy of ltr. from Govt. of India regarding costs of representation from Kenya Europeans for the creation of a Statutory Finance Committee & enquire what reply should be made.

22. To I.O. (1/15/19) (100 21 and) 22. 7. 33.

23. A/General Secretary, British Empire (to Govt.) _____ 15 July 33

Trans. a letter from Capt. Schuster on the subject of resolutions passed at an unofficial conference & suggests Govt. should receive answers with resolutions have been forwarded through normal official channels.

24. A/General Secretary, British Empire _____ 6 July 33

Trans. letter from E. A. S. Indian National Congress requesting that the case of the Indian Community may be stated before any decision is arrived at on request to constitutional changes & stating that the Indian National Congress has been authorized to enter into negotiations with Lord Thomas Buxton.

In view of the apparent urgency of the requests from the India Office, I sent off the letter, No. 20, on Saturday. It is, I suppose, inevitable that the Indian National Congress in East Africa should be perturbed at the reported intention of the Kenya Europeans to press for further financial control, and that they should endeavour to stir up their ^{feelings} ~~interests~~ in India and enlist the support of the Government of India. So long as we can assure

to the decision that no departure is contemplated from the principles laid down in the Joint Select Committee's Report, it is possible to supply a steady answer to all such requests for information, and to give satisfactory replies to enquiries on the subject. It is, however, somewhat difficult if ^{any} mention of the possibility of further European control of finance is to excite further protests from the Indian community, but I do not see how that can be helped.

It will be necessary, I think, to send a copy of the correspondence to the Acting Governor of Kenya so that he may be in a position to inform the local Indians.

With regard to No. 23 it is somewhat difficult to keep one's temper. Captain Schwartze addresses a letter to the S. of S. calmly stating that certain resolutions have been passed and sent to Lord Francis Scott. As the Acting Governor says, he has not sent a copy of the resolutions to the Government officially, though a copy has been sent privately. Such an action is, of course, contrary to proper practice in a Colony, and, in my opinion, savours of calculated impertinence to the Local Government and also to the S. of S. In the case of the income tax petition, while Lord Francis Scott did come home and discuss it with the S. of S., copies were also sent through the proper channel and Lord Francis was in a position of being on the spot and being

able to discuss the matter. In the case of these resolutions they have not been forwarded through the official channel, nor has the Acting Governor been invited to comment upon them, and I suggest that if Lord Francis does ~~not~~ raise the question again, the only reply to him can be that the S. of S. will not discuss any such proposals without ^{them} ~~them~~ ^{being} ~~sent~~ ^{forwarded} through the Governor in accordance with regulations, and that in any event, as the S. of S. has already announced, H.M.G. does not intend to depart from the decision laid ^{down} in the Joint Committee's report.

With regard to No. 24, the East African Indian National Congress has not authorised two Indian gentlemen, ^(whom one has a right to doubt) ~~whom one has a right to doubt~~ to interview the S. of S. and discuss matters with him from the Indian point of view. The fact that publicity has been given to ^{the} ~~the~~ discussions with Lord Francis Scott makes it awkward to refuse to see them, even though no useful purpose could possibly be served by an interview. I suggest that the only thing that can be done is to wait until a request for an interview is received, and then tell the Indian gentlemen that they will be welcomed if they call (from the political point of view it is, I am afraid almost necessary that the S. of S. should see them himself). But they could also be referred to the answer returned to Captain Guest in the House of Commons (No. 1 on the P.C. file), and to the reiteration of the Government's policy contained in the debate of the 14th of July to the effect that there is no question whatever about any change in

*But I am sure they were - see No. 23 need
In any case I would not make too much of the actual procedure
S.H.L.*

Yes acct.

The letter is sent through the Acting Gov. acct.

X

the constitutional position. That may mollify and prevent them calling for an interview. If they do call, it is difficult to say what line they will take, and the only thing to do will be to listen to them with as much patience as may be possible.

A reply on the lines of X above can be sent to Kenya.

W.G. F.C.

26-7-33

Dr S. Wilson

As to No. 23, the main point (I think, with really matters) is to stand firm by the recent declaration (see No 19) & make it clear that there is nothing doing. In connexion with the W.I. Closer Union report the Spt. has anticipated Kenya demands & has made it quite clear that he will not give an unopposed majority in Kenya on the strength of there being unopposed majorities in Windward & Leeward Islands.]

As to No 24: I agree with W. Hood. If W.P. Black & Wain seek an interview with the Spt., it will seem to be imperative to refuse.

W.G.

26.7.33

See C. Bottomley.

This has now apparently been dealt with. Please speed.

B.H.B.

28-7-33

26 July '33.

25. 25.8. Black

Report returned on date to Spt. formation regarding discussion with
L.S. Spt.

26. 26.8. Black

35 second 24 July '33.

27. 27.8. Spt.

20 July '33

28. 28.8. Spt.

Spt. with conference on Kaur's motion based regarding institutional
reform.

29. 29.8. Spt.

29 July '33.

30. 30.8. Spt.

1 Aug '33

31. 31.8. Spt.

1 Aug '33

(Demand of discussion between Spt. & Rtd. Spt.)

I send a draft in reply to Nos 23 & 24, and a Secret disp. summarizing the main points of the discussion recorded in Nos. The above will be in an impossible position if Capt. Schwartz is told what took place by Lord Francis Surt, and he is left in the dark.

? No need to write further to I.O.

B.H.B.

28/7/33.

I do not much like telling or showing to the public the statement that if the S. ops. receive delegations from Congress he must also from Indians. To do so will be to invite the Indians and the Kibitzers, and the Anaks, and all the rest - to go over the whole thing again. We know the Indians are already substituting sending delegations here, and we do not want to invite them.

I agree that he must have something to go on, & not depend on Capt. Schenck's opinion of Lord P. Scott's opinion of what happened.

J. W. Flood
27/8.

S. Col
8/8

B.H.G. of all

8833

32. The League Conf. (23 Annual)

33. - - - Conf (2) (24 - - -)

34. - - - Secret

9 AUG 1933

35. The League Conf. (-10, 20, 21, 22) 14 AUG 1933

36. Lord P. Scott (copy) 12 Aug 33
Encls. a copy of beginning of letter to Schenck requires whether any alterations are considered necessary.

37. Lord P. Scott (copy) 36 Annual 4 Aug 33

38. Extract from Times 3 Aug 33

39. A/Boris Deputly Wade 1118 (Annual) 22 July 33.
Trans. copy of a letter from EA Indian National Congress & a copy of resolutions enclosed therein

This calls for no reply.

2. Party.

J. W. Flood
15/8

No reply is needed & the resolutions will not sent to the S. ops. They are good resolutions quietly but emphatically drafted.

Lord P. Scott's letter of 12 August looks odd when read along with para 2(b)

J. W. Flood
16.8.

No doubt we shall hear further as to the result of the Conference.

Party
Wed. 16.8.33
above

120 Extract from the Times

(M)

41 R.E. Guinness % _____ 22 June 33.
Encls. what of speech made two years ago & a memorandum recently written on the question of self government of Kenya & your views on constitutional advancement.

DESTROYED UNDER STATUTE
To R.E. Guinness % - 41 ansd - 18 Aug. 33

43 Extract from The Times of 17 Aug. 33

44 M. W. Murre % _____ 27 July 33
Encls. extracts from the Colonial Times & Indian Newsletter on 'Crisis of Kenya by European Empire'.

all the same
Put by (L. S. Wilson & Co. Botolph Claydon)
+14 K2
111 ansd

45 India Office _____ 15 Aug. 33
Trans. copy of let. to Govt. of India & draft from Govt. of India regarding reported European agitation for constitutional advance in Kenya.

We have seen the resolutions passed in Nov 32 - see P. 4.
? This may be put by C. G. ...
27/7/33
44
+14 K2
111 ansd

46, India Office, 12th Sept. 33.

Encls. copy 17. from the Govt. of India with measures regarding reported European agitation for constitutional advance in Kenya.

2 copy to Mr. G. L. F. Conf.
11/9/33
111 ansd

47 To Kenya Govt. (L. S. Wilson & Co.) 12 SEP 1933

48 E. J. Turner (S.O.) % _____ 19th October 33
Requests that S.O. may be kept informed in regard to matters affecting Indians in East Africa

Sir C. Battersby

The fact is that the Indians in Kenya the Indians in India, the Indian Govt. and the India Office attach too much weight to the utterances of the Kenya politicians. But there it is. One thing they do not realize is that by exhibiting alarm they are playing into the hands of the 'white' extremists. Every time they pass a resolution in India it gets expounded in Nairobi and creates local feeling.

? Shall I tell Mr. Turner that we will keep the I.O. au fait with anything that happens, but that nothing has happened & we hope the S.O.'s pronouncements & the report of the Joint Committee have sent the agitation to sleep for the present, & that any action in or by India is to be deprecated as tending to drag out the question again.

V.S. W. 24
24.10.33

That's good.
Yes - but I don't see how
also say that we are sure that
L.S. Wilson & Co. 24.10.33

111 ansd
E. J. Turner
27/10/33

To E. J. Turner (I.O.) (48 ansd) on 27/10/33

Mr. Flood

To Mr. Marsh

W. Boyd

50

Mr. Marsh has brought me the enclosed letter from Mr. Churchill's Private Secretary, enclosing one from Lord Francis Scott.

You will see that Lord Francis Scott has asked Mr. Churchill to interpret the meaning of the statement which Mr. Churchill made some years ago on British East Africa becoming "characteristically and distinctively a British Colony looking forward to the fruition of full self-government". Mr. Marsh asks whether we can let Mr. Churchill know what the Colonial Office official view ^{was (and is)} ~~is~~ as to the interpretation of that announcement.

W. Boyd.

13.11.33.

S. J. L. L. L. L. L.

7/11/33
Sir J. Stansbury
St. C. Botolph

I have been deeply grieved
over this. It is possible to get
seriously annoyed with Lord St. Clair
for going behind the back of the S. of
to Mr. Churchill & writing in those
lines after the S. of had taken the
trouble to tell him the view of the
Govt. on the point - but I
have had to do.

So do I, especially as I
suspect that Lord St. Clair
was investigated & so to
Mr. Churchill by a kind
"party" - recd. 17.11

The concession from
which Lord St. Clair
got to Mr. Churchill

This is a rather peculiar proceeding on
Lord Francis Scott's part. He writes to Mr. Winston
Churchill to ask him what he meant by the statement
made in his after dinner speech in January 1922 to
the effect that we did not contemplate any system
which would prevent British East Africa from becoming a
characteristically and distinctively a British Colony
looking forward to the ^(in full practice of time & complete responsibility) transition of full self-
government. The "Times" report of the speech will be
found in 1896/1930 and an examination of it shows
that there is really nothing in it of the nature of
a pledge to give the white settlement anything in the
nature of a Dominion status. Mr. Churchill began by
saying that he wished to apply Rhodes's principle
of equal rights for all civilised men "That means
that natives and Indians alike who reach and conform
to well marked European standards shall not be
denied the fullest exercise and enjoyment of civic
and political rights..... We consider that the
interests of British settlers and the native population
alike require that all future immigration of Indians
should be strictly regulated..... We recognise
that the laws relating to immigration and the
administration of these laws more almost than any
other matter must be the subject of the closest consulta-
tion between the British Government and the existing
residents in the country." And then he went on with
what has already been quoted as the pledge.

It is interesting to see that Lord Francis
Scott admits that the settlers in Kenya were not yet
ready for self-government in any form. I very much

wonder

wonder whether he would have the courage to say so in public. When he talks of preserving Kenya as a British Colony run and controlled by British people he appears to forget that the native in Kenya is just as much a British subject as he is, and that the fact that the said native is a British subject is very largely due to the demand for turning Kenya into a Colony from a Protectorate which was so popular with the white settlers.

When Lord Francis Scott had his interview with the Secretary of State, Mr. Winston Churchill's statement was discussed and the Secretary of State pointed out that he entirely disagreed with the interpretation put on the announcement by the Kenya settlers. The report of the interview (No. 31 of 2192/33) goes on "He read to Lord Francis Scott what Mr. Churchill had said, and pointed out that it was most misleading to pick out one part of the speech without giving the whole context, and the term "British" used further on in the speech was not confined to the white settlers but included Indians and Africans."

The Secretary of State reiterated that no Government in this country would ever agree to the claim on the part of the white settlers to govern on their own."

Quite apart from all this, it cannot be seriously argued that what Mr. Churchill said in an after dinner speech in January, 1922, can possibly be regarded as a pledge binding a Government. In view of the carefully pronounced declarations of policy contained in the White Paper of 1923 and the White Paper of 1925, and reiterated in the Joint



Select Committee's report.

I submit the draft of a letter to Mr. Churchill's Private Secretary, and I think we should keep a copy of Lord Francis Scott's effusion.

It is perhaps possible that de Soys would prefer to write direct to Mr Churchill.

*J. L. W. Flood
16.11.*

I suppose I remember as much about this as anyone except Mr. Churchill. He dictated this part of his speech (clearly previously thought out) with me present at a very late hour before the dinner. He asked ^{for} my comments and I began by saying that I did not think that the Secretary of State for India would like Indian equality postponed till they had ^{Indians} ~~reached~~ reached European standards. I did not get far, as the Secretary of State definitely intimated that I could leave Mr. Montagu to him, and I retired. Later (just before Mr. Montagu's resignation) Mr. Churchill told me that I was responsible for the speech and (very unnecessarily as it seemed to me afterwards) I expostulated.

As a matter of fact, he was very uncomfortably placed between Lord Delamere (who was at the dinner and did not by any means accept the speech as satisfactory) and Mr. Montagu, who was pressing the Indian position on lines which led a few months later to the Wood-Interton proposals, *including the Connaught Rd.*

There is, I think, no doubt that Mr. Churchill did not regard responsible government in Kenya on any lines as a matter for consideration except in the distant future, and that when it was accorded, it was

to be on lines which would include, under the operation of the Rhodes formula, association on equal terms of Europeans, Indians and natives, subject to a definite standard of civilisation.

*See letter to
Lloyd George
"with quotation
of line"*

I do not think that he had worked out his ideas more definitely than that. Whether he would have contemplated the grant of responsible government under safeguards, before any substantial number of Indians or natives were qualified to be put on equality with Europeans I cannot say.

It is most unfortunate that Kenya settlers should parasitically have been misled by an abbreviated quotation from the speech, and an incorrect one at that. The surprise is that after his discussion with the Secretary of State Lord Francis Scott should still be under any misapprehension as to either the completeness or the correctness of the quotation he referred to Mr. Churchill. I should have thought that the best reply that Mr. Churchill could make would be to send him a copy of the "Times" report saying that he would state the fuller statement of what he said and make the position clear.

*to G.S.
17.11.33.*

*S. G.
I agree that it will suffice to send Whitehall a copy of the Times Report of his speech (red flag A.). It is not long. It seems much better to leave*

...has an explanation
they will not be binding upon us.

W.S.

17/11/33

I agree. But I think he
should be reminded of the two
Wade Papers & of the report
of the Joint Select Com. & of
the general acceptance of
the paper of that report in
the House of Commons.

W.S.

20/11

I think you ought also to tell Mr
Churchill that no one in the Dept. can put
the construction on his speech, which it is
now sought to attach to it.

W.S.

51 To P.S. to Rafter, to mention Churchill, no 24/11/33
(50 cont.)

52 P.S. to Mr. Churchill (50) 26 November 33
APPROVED ... ~~Adm. Secy~~ ... copy of reply to Lord Francis Scott.

53 India Office 30 November 33

Encls. a copy of a letter from Govt. of Kenya enquiring
whether certain cases may be placed on table of Assembly.

52. ? Part 5

53. Of the documents the case 5
has on the table of the Assembly
and numbered (i) 1000 etc appear
to be amongst our records. The
other Mr. Willin has flagged, & in
their case I see no objection to the
action proposed.

I agree there is no objection to
inclusion of (ii) & (iii), but
our case no 30 etc appear to
have been furnished with a
copy of (i).

Witness: J. C. ...
J. C. ...

54 To I.O. (53 cont.) 1/12/33

(M)

55 India Office

8th Dec. 33

Encls. copy of despatch from Govt. of India dated 3rd July 33, states it is understood that no objection is seen to its publication & Govt. of India are being informed accordingly.

Mr. Freston

Perhaps the telephone conversation referred to was with you: (it was not with me).

1/5
S
B

? Part 6

in Series: 9 Dec

W. Hunter
11 str

(11)

Any further communication on this subject should
addressed to—

The Under Secretary of State for India,
Economic and Overseas Department,
India Office,
London, S.W. 1.

and the following reference quoted—

F. & O. 8527/33

Telephone—

Whitehall 8140. I.O. Ext. No. _____

Telegrams—

Retaxandam, London.



INDIA OFFICE,
WHITEHALL,

LONDON, S.W. 1.

8a December 1933.

RECEIVED
- 9 DEC 1933
C. O. REGY

Sir:

No 54

From Govt. of India,
dated 3.7.33 with-
out enclosure.

No 20

With reference to your letter of the 6th
December, No. 3198/33 regarding Indians in Kenya,
and to subsequent telephone conversation, I am
directed by the Secretary of State for India in
Council to enclose copy of the document referred to
in paragraph 2 of your letter. The substance of
this letter was communicated to you in this Office
letter of 18th July; and it is understood that
there is no objection, so far as your Department is
concerned, to its publication. The Government of
India are being informed accordingly.

I am, Sir,

Your obedient Servant,

Chraim

for Secretary,
Economic and Overseas Department.

The Under Secretary of State,
Colonial Office,
S.W.1.

Original sent
BY AIR MAIL.

No. F. 214/33-L. & C.

Government of India.

Department of Education, Health and Lands.

Sir,

July, 1933.

From

G. S. Bajpai, Esquire, J.L.K., C.B.E., I.C.S.,
Secretary to the Government of India,

To

His Majesty's Under Secretary of State for India,
Races and Overseas Department,
India Office,

London.

Indians in Kenya, agitation of the non-official
European community in the Colony for
constitutional advance.

Sir,

I am directed to forward, for the information of the Secretary of State for India, a copy of a letter, dated the 29th May, 1933, which has been received from the Secretary, East African Indian National Congress. The Government of India have no information whether any conversations have taken place between the Secretary of State for the Colonies and Lord Francis Basset or whether His Majesty's Government contemplate any change in their policy regarding the constitution of the Colony of Kenya. They have no doubt that the Secretary of State for India, who is fully conscious of the importance of the subject, will watch the situation with a view to safeguarding Indian interests. I am merely to state that, should any change of policy in the Government of Kenya be contemplated, the Government of India hope that both the Indian community in Kenya and they will be given adequate notice and opportunity to place the Indian point of view before His Majesty's Government.

2. The statement of the acting leader of the European elected members of the Legislative Council of Kenya quoted in the letter from the Secretary, East African Indian National Congress, of 29th May has received publicity in this country and has also evoked a certain amount of comment. It is possible, therefore, that it might form the subject of interpellation or resolution during the forthcoming session of the Indian Legislature which starts on the 21st of August. It would be of great assistance in answering such interpellation or resolution if the true facts of the situation could be communicated to the Government of India before that date.

I have the honor to be,

Sir,

Your most obedient servant,

SI/- G. S. Bajpai.

Secretary.

C. O.

to Mr. W.

Mr. Davies 2/12/33.

3198/38 Kenya

Mr. Ferguson 4

Mr. Hunt 4 ds

Mr. Pennington

Mr. Tomlinson

Sir C. B. D. ...

Sir J. ...

Presd. U.S. of S.

Presd. U.S. of S.

Secretary of State.

Downing Street,

5 December, 1933.

O. D.
4 DEC
1933

DRAFT.

Sir,

THE UNDER SECRETARY OF STATE
ECONOMIC AND OVERSEAS DEPT.,
INDIA OFFICE. (53)

I am etc., to

acknowledge the receipt of
your letter No. H & O. 6362/33
transmitting a copy of an
air-mail letter from the
Government of India, and to
request you to inform Secretary
Sir Camel Hoare that no
objection is seen to the
publication of the documents
referred to as ... marked (33) (44)

referring to Indian
community in Kenya

FURTHER ACTION.

2. Sir Philip ...
Lister is unable to offer any
opinion as to the document
marked (44) which ...

no
opportunity

~~apparently a letter from the Government~~
~~of India dated 3rd July with its enclosure,~~
^{no why}
~~since it does not~~ appear to be upon
record in this Office.

I am, etc.

(Signed) J. E. W. FLODD

Any further communication on this subject should be addressed to—

The Under Secretary of State for India,
Economic and Overseas Department,
India Office,
London, S.W. 1.

and the following reference quoted—
E.& O. 9362/33

Phone—
Whitehall 8140. I.O. Ext. No. _____
Telegrams—
Hetzaxandum, London.



INDIA OFFICE,

WHITEHALL,

LONDON, S.W. 1.

RECEIVED
- 1 DEC 1933
C. O. REGY

November 1933.

Sir,

In continuation of this Office letter of 12th
September No. E.& O. 6271/33 regarding Indians in Kenya, I am
directed by the Secretary of State for India in Council to
enclose, for such observations as Sir P. Cunliffe-Lister
may desire to offer, copy of an air-mail letter from the
Government of India.

All the documents which the Government of India
desire to place on the table of the Assembly are on record
in your Department; and so far as this Office is concerned,
there is no objection to the publication of any of them.

It will be observed that the Government of India
ask for a telegraphic reply.

I am, Sir,

Your obedient Servant,

E. Turner

For Secretary,
Economic and Overseas Department.

The Under Secretary of State,
Colonial Office,
S. W. 1.

GOVERNMENT OF INDIA,

Department of Education, Health
and Lands.

EXPRESS LETTER (AIR MAIL)

No. F.214/33-L. & O. Dated New Delhi, the 20th November 1933

To His Majesty's Secretary of State for India,
India Office,
London.

Correspondence ending with our letter No. F.214/33-L. & O
dated 21st August. Indians in Kenya. Please telegraph if
you have any objection to our placing on table of Assembly
following correspondence on the subject :-

- (Not in record) (i) Our letter dated 3rd July and enclosure;
Encl. 255
Encl. 255 (ii) Our telegram dated 15th July;
Encl. 255 (iii) 1st paragraph of your telegram dated 28th July
No. 1885;
Encl. 255 (iv) Our letter dated 7th August and enclosure;
(v) Colonial Office letter No. 545 to officer
administering the Government of Kenya, dated
22nd July 1933, forwarded with your letter
No. E. & O. 5346/33, dated 29th July and
Encl. 255 (vi) Our letter dated 21st August and enclosures.

(Sd.) H. H. LINCOLN

for Secretary.

P 73

51

C. O.

Mr. Hood 2.1.11

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

X Sir C. Bottomley 2.1.11

Sir J. Churchill
Private Secretary
3/11/22

Permt. U.S. of S.

Partly U.S. of S.

Secretary of State.

Q. 7
22 NOV
U 73

24 November 1933.

DRAFT.

(Mr. Churchill's P.S.)

Dear Private Secretary:

Thank you for your letter of the 11th of Nov. addressed to Mr. Maund, who has passed it on to the Colonial Office. The statement to which Lord Francis Scott refers was made by Mr. Churchill in an after-dinner speech in January 1922 and I cannot do better than to send you a copy of the Times report thereof taken from the issue of the 28th of January. Mr. Churchill will thus be able to see exactly what he said on that occasion.

2. Subsequently, of course, the policy of H.M.G. in regard to Kenya has been set out in the White Paper of 1923 & 1930 and has further been considered by the recent Joint Select Committee of both Houses.

No 1 - 16306/30

Make & keep a copy of Lord F. Scott's letter

FURTHER ACTION.

make further copies for the Private Office
ML

and the principles of that report have been generally accepted, as Mr. Churchill of course knows, by the House of Commons.

3. No one here - in the C.O. - has ever regarded

Mr. Churchill's statement as in the way the Kenya settlers appear to interpret it as a pledge to give self government to the white population of the colony. It has always been taken as a general aspiration

for the future of the whole territory, ^{natives} blacks,

Indians, and whites, being equally included, on a civilisation basis of equality, in full fruition of time.

4. I return Lord 7. Scott's letter. He has

now gone back to Kenya and if you

have not got his address there for the Colonial

Secretary, Nairobi, will find him. If Mr. Churchill

agrees we should like to have a copy of the reply.

Yours sincerely

(Signed) E. B. BOYD.

24
50

VICTORIA 8111.

11, MORPETH MANSIONS,
WESTMINSTER,
S.W.1.

11th November 1933

Answer 24/11

Dear Mr. Marsh,

I am desired by Mr. Churchill to enclose herewith a letter which he has received, with its enclosure, and to ask if you would be good enough to return it to him with your comments.

Yours very truly,

J.P. Curran
Private Secretary.

E. Marsh Esq., C.B.,

Copy.

18, Carlton House Terrace,

S.W.1.

November 7th.

Dear Mr. Churchill,

Horatio tells me you never received the letter I wrote in August to you. The question I want to ask you is what exactly you meant by the statement you made about Kenya's future in 1928. I enclose a cutting which contains the quotation, though speaking from memory I think you continued "on the lines of Rhodes' policy of equal rights for all civilised men". In Kenya your statement has always been taken to mean that you, when Secretary of State for the Colonies, contemplated we should in due course attain self government on the lines approximately of Southern Rhodesia. Others, who do not favour such an idea, say we must wait for self government till the Natives have reached a stage when they are fitted for it. Personally I am quite sure we are not yet ready for self government on any terms, but I am anxious we should devote ourselves to building up the position of white settlement, strengthening it both numerically and financially so that in due course we may be in a position to demand self government on the lines of Southern Rhodesia which is the country most akin to Kenya. When that time comes, naturally due provision must be made for safeguarding native interests, but the main object I see in front of us is to preserve Kenya as a British Colony run and controlled by British people. Nowadays our rulers are so ready to give away any part of our Empire to anyone except their own countrymen, that I want to consolidate the position

for

for the future, and your statement as Secretary of State, is just as binding as Irwin's as Viceroy of India. For this reason I should be very grateful if you could confirm to me that your intention was just what you said. It is a very sad state of affairs when one has to try and protect oneself from people who are supposed to be Imperialistic Conservative statesmen but unfortunately such is the case today and I find that few Conservative M.P.'s really care a damn about the Empire.

I was very interested in your plan for the Government of India. I am afraid the Government have committed themselves too far to adopt any such same procedure. I was glad to see you had been at a Grenadier dinner a few nights ago. Please forgive me for bothering you over this, and in your reply you may like to divide your answer into what I can quote, and what you would wish me to keep private. I do not want to see East Africa lost to our Empire and handed over to the natives or Indians.

Yours sincerely,

(Sgd.) Francis Scott.

RESOLUTIONS PASSED AT CONFERENCE ON CONSTITUTIONAL ADVANCE
July 3rd, 4th, and 5th, 1923.

PROPOSED BY MR. MCKIN.

RECORDED BY MR. BARGMAN.

"That this Conference, bearing in mind the announcement of Mr. Winston Churchill, when Secretary of State, that he "did not contemplate any system which would prevent British East Africa from becoming characteristically and distinctively a British Colony, looking forward to the fruition of full self-government," reaffirms that full responsible Government by the European Colonists of Kenya is the eventual goal to which the Colony aims."

CARRIED BY ACCLAMATION.

C. O.

3198/83

18

Mr.

Mr.

Mr.

Mr. Patterson

Mr. Tomlinson

Sir C. Rowley

Sir J. St. John

Permd. U.S. of S.

Parly. U.S. of S.

Secretary of State

O. D.
 R 25 OCT
 D 1935

27 OCT 1935

Dear Turner

Thank you for your letter

DRAFT.

E. J. Turner Esq

India Office

P. O. 7444/35 of the 19th of
 October. We will certainly keep the
 I. O. advised of any developments
 about the "constitutional agitation" in
 Kenya, but the fact is that nothing
 has happened for some time and we
 rather hope that the various
 pronouncements by our Govt. and
 the report of the Joint Committee (as
 mentioned in your ^{the} ~~previous~~ Indian
 Govt's communique of the 11th of August)
 will keep it quiet. We ^{realize} ~~know~~ that
 of course that ^(in Kenya) someone may make a
 speech at any time which will get
 much less much publicity but that
 will be helpful.
 Whatever they action is to be developed
 by India about taking the matter
 too seriously it will be reported in

FURTHER ACTION.

Kenya & that will start the
Europeans off again. So we hope
the thing will die down. The S. of S.
has done his best to scotch the notion
in his talks with Lord Francis Scott

recently. If the Europeans do raise it
again it will start off the local Indians
and then they stir up trouble in India
and it comes back via Delhi & you.

So, as I say, we hope that it is
just and will remain so but there is
an election coming off in Kenya and they
(absolutely)
may say anything in their speeches.

Yours sincerely

Sir Goddard E. W. FLOOD

48⁷⁹

RECEIVED
20 OCT 1933
C. O. REGY

INDIA OFFICE,
LONDON, S.W.1.

E. & O. 7444/33

Confidential

19 October 1933.

Amr (A)

No 22

No 46

Encl. 646

Dear Flood:

Will you please refer to your letter of the 22nd July 1933, No. 3198/33, and our memorandum of the 12th September 1933, E. & O. 6271/33, regarding the Press Note issued in India about the reported non-official European agitation in Kenya for constitutional advance. In their letter of the 21st August 1933, the Government of India reported that, judging by comments in certain sections of the Indian Press, their ^{an}ouncement of the 11th August 1933, had not altogether allayed the alarm in India, but that they hoped that when the announcement had been further considered, it would produce the desired effect.

In the course of a recent private letter to the Viceroy our Secretary of State said: "We shall certainly be on the look out for any developments"

J. B. W. Flood, Esq.,
Colonial Office,
S.W.1.

in regard to Indians in East Africa "and will let you know at once if any change is contemplated". This was sent up to me with an instruction that my Department "should not lose sight of the case".

I have no doubt that adequate arrangements are in operation in the Colonial Office for keeping us informed in regard to matters affecting Indians in East Africa, but in view of the above instruction to my Department I hope you will not object to my reminding you that our Secretary of State likes to be kept well supplied with information of this kind.

Yours sincerely,

E. Turner

3198/33
46

Communications on this subject should be addressed to—
The Under Secretary of State,
Economic and Overseas
India Office,
London, S.W. 1.
and the following number quoted—
T. A. O. 6271/33.

Reference to previous correspondence:
Letter to the India Office of the 23rd August 1933, No. E & O. 5947/33.

RECEIVED
13 SEP 1933
C. O. REGY

(71045)
INDIA OFFICE,
12 September 1933.

The Under Secretary of State for India presents his compliments to the Under Secretary of State for the Colonies, and begs to transmit to him copy of the papers noted below.

The Under Secretary of State,
Colonial Office,
London, S.W. 1.

copy to Kenya (47)

Origin	Date	Subject
From Government of India (with enclosures).	21st August 1933.	Indians in Kenya. Reported Agitation of the non-official European community in the Colony for constitutional advance. Press note issued by the Government of India.

Copy also sent to—

46

ORIGINAL COPY
BY AIR MAIL

No. F. 214/33-L. & C.
Government of India
Department of Education, Health and Lands.

31
6271/33
Cima, the 21st August, 1933.

From

G.S. Kalyal, Esquire, C.I.E., C.B.E., I.C.S.,
Secretary to the Government of India,

To

His Majesty's Under Secretary of State for India,
Economic and Overseas Department,
India Office, London.

Indians in Kenya. Agitation of the non-official
European community in the Colony for constitutional
advances.

Sir,

With reference to the correspondence ending with the
India Office letter No. E. & C. 2345/33, dated the 29th July,
1933, I am directed to forward, for the information of His
Majesty's Secretary of State for India, a copy of a letter
received from the East African Indian National Congress dated
the 27th July, 1933, and enclosure.

2. In this connection, I am also to enclose a copy of a
Press Note issued in India on the 11th August, 1933, and to
state that judging by comments made in certain sections of
the Indian Press even this announcement has not altogether
allayed the alarm in India created by the recent agitation of
the non-official European community in Kenya for constitutional
advances in that Colony, but it is hoped that when it has been
further considered it will produce the desired effect.

I have the honour to be,

Sir,

Your most obedient servant,

Ud/- S.R. LAMON,

for Secretary

Enclosure No. 1.

Copy of a letter dated the 27th July, 1933, from the Honorary General Secretary, East African Indian National Congress, Mombasa, to the Secretary to the Government of India, Department of Education, Health and Lands, Simla.

Since writing you last with which I sent a copy of the resolution passed by the Executive Committee of the Congress, the Conference of the Indian leaders of Kenya was held in Mombasa on the 22nd and 23rd instant, in which the resolutions were passed as per copies sent herewith. These resolutions are self-explanatory, and I do not, therefore, intend to amplify on them in this letter.

A Sub Committee has been appointed to draft a memorandum to the Secretary of State for the Colonies which is at present under preparation. As soon as this memorandum is ready I shall send a copy to you.

There was a feeling amongst the leaders that met in the Conference that the Secretary of State's answer to a question in the House of Parliament was very evasive, and there has been some understanding between the Secretary of State for the Colonies and Lord Francis Scott in London; and the resolution, particularly regarding the financial control and the establishment of a Statutory Committee of unofficial members in the Kenya Legislature, with majority of European members having the power of a sort of Veto on a money Bill, has been inspired by such negotiations referred to above between Lord Francis Scott and the Secretary of State for the Colonies.

I would particularly draw your attention to the last resolution of the Conference which will show that the leaders in Kenya appreciate past services given by the Government of India and hope that you will watch our interests in London this time, as without the support of the Government of India in London, we feel absolutely hopeless in absence of supporters in our Community like Lord Francis Scott to the European Community.

The Indian Conference summoned by the Executive of the East African Indian National Congress met at Mombasa on Saturday the 22nd July, 1933, at the Indian Girls' School building at 3 P.M. under the presidency of Gheth Yusufali Ksmallji Jivanji, M.B.E., to discuss the situation arising out of the resolutions of the European Conference.

The Conference was attended by delegates from Kisumu and Nairobi. Members of the Executive Committee of the Congress and Local Indian Association as well as other important persons attended the Conference and took part in the deliberations. The Conference was thoroughly representative of all shades of public opinion in the Country.

The secretary had received various messages from up country centres stating their inability to send their representatives in person owing to the short notice but expressing their views about the present political situation and assuring the Conference of their heartfelt support.

Several individuals had also sent telegrams expressing their inability to come but wishing the Conference complete success. Others had sent in their memoranda specifying their views on the problems facing the Conference.

After the opening address from the Chair, resolutions proposed by the Executive Committee were discussed upto 6 P.M. The Conference then adjourned till 8-30 P.M. at night and continued its deliberations till about 11 P.M.

The following resolutions were unanimously adopted by the Conference:-

1. That this Conference urges upon His Majesty's Government to implement their policy enunciated in the white Paper of 1930 in the following words :-

"The goal of constitutional evolution in Kenya as ~~xxxx~~ elsewhere, is admittedly responsible Government by a ministry representing an electorate in which every section

of the population of Kenya finds adequate and effective voice and that the establishment of the Common Roll is the object to be aimed at and attained with an equal franchise of a civilisation or education character open to all races.

2. That this Conference is definitely of the opinion that the time has now come when a committee should be appointed by the Government to find out ways and means for the establishment of the Common Electoral Roll.

3. That this Conference definitely believes that no section of the non-European Community of Kenya has confidence in the financial ability, experience and wisdom displayed by the European Elected Members in the past and that the general policy pursued as a result of the influence exercised by them over the finances of the country ~~has~~ heretofore is largely responsible for the present financial crisis and the deliberate programme of one-sided colonial development to the neglect of the interests of the other sections of the population.

4. While this Conference is of the opinion that financial control by an unofficial majority in the Legislative Council constituted in a manner which would adequately and effectively represent and safeguard the interests of all taxpayers in a sound principle, this Conference views with alarm and perturbation the type of financial control demanded by the European Conference which in the opinion of this Conference will be disastrous to the interests of the non-European taxpayers. This Conference is therefore vigorously opposed to any change in the present financial control by the official majority until the ~~Common~~ Common Roll is established and the Legislative Council is so reconstituted as to fully represent interests of all inhabitants of the Colony.

5. That this Conference is definitely of the opinion that representation on the Kenya Legislative Council at present

accepted by the Indian Community under protest preparatory to the granting of the Common Roll is totally inadequate and ineffective and urges upon the Imperial Government to increase the same substantially at the earliest opportunity during the transitory period pending the introduction of the Common Roll.

6. This Conference requests the Secretary of State for the Colonies to publish for public information and consideration the secret representations made by Lord Francis Scott in London and by the Unofficial European Conference from Kenya in support of their present demands as reflected in their resolutions, and if the Imperial Government is inclined to give serious consideration to their representations the Indian Community be given opportunity to present their case.

7. That this Conference puts on record its appreciation of the help rendered by the people and the Government of India in the past and requests them to closely watch in London the interests of the Kenya Indian Community at this critical juncture and to continue rendering their valuable assistance.

A strong and influential sub-committee of the Conference was appointed to prepare a detailed memorandum on the lines of the resolutions adopted by the conference. The memorandum will be submitted to the Secretary of State for the Colonies and would explain in detail the viewpoint of the Indian Community as expressed in the resolutions.

The Conference also instructed the Executive of the East African Indian National Congress to take all necessary means to meet with the situation as it arises and also to take steps to obtain support in favour of the resolutions adopted by the Conference in India and in England.

The Chairman in his closing remarks thanked the

Government of India.
Department of Education, Health and Lands.
Simla, the 11th August, 1933.

Press Note.

In the third week of June, the Government of India received a representation from the East African Indian National Congress to the effect that there was a move on the part of the European non-officials in Kenya to press His Majesty's Government for further control in the Colony's government. About the middle of July they made a further representation that the European settlers were demanding the creation of a statutory Finance Committee with European elected majority. On receipt of each representation the Government of India made urgent inquiries from the Secretary of State as to the exact position and requested that, if any change in policy regarding the constitution of the Colony were contemplated, both they and the Indian community in Kenya would be given adequate notice and opportunity to place the Indian point of view before His Majesty's Government. Information has now been received from the Secretary of State for the Colonies, who also received a representation from the East African Indian National Congress submitting that no justification existed for any such constitutional change as the creation of a statutory Finance Committee with European elected majority, that he has requested the Officer Administering the Government of Kenya to invite the attention of the East African Indian National Congress to the reply given to the Rt. Hon. Capt. P. Guest, M.P., on the 21st of June in the House of Commons and to the official report of the debate on the Colonial Office Vote on the 14th of July in which Sir P. Cunliffe-Lister reiterated the intention of His Majesty's Government to stand by the findings of the Joint Select Committee of Parliament on East Africa. It will be remembered that, in paragraph 75 of their Report, the Joint Select Committee on Closer Union in East Africa stated that the

control of His Majesty's Government in the United Kingdom must remain unimpaired and that, in paragraphs 96-98 of the said Report, the importance of an official majority in the Legislative Council of Kenya was emphasised.

Communications on this subject should be addressed to—

THE UNDER SECRETARY OF STATE,
Economic & DEPT.
OVERSEAS INDIA OFFICE,
LONDON, S.W. 1.

and following number quoted—
E. & O. 5947/1933.

Reference to previous correspondence: 145

Letter to the India Office of the 22nd July 1933,
from No. 3198/1933. 39

RECEIVED
24 AUG 1933
G. O. REGY

INDIA OFFICE, No 12

23rd August 1933.

The Under Secretary of State for India presents his compliments to the Under Secretary of State for the Colonies, and begs to transmit to him copy of the papers noted below.

The Under Secretary of State,
Colonial Office,
S.W.1.

Origin.	Date.	Subject
Telegram to Government of India.	28th July 1933	Indians in Kenya. Reported
From Government of India, with enclosures.	7th August 1933.	European agitation for constitutional advance.

Copy also sent to—

E. No 5946/33

40

Code Telegram from Secretary of State to
Government of India, Department of
Education, Health and Lands, dated 28th July, 1933.

No. of words 47

1865.

Your Secretary's letter dated 3rd July F.214/33-L.O. and your telegram dated 15th July. Colonial Office have received similar telegram from East African Indian Congress regarding representations for creation of Statutory Finance Committee of Legislature. Colonial Office have asked Governor of Kenya in Air Mail despatch dated 22nd July to invite attention of Congress to pronouncements of policy made in reply to House of Commons question on 21st June, and in debate on Colonial Office vote on 14th July, in which the Secretary of State for the Colonies reiterated intention of His Majesty's Government to stand by findings of Joint Select Committee on East Africa.

Copy of correspondence follows by Air Mail of 29th July. Colonial Office draw attention to fact that despatch will not reach Kenya Government before 2nd August.

41
BY AIR MAIL.

No.F.214/33.L.&O.

Government of India.

Department of Education, Health and Lands.

Simla, 7th August 1933.

From G.S.Bajpai, Esquire, C.I.E., C.B.E., I.C.S.,

Secretary to the Government of India.

To His Majesty's Under Secretary of State for India,

Economic & Overseas Department,

India Office, London.

Indians in Kenya. Agitation of the non-official
European community in the Colony for
constitutional advance.

Sir,

With reference to the correspondence ending with the
Secretary of State's telegram No.1865, dated the 28th July 1933,
I am directed to forward, for the information of His Majesty's
Secretary of State for India, a copy of a letter received from
the East African Indian National Congress dated the 17th July 1933
and enclosure.

I have the honour, etc.,

(Sd.) S.R.ZAMAN,

for Secretary.

42

Copy of letter dated the 17th July 1933, from the Secretary, East African Indian National Congress, Mombasa.

Kenya Unofficial European Conference.

Further to my previous correspondence on the above subject, I am directed by committee to forward you, a copy of resolutions passed by the Executive of the East African Indian National Congress, in their meeting held on the 10th July 1933, in order to keep you fully acquainted of our activities.

When the Kenya Indian Conference, referred to in Resolution No.5 is over, I shall again communicate with you, on this subject.

Resolutions.

1. The Executive of the East African Indian National Congress views with great concern the resolutions passed of a result of secret deliberations, by the Unofficial conference of the European Colonists of Kenya, held on 3rd July 1933, at Nairobi, and regrets to find that the White Settlers are plunging the country again into serious political controversies at a time when the country is faced with a serious economic situation and when united efforts from all sections of the population of Kenya are necessary to pull it successfully through the period of difficulty and distress.

2. In order to formulate the public opinion on various issues raised by the unofficial European Conference the Committee wishes to place before the Indian Community, for its consideration, the following points:-

(a) On the question of constitutional evolution and franchise the Imperial Government should adhere to their policy enunciated in the White Paper of June 1930, in as follows:

"The goal of constitutional evolution in Kenya, as elsewhere is admittedly "Responsible Government" by a ministry representing an electorate in which every

2.
43.
section of the population of Kenya finds
adequate and effective voice".

On the question of franchise the same White Paper

says:-

"His Majesty's Government are of the opinion that the establishment of a 'Common Roll' is the object to be aimed at and attained with an equal franchise of a civilisation or educational character open to all races".

(b) No section of the non-European communities has confidence in the financial abilities, experience and wisdom shown and the policy pursued by the European elected members in the past. The effective voice enjoyed by them over the finances of the country is largely responsible for the present financial difficulty.

The selfish financial policy of one-sided colonial development to the neglect of the interests of the other population which has been pursued by them in the past, is being pursued at present, and is likely to be pursued in a still greater measure if their present demands are granted, will be definitely detrimental to the interests of the Indian, Arab and the Native Communities and will be nothing but a calamity for the country as a whole.

(c) Therefore if any change in the present constitution of the country in any form is contemplated by the Imperial Government, the Indian Community should, without delay, decide to renew their demands for the establishment of Common Roll, adequate representation and proper constitutional safeguards, protecting their interests, present and future, and guaranteeing equal rights and privileges as His Majesty's British subjects, along with the European colonists.

(d) In any case, if the Imperial Government is inclined to give serious consideration to the secret representations of the European conference in the matter, they should be urged to give opportunity to Indian and other communities to place their case and views before them, and that the basis advanced for such consideration be made public.

44
3

3. The Executive Committee, in view of the serious situation that is likely to arise as a result of the demands of the White settlers, for constitutional advance and financial control for the European colonists only, amounting to the virtual control of the country by them, call upon the Indian community to prepare for a further political struggle, which is thus being imposed upon them against their own will or desire, and hereby resolves to call a Kenya Indian Conference to be held at Mombasa on 22nd and 23rd July 1933, to formulate the necessary programme of action.

BY AIR MAIL.

111
45
GOVERNMENT HOUSE,
KENYA,
EAST AFRICA.

W. H. H.
29th July, 1933.

Dear Flood,

Herewith further contributions for
your scrap book.

I'm afraid, as I foretold, the
Indian community here is boiling up.

Yours sincerely,

Mr. Whiston

J. S. J. Flood, Esq., C.M.G.,
Colonial Office,
Downing Street, S.W.1.
LONDON.

Control of Finances

by

Unofficial Europeans.



47

Control of Finances by Unofficial Europeans.

To,

THE DIRECTOR,

THE EAST AFRICAN HINDI NATIONAL CONGRESS,

EXECUTIVE COMMITTEE'S OFFICE,

MOMBASA.

DEAR SIR,

We, the undersigned beg to congratulate you on the prompt action taken by your executive in relation to the agitation created by the demand on the part of certain sections of the European Community for the control of Colonial Finance raised through an Unofficial Conference convened at Nairobi. It is our intention by sending this memorandum to you to place the position through you before all Indians not only in Eastern Africa but also at home and abroad as well as before those others who are interested in the affairs of Indians and Africans in Kenya. We feel that the tactics that Sir Edward George played in the middle of 1927 are once more being re-enacted. Thus that the actions in the drama we are watching performers but some of the great widely known characters of the British Empire: General Smuts and Horatius Lloyd, one, a man who is known to have aided the Dr. H. H. V. D. South Africa South to keep out of South Africa rather than advocate the cause of Indians there in 1911, and the other, the man who demanded Indian franchise to an American Parliament as a matter of fact showing to have been suppressed in 1902 in 1912, have allied themselves with the European Community of Kenya to reduce to the limits the Parliamentary of European influence in Eastern Africa since 1927.

2. Lord Delamater is dead, but Lord Delamater Smith is a minor dignitary and C. G. Delamater continues to hold financial influence and power in this organization. Encouraged by the connivance of the White and by the majority of the Conservative Executive of Kenya in the Chamber, Sir Philip Charles Lloyd, the first Lord Delamater deposed in 1933 for being a financial and other power African Executive and Indian activities in East Africa are in progress.

3. That this is not merely an alarmist cry may be gathered from the following:—

General Smuts is already known to the world as the heir of the Cecil Rhodes ideal of a White Empire in South and Central Africa. He is primarily the father of the Colour Bar in the Union. He has been the spokesman of the British Empire against Asian equality ever since he stepped into the ranks of Imperial politicians of the first class by means of his signal services to Britain during the War. And Lord Lloyd, once Governor of Bombay, of the Black Bay Reclamation fame, Ex-High Commissioner of Egypt, recalled from his high office in that country by Mr. Henderson, speaking at the Annual East African dinner last month, in words as unparliamentary as grandiloquent said:—

"We have had a great deal too much talk about paramountcy. Why should there be the idea that there must necessarily be a conflict between the interests of Black and White in East Africa and therefore that in a conflict the interest of the Black must be paramount?..... You cannot ride your East African States in conjunction with the policy of abrogation and surrender in other areas interest."

4. Coupled with the known inclinations of General Smuts and the frankly expressed opinions of Lord Lloyd, Captain Schwartze, the Acting Leader of the European Elected Members of the Kenya Legislature maintaining an air of mystery and confidence, stated at the opening of the European Unofficial Conference held recently in Nairobi as follows:—

"In the middle of May however I received confidentially certain information which after giving the matter the fullest possible consideration decided me to take the step of issuing invitations to a conference.....since invitation were issued for this conference the whole situation has been considerably changed by the fact that the decision of the Secretary of State with regard to Income Tax has been made known, and I make bold to say that the very fact that the official community of this Colony has obtained recognition as to its right to be heard in matters of taxation constitutes one of the greatest constitutional triumphs in the history of the Colonial Empire. And it has also shown that as the present Secretary of State we have a man who

is at least ready to lend ear to reasoned argument and who, as has been shown, by the impartial and judicial manner in which he has dealt with this controversy, is not prepared to sacrifice justice for expediency."

5. The doctrine of paramountcy of African interests clearly and unequivocally stated by the various Secretaries of State for Colonies since 1923 has been so modified by the present Secretary of State, speaking at the annual dinner of the Colonial service at the Corona Club on June 15th, as to amount to a virtual abandonment. The following, read in conjunction with his despatch to the Government of Kenya announcing the decision in favour of substituting taxes on Trade and Commerce for a tax on income, and the remarks of Capt. Schwartze in his speech quoted above will convince every one that the Secretary of State for the Colonies has raised high hopes in the minds of unofficial settlers that he would lend an extremely sympathetic ear to their demand.

"In theory," said Sir Phillip Cunliffe Lister, "the representation of local interest and local opinion, and the essential power of Government may appear to conflict. In practice it is remarkable how often and how easily they are reconciled." And the reconciliation will be the easier and the more complete if on the one hand those who rightly take their place in Council exercise their function with a due sense of their responsibility and a breadth of view that looks beyond sectional interests and if on the other hand administrators take the unofficial element fully into their confidence and profit to the utmost by their knowledge of local conditions, local sentiments and local needs. Both are working together for a common end, the prosperity and good Government of the land and its people."

As a platitude of the science of politics, this statement is extremely nice and the manner in which the interests of the vast numbers of Indians and Africans have been subordinated to those of the Europeans in Kenya by the latest decision of His Majesty's Government on taxation indicates that Sir Phillip Cunliffe Lister believes that the conditions of un-official co-operation contained in his speech have been fulfilled. In fact, they are not. The Indian and the African people are not taken into confidence and their conditions, sentiments and needs, have been utterly disregarded in arriving at the decision. Had these been taken into

3. That this is not merely an internal cry may be gathered from the following:-

General Smuts is widely known as the voice of the farm of the South African and of a White Empire in South and Central Africa. He is primarily the father of the Union for the Union. He has been the spokesman of the British Empire against Arab expansion ever since he stepped upon the sands of Egyptian Palestine at the end of the war of the great empires of the East. And Lord Lloyd, once Governor of Palestine of the East and High Commissioner of Egypt, recalled from his office in that country by Mr. Henderson, speaking at the British Club London last month, in words as unambiguous as possible:-

"We have had a great deal of trouble with about two millions. It is a matter that is the like this also and necessarily is a conflict between the interests of Black and White in East Africa and elsewhere that in a certain degree is the subject of the Black and of political. The matter is the same East African States to be mentioned with the policy of integration and necessary in other areas elsewhere."

It coincided with the happy conclusion of General Smuts and the majority expressed opinions of Lord Lloyd, Captain Smuts, the Acting Governor of the European Chamber of Deputies of the League of Nations, maintaining an all of peace and confidence which at the opening of the European Colonial Conference held recently in London as follows:-

"In the middle of the twentieth century, undoubtedly, a serious international situation which gives the world the full of a serious international situation and to take the step of assuming responsibility for a commonwealth. The world situation was caused for the conference the whole situation has been consistently changed by the fact that the interests of the countries of the world with regard to Africa has been made known, and it is now time to see that the same fact that the international community of the world has obtained responsibility as to be right by the fact that the interests of the countries of the world are the greatest international situation in the history of the Colonial Empire. And it is now time that in the present situation of the world we have a new way

is at least ready to lend ear to reasoned argument and who, as has been shown, by the impartial and judicial manner in which he has dealt with this controversy, is not prepared to sacrifice justice for expediency."

3. The doctrine of paramountcy of African interests clearly and unequivocally stated by the various Secretaries of State for Colonies since 1923 has been so modified by the present Secretary of State, speaking at the annual dinner of the Colonial Service at the Corona Club on June 15th, as to amount to virtual abandonment. The following read in conjunction with his despatch to the Government of Kenya announcing the decision in favour of subsidizing taxes on Trade and Commerce for a tax on income, and the remarks of Capt. Schwartz in his speech quoted above will convince every one that the Secretary of State for the Colonies has placed high hopes in the minds of unofficial settlers that he would lend an extremely sympathetic ear to their demand.

"In theory" said Sir Philip Cunliffe Lister, "the representation of local interest and local opinion, and the essential power of Government may appear to conflict. In practice it is remarkable how often and how easily they are reconciled. And the reconciliation will be the easier and the more complete if on the one hand those who rightly take their place in Council exercise their function with a due sense of their responsibility and a breadth of view that looks beyond sectional interests and if on the other hand administrators take the local element fully into their confidence and profit to the utmost by their knowledge of local conditions, local sentiments and local needs. Both are working together for a common end, the prosperity and good Government of the land and its people."

An aptitude of the science of politics, this statement is generally seen and the manner in which the interests of the vast numbers of Indians and Africans have been subordinated to those of the Europeans in Kenya by the latest decision of His Majesty's Government in London indicates that Sir Philip Cunliffe Lister believes that the conditions of non-official co-operation contained in his speech have been fulfilled. In fact, they are not. The Indian and the African people are not taken into confidence and their conditions, sentiments and needs, have been utterly disregarded in arriving at the decision. Had these been taken into

consideration, the Secretary of State would have declared differently, and that the nature of his declaration therein differed, he would neither have earned praise from Capt. Schuyler nor raised suspicion in the minds of the national Europeans and jeopardized the peace and the future of the country.

6. The National Conference of Europeans in Europe was convened by the statute and words of the Secretary of State to the Colonies and by the systematic arrangement of Capt. Schuyler to confidential informants in his government, passed a series of resolutions given below. It may be stated that the sound Europeans were conspicuous by their absence in the Constitution and the Case Questions, the Case Paper, having a heard brand of European, American and Anglo-American opinions approved the resolutions which are as follows:-

1. That the Conference, bearing in mind the recommendations of Mr. Wm. C. C. Hill, former Secretary of State, that he did not communicate any opinion which could prevent Europe from being free to become independent and ultimately a British Colony looking forward to the future of self-government, resolves that the responsible Government of the European Colonies of Europe is the eventual goal to which the Colonies aim.

2. That the Conference is of the opinion that the time has not come when such things should be done in the Colony's Constitution as will affect the national community & greater measure of the Colony's freedom and safety provided that such constitutional change shall not necessarily affect the present independence of the Legislature.

3. That the Conference is of the opinion that the present manner of financial control already asked for should as a first step be advanced by setting up of a Monetary Finance Committee of the Legislative Council in which there would be a majority of European elected members selected by themselves. All elected members have the right of attending the meetings of this Committee. This Committee to be advisory and to have the right to have all Government financial matters referred to it before such measures are introduced

into Legislative Council. It is to be further provided that should any European elected members vote to order unanimously against any money bill, such bill cannot be passed by the Governor's Certificate as a matter of emergency.

4. That the Conference is of the decided opinion that any scheme involving an unbalanced budget, balanced by borrowing would be entirely unworkable to the country.

5. That the Conference expresses its satisfaction that H. M. Government in the recent despatch of the Secretary of State to the Colonies on the subject of taxation has recognized and advanced the right of a National Committee to elect or elect in which any agreed amount of taxation shall be imposed.

The character of the resolution is sufficient enough, to express the agreement reached between the Secretary of State to the Colonies on the one hand and Europe on the other. General Smith and Lord Lloyd on the other. The present demand of the Financial Control is the result of the latter demand for immediate action of an elected European majority in the Legislative Council. The outcome provided in the resolutions for the determination of an agreement of the Governor's responsibility for the national, fairly unqualified European majority of the proposed committee has been asked for. Secondly an unbalanced budget balanced by borrowing has been asked for. Thirdly it has been demanded that the Governor's power of certificate should be retained only as a matter of emergency. Fourthly the committee was of more elected members has been made a condition that the bill should not be to be introduced. It may be mentioned as it is to be decided that there is an elected European majority, organized in Europe which exercises an advisory role in the legislative field to its making and thereby useful to the country. This body has been able to have a complete vote of non-attendance and to be elected an unqualified advisory role in a case case.

7. The demand for a national committee in the Council and for self-governing government in the good was proposed as well by an unrepresentative committee of opinion. A step towards the latter and ultimately the principle that they would be organized with a view of having a national committee in the Council of the Colonies and a national committee in the Council of the Colonies.

in practice to the European section to the exclusion of the Asiatic. This strategic gain is now being pursued to its end. The special and meaningful emphasis in the speech of the Secretary of State for the Colonies on the co-operation of unofficial communities in administration and the reconciliation in practice of all contacts between African and European interests raises serious questions in all minds. Both the African and Asian communities are aware that if any branch of administration must be jealously reserved to the Crown, it is Finance and they are convinced that if this branch is alienated to unofficial Europeans, there remains nothing else to a large or not, nor is there anything left for the other communities to make their representation on the Legislative Council of any value.

R. It is this pregnant fact that lends the significance of this memorandum to address you and through you all Indian, East and West, and abroad in terms of grave warning. The official Europeanism professed to have been tired of politics and to be willing to drop it at the end of 1930. A Labour Government was then in Power. A sympathetic Cabinet is now at the helm of affairs. It is clear therefore that their professions of weariness was a least partial only for having a breathing space and launching a flank attack at a suitable moment. They seem to have exhausted themselves and the present moment is opportune, the Indian community having been lulled into a sense of security and rest, unalarmed by international differences. It does not require mention that the E. A. I. N. Congress has been a bulwark of strength, not only to the Asians but also to the Africans in the past. This great body is supported by the East Africans to be named for lack of government funds and workers. It is also believed that the usual assistance from India would not be forthcoming and a period of the political situation there. It is therefore natural that they should propose to take the Asian side, by saying and put forward a demand for financial control at this juncture with all the support and cultural reinforcement that they are receiving. The leaders of European community are certainly mistaken in this, for through the weakness of Colonial Governments and the strength of the unofficial European community have resulted in the emancipation of Asia, India, and Africa, a consistent opposition to any such demand has always been and will be maintained by the Indian Community. It can only rely upon all its latent reserves of strength, not all those who are interested in Asian Settlements in these parts and the progressive uplift of the Africans, the Government of India, whose Africa

led with Indians abroad, on the great Liberal Statesmen of the Fatherland, on the splendid fighters of the Congress and on all those Britishers who unaffected by National Imperialism have remained true to the high principles of civilization and humanitarianism. All these must be warned in time against the grave danger that threatens the spirit of enlightened rule in Central and Eastern Africa should be asked to take timely steps to checkmate the present ministers of the Crown from parting with the Crown's prerogative for ensuring the best rule and progressive uplift of Africans in Africa.

9. The E. A. I. N. Congress in the memorandum submitted to the Hulton Young Commission in 1925, pointed out the effect of an Unofficial European majority in the Legislative Council of Kenya in the following terms:-

The Eastern Africa Indian National Congress are strongly of opinion that the time has not yet come when official majority on the local Council can safely be abandoned. They consider that the ultimate responsibility of His Majesty's Government for the government of the Colony should remain sole and undivided and cannot flow without delay any constitutional change which would have the effect of transferring that responsibility in part to the non-official population of the Colony. They hold that such a step would be fraught with serious consequences to the native community and with danger to themselves.

The interests of the natives which have been held by the Imperial Government to be of paramount importance must be the end factor in the decision on this point and the Congress feel no doubt that in the present conditions of the Colony, the vesting of a non-official majority in the hands of members of the unofficial community would entail grave risks to the welfare of the African. Only four years have elapsed since His Majesty's Government stated in the course of time that they were unable to delegate to since their mind in the respect and the abandonment of this policy principle which had previously remained unshakable was proved to be unwise to enable the maintenance of Indian and African alike in the fields of Imperial policy as matters concerning their own race. The pace of the history of the now very different stages of development is different

arens can never be adequately represented by men of other races however well meaning. And only a few Africans in certain districts have yet reached a point at which they could represent their own community on the Legislative Council. In a Colony composed of different races with divergent interests the presence of a non-official majority in addition to the veto of the Secretary of State constitutes a safeguard which is not lightly to be set aside.

So far as they themselves are concerned, the Indian Community fear that a non-official majority in the local Council would in practice prove to be a non-official majority of Europeans, elected or nominated. The attitude of the non-official European community towards Indians of recent years and the measures that have been advocated by their leaders in public speeches do not inspire the Congress with confidence in their intentions. Indeed, they would go further and state explicitly that they would regard the advent of such non-official majority to power with the utmost apprehension and distrust.

Every word written above applies today and with greater force to the present conditions. It is true that notable Indian speeches have been made since 1930, but deliberate and definite measures have been taken or forced upon the Government, tending to squeeze the Indian Community out of the political and economic life of Kenya. The Control of Finance by non-official Europeans will spell ruin for Indian trade and enslavement and impoverishment for African reserves.

10. The members of the Hilton Young Commission were able to appreciate the position as actually existing in Kenya and to look far ahead. With almost prophetic vision they stated:

Where there is an articulate local public opinion the Government finds it an advantage to obtain its advice in regard to legislation. This is secured by the nomination of non-official members to the Legislative Council. The next step in order to ensure that the expression of public opinion is really representative is to introduce the principle of election. What is thereby conceded to the unofficial community is merely an opportunity of criticism. Whereas under responsible Government the criticism of an opposition is tempered by the knowledge that if it is successful in

bringing about the defeat of the Government, the critics will be called upon to accept the responsibility of translating their opinions into practical measures and submitting them to the test of action, in the case where are considering this salutary check is lacking and criticism may without penalty be pushed to violent extremes. The electorate having no opportunity of seeing the views of its representatives brought to the touchstone of practice tends to become more and more convinced of the incompetence of the Government. Like every electorate it is inclined to demand impossible services without expenditure, increased facilities of all kinds without increased taxation, ample provision of these in its own neighbourhood and rigid economy elsewhere, and is indignant with the Government for failing to meet its demands. The system does little to train the unofficial members for the work and responsibility of governments. It is rather an education in the art of embarrassing those who are responsible. At the same time, the fact that the official party is always in a position if it so desires to give effect to its decisions, tends to develop in the unofficial members an attitude of permanent opposition. (REPORT)

The truth of these remarks is clearly written in the history of the unofficial European representation in the Colony's legislature. The difficulties of a government in case an unofficial majority is created in the council are graphically described by the commissioners in the following words:

When the criticism of the unofficial representatives supported by public opinion reaches a point which makes the carrying on of government too difficult, the next step is to concede to the unofficial members a majority in the legislature. Experience shows that this has little effect in removing the difficulties. The attitude of opposition is not changed, while the power to embarrass and paralyse the government is increased. The government is forced more and more into an untenable position from which it cannot extricate itself by resignation. It is compelled, in the words of an experienced administrator to carry on the administration of the country as best it may in spite of frequent defeats and by means of a series of one-

vided commissions, each one of which helps to direct it, to expose its impotence and to undermine its authority. It is one thing to say that the prestige of the Government of Kenya has gradually suffered by the private actions of the Secretary of State as the question of elections.

11. Indeed, the Commissioner felt even in 1970 that the attitude of the Colony possessed more influence than was due to the administration. The Report goes on to state—

"In Kenya official opinion has in practice retained a much larger influence by the presence of Governments than elsewhere with the strictly constitutional provisions. The Government still retains an official majority in the Legislative Council. But there have been instances on several occasions in which local opinion has successfully resisted measures which the Secretary of State would have liked to enforce. In the ordinary conduct of Government as well as in important cases the influence of the elected and local members is much greater than in generally assumed. Two of the European elected members of the Legislative Council have been nominated as members of the Executive Council and have thus been admitted to the inner councils of the Government but they are under no obligation to support the Government and have in fact frequently opposed it in the Legislative Council. A greater role also grows up in the Legislative Council of extending all questions of importance to Select Committees in which the Official majority is usually reduced. These Committees consist for the most part of a large proportion of unofficial members with only such official members as are directly concerned with the subject at hand. The method of reference to Select Committees is now established by custom over the whole of the business of the Legislative Council and results in the exercise of constructive influence by the legislature in the executive sphere. The conduct of the Secretary of State in time to practice subjects in situations which make it extremely difficult. While elected members have acquired a large share of power in the Government of the country there has been no corresponding advance in local responsibility."

The Hilton Young Commission stressed not only constructive Government in the ultimate goal but any such arrangement that may lead to the Government of Kenya would be directly a step to

responsible Government. Unofficial European Majorities are now almost an established rule on Select Committees as pointed out above, but if a Statutory Majority on the Finance Committee is granted today as a special concession, as every thing else is ultimately based up with finance, the Financial Select Committee will virtually constitute itself into a European chamber forcing its decisions on the Legislative Council. The latter will then sink into insignificance and will be only debating and a registering body. The observations of the report of the Hilton Young Commission on the issue of an elected European Majority may be quoted here with advantage.

"It is not to be in Kenya that if an elected majority in the Legislative Council of Kenya were in a position to withhold supplies and the Secretary of State had a veto over legislation, each party would possess an effective blockade which would prevent a formal vote covered by the other and that if an agreement ever arose when the blockages were brought into action the British wish of compromise could be dependent upon its coming to the rescue and bring about an adjustment of differences. But the clear teaching of Colonial History is that such a arrangement as has been described stands inevitably in the end to responsible Government. If therefore it is a definite conviction that the transfer of political control to a local electorate is neither right nor wise nor conducive to the welfare of Eastern Africa, it is necessary to avoid creating a state of things in which such a transfer might become unavoidable. Hence the rejection of its responsibility Government as a goal of political evolution has as its consequence the rejection also of a form of Government in which an elected majority in the Legislature and an irresponsible executive are able each to paralyse the action of the other, while each has the freedom and power to carry out a full measure, positive and constructive policy. Since all experience teaches such a form of Government, it must not be allowed to come into existence through a policy of drift."

The Laming Government of 1970-80 and the National Government which when the Joint Parliamentary Commission reported had already nominated themselves with a view given expressed in the report of the members of the Hilton Young Commission. The Commission of 1970 stated—

"The Commission would think of the Governor should be preserved by requiring in any case in which he may deem it

necessary that all the official members should support his policy by their votes."

In their memorandum on Native Policy, the Labour Government of 1930 state:-

"It is with the additional benefits and exceptional safeguards called for by the special needs of the peoples not yet able to stand by themselves under the strenuous conditions of the modern world that the trusteeship for the native races is particularly concerned. And it is essential to ensure the maintenance of these exceptional safeguards and the development of these additional benefits that His Majesty's Government must necessarily retain in their own hands the ultimate decision and the final control. Even if it were decided at a later date that the present official majority in the Legislative Council in Kenya should be abandoned, there could be no question of departing from the fundamental principle enunciated above."

The Joint Parliamentary Committee endorsing this observation stated in its report (Para 75):

"The Primary obligation to the Native races follows naturally from the acceptance of the principle of trusteeship and to this certain corollaries must be added. The control of His Majesty's Government in the United Kingdom must remain unimpaired. The conditions in East Africa where these widely differing communities exist side by side demand the maintenance of an effective power of intervention by the Crown in all matters of both legislation and administration. This power will be exercised by His Majesty's Government acting through the Secretary of State. It is clear that under existing conditions the principles enunciated above can only be effectively operative if the authority of His Majesty's Government remains unimpaired. The diversity of the interests to be coordinated and harmonized require a Government impartial and capable of being seen to be impartial. The majority report of the Hilton Young Commission expressed their emphatic opinion that all matters in which racial interests were or appeared to be concerned should be decided by a neutral authority. That authority exists in the Secretary of State and the Government acting on his instructions."

The phraseology of this paragraph has been very carefully chosen. The great influence exercised by the unofficial Europeans in the economic life of Kenya has been referred to the Asians and has imposed heavy burdens and unbearable restrictions on the Africans. It has resulted in discriminatory taxation and expropriation. The opposition to Income Tax has already resulted in imposing additional taxation on trade and articles of native manufacture. It has also resulted in the monopoly of the highest offices in the Colonial services by Europeans. The better community of Kenya has been able to appropriate the greater part of revenues and loan funds for their own benefit. Lord Moyse, the Financial Commissioner had to propose special Native Betterment Fund and to recommend special allowances to the Native Councils. The Asian community will never consent that the unofficial European should be entrusted with control over the share of the resources. European influence has resulted for the Asians in drastic expropriation of Asians from posts in Government services in favour of Europeans in White Post establishments of the customs tax, in the suppression of sugar marketing in some appropriation of agricultural subsidies in the monopoly of the Highlands, and in the concentration of foreign credits from Indian traders. We therefore appeal to you to take immediate steps for remedying this unjust and unfair situation by securing the termination of the economic life of Kenya governed since 1918 by the European immigrants of this country. The success of the European demand will be disastrous to Asian interests and your African interests to the increasing group of unfortunates that are to be found in the Indian Nerve and many of coloured African towns of general importance that exist. We would have trusted a Indian Secretary of State for the Colonies for such a task to the serious consideration of Imperial policy, but our being hindered and a false sense of security in the European's opportunities. The African and General Funds and Local Loans are assets against which we can only hope to set up the support of the Government of India. Kenya ought to be a right Colony of India. We do not wish to recount however our wrongs of the past. We shall merely emphasize the necessity of proceeding without delay to rectify present. The development of Kenya has been mainly due to Indian enterprise and investment. We recognize that a secondary position in the life of the Colony. Even this secondary position as it is now being granted. Under these circumstances we feel that you will be glad to find that we are not an ungrateful hand of

(11)

no time in moving in this matter, and we only hope this memorandum will serve to rally all the Indian forces round it.

SD/ SHAM-SU-DEEN.

SD/ U. K. OZA.

SD/ A. RAHMAN.

SD/ K. V. ADALJA.

SD/ A. B. PATEL.



The Political Issue.

The results of the secret unofficial European Conference which was held this week in Nairobi are more or less known from the several resolutions which are now published. We were not aware of them when we wrote the editorial on the Conference, but our surmise has been correct. We are definitely of the opinion that a political issue has now been raised which is going to plunge the Colony into a great deal of agitation and controversy. The aim of the European leaders has been to renew the bitter struggle from which the country evolved about a decade ago much the poorer in inter-racial relationship and a harmonious working of imperial problems. Kenya is again to be made the battle ground for the testing of imperial pledges and undertakings given on behalf of the backward races. There is, therefore, needed on the Indian side Drax of the old type, a man who will give the lead to the Indian population and carry it with him in an organised attack on this latest attempt for the settlers to usurp what has hitherto been an imperial privilege. There are two things that arise from the demands put forward at the Conference. Firstly that the financial powers of the Legislative Council be transferred to the European Elected Members. Secondly, that the Government of the Imperial Government be only allowed to interfere with financial policy of the European Elected Members when racial issues are involved. It is clear that the proposals, if agreed to by the Imperial Government, would place the destinies of Indians and Africans in the hands of the European minority. Not even the European leaders deny that there is a possibility of a racial conflict on financial matters, but, according to them, the land say must not be at either Government House or Downing Street, but at the Nairobi Memorial Hall. The Congress should not long tarry in organising a co-ordinated resistance to settler claims and should also rebel the sympathies of the Indian Government and other leaders who might be of service to our cause.

THE EUROPEAN POLITICAL CONFERENCE

The leaders of the European community are not allowing the grass to grow under their feet even after the "constitutional triumph" they have scored on the issue of Income Tax. A conference of political leaders of the community was held this week in Nairobi, but the promoter of the conference, Capt. the Hon. H. E. Schwartz, preferred to hold the proceedings in private, and they were accordingly held under the strictest secrecy. There are certain circumstances connected with the holding of this Conference which we might make a note of. In the first place, as admitted by the Deputy Leader of the European Elected Members of the Legislative Council, the Conference is called for the purpose of discussing the ways and means for the European Members of the Legislative Council to obtain control of the finances of the Colony. In accordance with the wishes of the Convention of Associations, the European Elected Members recently sponsored a resolution in the Council demanding that the finances of the Colony be vested in the *electd representatives of the people*. It is, of course, understood that by people is only meant the white section of Kenya's humanity. The resolution was lost, but in the meanwhile certain developments took place and the Deputy Leader of the European side of the Legislative Council announced the policy of his community in the course of the debate on Estimates. On the other side, Lord Francis Scott, who flew to England both for reasons of health and for presenting the case of the settler community, was holding frequent conversations with the Secretary of State on questions affecting Kenya politics. There is not the slightest doubt about Lord Francis Scott having to a great extent influenced the decision on Income Tax. There is no doubt whatsoever that the confidential information supplied to his Deputy emanated from the same source. As was arranged, the Conference was held in secret and the proceedings are to remain so until an opportune moment when they will be made public property. We have referred lengthily to the circumstances attending this political Conference because we wish to impress upon

the Indian public that an immediate action, possibly retaliative in nature, is called for from the Indian community. Our political opponents have gained by their experience in political struggles of the past when, oftener than not, they lost their case. But they are more tenacious and they have traditional spirit of discipline and complete confidence in their leaders. The conference of Europeans has been convened on certain information confidentially conveyed to their leader probably from London. What that information is does not affect us but it is certain that steps are being taken by the European leaders which centre round their constitutional advance. It would be a criminal folly on the part of the Indian community to consider that the movement which is organised by our opponents was an innocent one. Or that the recent pronouncement of the Secretary of State on the "paramountcy" of the Colonial Office in colonial matters was a sure guarantee that the interests of the non-European communities would never be subordinated to those of the Europeans. The Congress Executive have already taken action in the matter, but it is necessary that something more spectacular is undertaken so that the attitude of the community is defined on this issue. Sir Joseph Byrne, who is now on an enforced holiday—evil tongues have it that he has given up his post on the issue of Income Tax which he supported—refused to be a party to the policy of Sir Edward Grigg in governing the country by "agreement" with European Elected Members of the Legislative Council. The present agitation is nothing short of an attempt to revert to a policy which has brought the country to the verge of bankruptcy and contributed to the surrender by the Head of the administration to a minority who is primarily concerned with the advancement of white supremacy among millions of His Majesty's coloured subjects. Indians would fail in their duty to their own people and to the natives of the country, if at this stage they remained indifferent to the rapid changes, which are being effected in the theories of British Colonial administration.

The London Conversations

A Labour Member of Parliament asked the Secretary of State questions on the much debated subject of negotiations reported to have been carried on by Lord Francis Scott with the Colonial Office regarding greater control of the Colony's government by the European community. Sir Cunliffe-Lister replied that the conversations were unofficial and that it was a practice for him and his officers to see, *unofficially*, members of the Colonial legislatures. The Secretary of State denied that Lord Francis Scott had made any statement implying that the negotiations were likely to result in complete self-government for Kenya. He also said that the Imperial Government had stated its considered view on the select Committee's report in a despatch issued last year.

It is difficult to reconcile the statements of Sir Cunliffe-Lister with the announcement made locally that certain confidential reports had been received from London, reports which are said to have precipitated the last European unofficial Conference. It was also asserted at the time that Lord Francis Scott had sent a communication to the Deputy Leader of European legislators. The statement in the House of Commons does not carry conviction, but it is admittedly true that conversations of all kinds, including constitutional issues, are discussed, *unofficially* though. We would suggest to some of our Indian Legislative Councillors to avail themselves of the opportunity and undertake a trip to London to discuss, *unofficially*, with the Secretary of State the present situation. We consider that they owe it to the community which they claim to lead and represent that the Indian point of view be also presented to the Colonial Office.

Mr. J. Hudson
C.M.

Mr. [unclear]
L 97

Times 17/8/33

Sir C. Bottomley
? Better results
on the constitution
file 58

Yes.
Yes
17.8.

KENYA SETTLERS AND THE GOVERNMENT

ACCUSATIONS AGAINST SIR J. BYRNE

FROM OUR CORRESPONDENT

NAIROBI, AUG. 16

The alternative measures to raise taxation, in place of the proposed income-tax, now dropped, were adopted at the recent session of the Legislature except the landing tax on passengers, which is still under consideration. The Government, with the support of the Indian members, defeated by 22 votes to nine a motion of censure moved by the European elected members declaring that the need for taxation would not have arisen had the Government accepted the advice of the elected members two and a half years ago.

The primary intention of the motion was to permit the elected members who earlier had shown unexpected differences over the alternative taxation proposals again to present a united front. The Government speakers denied that they had scorned the cooperation of the elected members. They were unable to give the assurance sought that the alternative taxation would end in 1934. The economies in the cost of personnel in the past two years had exceeded £250,000. A final decision on the question of Civil Service conditions was expected to be given soon in a dispatch from the Secretary of State.

The acting leader of the European elected members, Captain Schwartz, said he regretted that the Governor, Sir Joseph Byrne, was not present and accused him of inepticity as head of the Government. He had, Captain Schwartz declared, arrived in the Colony with the deliberate intention of departing from the policy of consultation with the unofficial members which had been followed in the previous 12 years. The Governor had rebuffed the offers of the elected members on every possible occasion. The political troubles, with a large part of the economic troubles, would otherwise never have arisen. Captain Schwartz added: "When Lord Delamere died before his time he died believing that all he had built up had crashed; that all he had gained for the white community of this Colony had been lost. I say it with complete conviction that I am speaking the truth; Lord Delamere died from a broken heart and nothing else. Those who loved and respected Lord Delamere would, however, prove to the Government and posterity that the belief in which he died was wrong and they would build up the great structure which Lord Delamere did so much to found."

This is amusing
I wonder that the
Times correspondent put
it in.

The Governor says he is
always ready to consult
& ask advice which I can
well believe
the trouble
is caused by a little
attempts to find
a business financial
Commission
17.8.

Received 1933

Ans. (43)

P.O. Box 1162
Nairobi, Kenya
British East Africa
22nd June 1933

Dear Sir Samuel Wilson

I am taking the liberty of enclosing the report of a speech which I made two years ago at the Nairobi Association monthly meeting about self-government for Kenya, and a memorandum which I have recently written on the subject, for circulation to the delegates to a Round Table Conference, which Schumacher, the acting leader of the Elected Members Organization, has convened for the 30th of next month, to discuss the matter. When I introduced the subject two years ago astonishingly little interest was taken in it but public opinion has advanced very rapidly recently, and people nearly seem to be realizing more and more

that we can't remain for ever as we
 are. I am very much afraid Sir Joseph
 Borne doesn't exactly appreciate my
 views, but perhaps our next Governor will
 take a broader view of the subject. You
 will see that in the two years between the
 two documents my views regarding a
 European elected majority have undergone
 a change and that I have come to the
 conclusion that if British ideals are to
 be secured, beyond any doubt, when self-
 government arrives a racially balanced
 legislature will be impossible.

A great weight has been lifted
 from our minds by the Secretary of State's
 decision not to impose income tax upon us.
 I am sure everyone here will praise his
 wisdom to make the ultimate tax a
 success when we are Constitutionally able

to combat the less onerous, and it is possible, simultaneously with its introduction, to make a considerable reduction in our Custom duties, I think much of the objection to Income Tax will disappear, but no more time than the present could possibly be chosen for bringing it into the sphere of practical politics.

With kind regards,

Yours sincerely

R. W. Hamilton

MEMORANDUM
 BY THE
NAIROBI ASSOCIATION
DELEGATES

to the Round Table Conference
 convened by the Acting Leader of
 the Elected Members to consider
 the questions of the Colony's
 CONSTITUTION.

MEMORANDUM

The question of Constitutional advancement in Kenya was first raised in recent times at the Nairobi Association's monthly meeting in June 1951, on which occasion the many ladies and gentlemen present unanimously agreed that self-government, within a reasonable period of time, should therefore be our political goal and that "progress towards self-government, and progress on lines which will spread an effective sense of their great responsibilities, is essential to the character of the European Community in Kenya and to the political health of the Colony as a whole."

In September, 1952, delegates to the Convention of Associations from the Nairobi Association assisted in securing the passing of a Resolution by the Convention which requested the Executive of that body to prepare for presentation to the Government, and in collaboration with the Elected Members' Organisation, a scheme of political advancement.

The Report of this Committee was submitted at the last session of the Convention, when a Resolution was passed demanding that effective control of the Colony's finances should be vested in the Elected Members of the Legislative Council as at present constituted. The Resolution was subsequently debated in the Legislative Council and rejected by the Government majority.

The Delegates to the Convention from the Nairobi Association, when reporting on the matter to their Association, expressed the view that the whole question of the Constitution required to be further considered and pointed out that it was hardly likely that the desired Constitutional advance would be granted in response to a single Resolution, and that to leave the matter where it stood would mean it is pigeon-holing in the Colonial Office Archives.

They accordingly recommended that a communication should be sent from the Association to the Acting Leader of the Elected Members, suggesting that he should convene at an early date a Round Table Conference for the purpose of considering further the question of the Colony's Constitution. A Resolution to this effect was subsequently passed by the Association, and the recommended communication made accordingly.

It has been publicly suggested that Delegates to the Conference should not bring to it any preconceived ideas of the line which the Conference discussions should take. We feel it our duty forthwith to state that we do not concur with this view. While we will certainly speak with the greatest deference and interest to the views

of the other Delegates and be prepared, moreover, unhesitatingly to alter our opinions if it should appear to us that sound reasons have been advanced for doing so; we are strongly of the opinion, at present, that the time is now fully ripe for the introduction of full Responsible Government in Kenya.

There are people in the Colony, no doubt, who hold the view that self-government will not be practicable until the European population is much larger than it is at present. We agree, however, with Sir Edward Grigg that the size of the European population is not a satisfactory standard by which to judge the question and that when that population numbers 25 or 50 thousand it will not necessarily be more responsible than it is to-day. We believe it to be the fact that the European population of Natal was smaller than ours is at present when self-government was granted to that Colony, and we cannot think why anyone should imagine that we in Kenya are less capable of managing our Public affairs than were the people of Natal when this privilege was extended to them.

It has been suggested that our request for political advancement should be limited to a bare demand for control of the Colony's finances. We venture to think, however, that a political Constitution is a thing which ought to reach down to the heart and soul of a people, and should be fashioned by the people and not left to be thought out for them by a body of paid officials sitting in Downing Street, 8,000 miles away.

In conformity with the views expressed in this Memorandum we venture to submit for the consideration of the Conference, and as a basis of discussion, a scheme of Government, the immediate introduction of which would, in our opinion, be to the Colony's greatest advantage. At the same time we realise, that there may be people in the Colony who would prefer some kind of interregnum between the abolition of the Crown Colony system of Government and the introduction of Responsible Government and we therefore couple with our scheme proposals for a modified form of Government which, if a period of training in ministerial work is really considered necessary before the Official element is entirely eliminated from the Executive and Legislative Councils, might be adopted we suggest for a period of, say, three years, from the date of the general elections next year.

SUGGESTED SCHEME OF FULL RESPONSIBLE GOVERNMENT.

The Government of the Country will be carried on by a Governor, a Council of Ministers and a Legislative Council. The Governor will be President of the Council of Ministers. He will not be bound to accept the advice of the Council of Ministers.

This Council will consist of not fewer than Six and not more than Eight members chosen by the Governor from the Legislative Council. Not fewer than Five of such Members shall be elected European Members of the Legislative Council.

Six of the Members of the Council of Ministers will be given the following Portfolios by the Governor.

(a) The Department of the Premier and Ministry of National Affairs.—This Department will be the channel of communication between the Governor and other Departments and between the Executive and the Legislature. It will supervise the preparation of all minutes for the Governor. It will administer Native Affairs subject to the special powers reserved to His Excellency in such matters.

(b) Ministry of Finance.—This Department will administer all matters relating to posts, telegraphs and telephones, customs and excise, taxes, pensions and gratuities and financial matters generally.

(c) Ministry of Justice.—This Department will administer all matters in relation to parliamentary drafting, general legal advice, superior and inferior courts, police and defence, magistrates, prisons, deed's office, patents, trade marks and copyrights, registration of companies and justices of the peace.

(d) Ministry of Agriculture, Lands and Mines.—This Department will administer all matters in relation to agriculture and veterinary affairs, surveys, lands, land settlement and mines.

(e) Ministry of Public Works.

(f) Ministry of Internal Affairs.— This Department will administer all matters relating to the public service, public health, hospitals, dispensaries and asylums, education, salt, printing and stationery, naturalisation and passports, local government and all other matters which are not assigned to any other department.

The other Members of the Council of Ministers, if any, will be without portfolios. This will enable the Governor to select such from the Legislative Council whose advice he may consider it desirable to secure as members of his Council of Ministers, and who may not be suited to take charge of departments of State, or who, while willing to give their advice as Ministers, may be unwilling to take charge of departments of State.

Decisions of the Governor-in-Council will be regarded as decisions of the Council of Ministers as a whole, and any Member who may find himself unable to support such decisions in the Legislative Council will be expected to follow the usual constitutional

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practice of Responsible Government and resign from the Council of Ministers.

The Legislative Council will consist of 22 Members—of whom 20 will be elected and four nominated by the Governor to represent native interests and such like as a system of native electoral representation is evolved and as introduced gradually. Of the 20 Elected Members 10 will be Europeans elected on a communal basis by the European Community, eight will be Indians elected on a communal basis by the Indian Community and two will be Arabs elected on a communal basis by the Arab Community.

The President of the Council will be elected by the Council. He will have half an original and a casting vote.

The Governor will have the right of veto in regard to legislation and also the right to declare suspended subjects of existing legislation contrary to the ordinary sense of the Legislative Council.

Provision should be made in the Constitution Act to the effect that no alteration in the present system of communal voting, or of the present policy under which the Colony's Highlands are reserved for European settlement shall be made at any time unless agreed to by 18 of the Elected European Members. Provision should also be made in the Act to render impossible the introduction of any system of communal control of finance.

As regards the qualified form of Government which we have suggested might be put into operation for a period of three years from the date of the general elections next year, we proposed in that the Colonial Secretary and the Secretary for Native Affairs continue to be Members of the Legislative Council, and that they cease to be Members of the Council of Ministers, the President of the Council and the Ministry of Internal Affairs, composed as our scheme.

This will leave four Portfolios to be assigned to the Unofficial Members, viz. the Ministry of Justice, the Ministry of Agriculture, Lands and Mines, the Ministry of Finance and the Ministry of Public Works.

It will be remembered in this connection, that the Chairman of the Select Union Commission, Sir Hume Young, recommended the simultaneous appointment of Unofficial Ministers, a step which, of course, will be essential in any form of Responsible Government.

H. BIRNMAN

R. CLIFTON GREENHILL

Number Five 2nd 1922

CIRCULAR LETTER To District Associations.

To the Chairman,..... Association.

Dear Sir,

I have the honour to forward herewith copies of an address on the subject of Self-Government for Kenya which was delivered at a meeting of the Nairobi Association in June last, and to inform you that my Association is of the opinion that the scheme outlined therein should be brought to the notice of all District Associations with a view to ascertaining what measure of agreement exists in the Colony in regard to these proposals.

Should the replies to this circular letter indicate any general measure of agreement with the suggested scheme, it is the intention of my Association to propose to the Convention of Associations that the matter be considered by that body in conjunction with the Associates.

I should be grateful if you would bring the address to the notice of your Association and let me know at your early convenience for the information of my Association what is the general attitude of your members towards the proposals contained therein.

Yours faithfully,
(Signed) J. J. DOBSON,
Hon. Secretary,
P.O. Box 763, NAIROBI.

17th December, 1931.



SELF-GOVERNMENT FOR KENYA

Mr. Grannum, an Ex-Government Official,
Propounds His Scheme

CLOSER UNION A MISTAKE

At the recent meeting of the Nairobi Association, Mr. R. C. Grannum, C.M.A., the retired Treasurer of Kenya, put forward a scheme of self-government for Kenya, which he recommended as a political goal for which the people should fight with unwavering purpose, and indomitable will. Mr. Grannum speaking to the resolution which he put before the meeting "That in the opinion of this Association the residents and settlers of this Colony should aim at the principle of self-government for Kenya—following the traditional line of British colonialism overseas, said:—

Mr. Chairman, Ladies and Gentlemen.

I have been told that the time is opportune for raising the question of the Colony's Constitution, and I am also aware that there is a strong feeling, as present, in favour of what is referred to as a political truce, and that as a consequence, we are invited and advised and to press for any immediate change in the Constitution.

Well, Sir, I am as much in agreement with the advice not to press for any immediate change in the Colony's Constitution as I am in disagreement with the view that the time is opportune for us to discuss among ourselves what that constitution ought to be. Frankly, I regard it as perfectly futile to sit here with our heads buried in the sand as it were, saying that such people are going to follow our example of inactivity, and doing nothing as regards to this vital important question, while the whole subject is receiving the most practical consideration in London but only by our friends then by our enemies as

One hears it said almost daily that the majority of the people in Kenya are either too depressed by the hard times through which they, in common with the rest of the world, are passing, or too occupied with their own financial and economic problems, to give proper attention to important political questions such as the one referred to in the resolution we are discussing.

I wonder what one would think of the people of, let me say for example, Southern Rhodesia, who are just as hard hit by the present world depression as are the people of Kenya, if we heard that they were asking to be relieved of the great task of governing their country, because they were, too depressed or too busy with their private worries to give proper attention to the public concerns of their country.

I rather fancy we would think them a pretty poor lot and that in my opinion it is what is going to be thought of us before long, unless without much further delay we do some very clear thinking and what is equally important, some very straight talking on this subject of the Colony's constitution. The only kind of political truce which I regard as justified in present circumstances, is one that would rest on the simple understanding that if responsible people outside the Colony will leave our political affairs alone for a time, we people inside the Colony, will, during that time, refrain from pressing for any change in the Colony's Constitution.

It is, I think, deeply to be regretted that even such a truce as this should have become desirable. But, nevertheless, I for one will welcome it, if

we can get it, which I gravely doubt; because I am convinced that Kenya's most immediate need is a period of rest from outside interference in which some of the political mistakes, which we have made in recent times can be corrected by ourselves and forgotten by others.

We have, in my opinion, been guilty of two outstandingly grave political mistakes in recent times. One, in allowing ourselves to become mixed up with the question of Closer Union between this country, Tanganyika and Uganda; and the other, in allowing without protest, the impression to be created in the minds of innumerable people in Great Britain and elsewhere, people of all shades of political thought, that when we settlers in Kenya talk about political advancement, we are thinking of nothing more or less than the government of the Indian and African races by the British Settlers.

The question of Closer Union is perhaps not quite germane to the subject of my motion, but if you will permit me to refer to it for a moment in passing, I would like to say that, while I am all in favour of continuing our present Customs Agreements with our neighbours, provided we are able to secure such an alteration in the Colony's Constitution as will make it absolutely impossible for an autocratic Civil Service Government, such as we now apparently have in this Colony, to do again what they have done within the last few days; that is to use these agreements as a reason for arbitrarily forcing upon the Colony increased Customs Duties on such necessities in the daily life of Kenya, as vehicles and parts thereof, and of continuing also such joint services as are provided by the Amani Agricultural Institute in Tanganyika and the Sleeping Sickness Bureau in Uganda, I would have absolutely nothing to do at present with Closer Union in the sense in which it is interpreted in the Hilton-Young Commission Report.

Even to allow any part of our local Civil Service to become merged with a Federal Civil Service, means that to the extent in which this happens we will lose our chances of introducing

Service reforms such as extended official tours of service, reduced rates of pensions; consolidated salaries and things of that sort; because, it must be obvious that it will be years before either Tanganyika or Uganda will be able to accept such alteration in their terms of service, and without their agreement it will be impossible to apply new conditions to a Federal Civil Service.

It is all very well to talk about thinking Imperially, but I submit that if we are to be true Kenyans, it behoves us before all things to consolidate our political position as such, and, as I view the matter, a very great deal indeed remains yet to be done; before we people in Kenya can regard our political position as being in any sense secure.

With regard to the unfortunate impression which, I have said, we have allowed to get abroad that when we talk about political advancement in Kenya we are really thinking of nothing more or less than the Government of the Indian and African races by the British Settler, it is because I am convinced that so long as this impression continues we will never make any real political advancement in the Colony; that I ask you to make it quite clear this evening; that this Association, at any rate; entirely dissociates itself from any such intention, and it is because I am anxious that no other similar impression shall get abroad in the future, that I urge that we should lose no time in formulating a political Constitution for the Colony.

At present there is no such policy before the country, and I repeat that we should lose no time in formulating one, not for application as a whole in the immediate future, but as a thing which we can build up step by step, until in the course of years; the edifice is complete, something we can give the whole world to understand; and especially our enemies, that we intend to secure for ourselves within a reasonable time, instead of leaving it for people outside the Colony to do for us in this vitally important matter, what, I submit, we ought to be up and doing for ourselves.

From the evidence given before the Joint Parliamentary Committee at London by Sir Humphrey Leggett, it would appear that the Government had expressed the opinion that the future policy and development of the country should flow from the advice of a body of men of good sense. Now that the matter has been argued, I think that the view now most likely to be held by the majority here, and there is that such a body is necessary for the carrying out of the proposals of Sir Humphrey Leggett and myself, and that, whereas the Government would like the plan to be carried by people like myself in London, I wish it to be carried by the leading inhabitants of the Colony itself.

I am not far from my mind that the Federal Council was formed when the Government had proposed a wide self-government in our affairs, and proposals on these lines had secured an abundant share of the general popular feeling in the European race in Kenya and on the political bench of the Colony as a whole.

I feel that an assembly would give us an opportunity, as I hope you, ladies and gentlemen, will be soon able, that there is only one sound basis for political peace and settlement in Kenya, and that is through the medium of self-government, whether of the kind proposed by the Federal Council or of some other kind. Such self-government, in other words, which will prevent a contest by which each race will try to impose its will on the Colony's government as soon as it becomes self-constituted is being to.

It will explain to a moment what I regard as the proper advice of each race in this great step in Kenya, but I will have said now to you, that in my opinion we will never get any far political in Kenya unless we will be recognized, and not only recognized but fully and frankly acknowledged and admitted the rights of every individual race and nation in Kenya, wherever the colour of the skin, to that a Federal Council in the Colony's government.

I will now endeavour to point out to you a few outlines of the scheme of government which appears to me most likely to become the goal of our

political aspirations in Kenya, and, in doing so, I wish to repeat that I have no thought of suggesting that they should be applied as a whole or in the immediate future. They are not intended as part of the Government plan to which I previously referred, and touching which, as I said before, I can only say that by step and give the whole world to understand, and especially you members, that we cannot to pass the Government unless a reasonable period of time, whatever other forms of Government they, as they wish, may be the means, the link to be substituted on our behalf.

Under any scheme the Government of the country will be carried on by a Governor, a Council of Ministers, and a Legislative Council. The Governor will be the President of the Council of Ministers. He will not be bound to accept the advice of such Council any more than he is now bound to accept the advice of the Executive Council.

The Council of Ministers will consist of six members chosen by the Governor, and the Governor from the Legislative Council, and four from the elected European members of the Legislative Council.

Two of the members of the Council of Ministers will be given the following qualifications for the Governor:—

1. The Department of the Premier and Ministry of Public Affairs.—This Department will be the channel of communication between the Governor and other departments and between the Executive and the Legislative Council. It will organize the preparation of all matters for the Governor. It will administer justice where subject to the special powers reserved to His Excellency in such matters.
2. Ministry of Finance.—This Department will administer all matters relating to posts, telegraphs and other public, municipal and other public institutions and concerns, the financial matters generally.
3. Department of the Executive Government.—This Department will administer all matters in relation to public institutions having general legal advice superior and inferior courts,

policy and defence, magistrates, prisons, courts office, patents, trade marks and copy-rights, registration of companies, and justice of the peace.

4. Ministry of Agriculture and Lands.—This Department will administer all matters in relation to surveys, lands, land settlement, agriculture and veterinary affairs.

5. Ministry of Public Works.
6. Ministry of Internal Affairs.—This Department will administer all matters relating to the public services, public health, hospitals, dispensaries and asylums, education, roads, printing and stationery, naturalization, passports, local government, and all other matters which are not assigned to any other department.

The four remaining members of the Council of Ministers will be without portfolios.

This will enable the Governor to select people from the Legislative Council whose advice he may desire to obtain as members of his Council of Ministers, but who may not be suited to take charge of departments of State, or who, while willing to give their advice as Ministers, may be unwilling to take charge of Departments of State.

Members of the Executive as Council will be regarded as members of the Council of Ministers as a whole, and any members who may find themselves unable to support such decisions in the Legislative Council, will be required to follow the usual constitutional practice of resignable government and resign from the Council of Ministers.

The Legislative Council will consist of 24 members, of whom 12 will be elected and 12 nominated by the Governor, to represent the interests of the European community, and 12 will be elected and 12 nominated by the Indian community, 12 will be elected and 12 nominated by the African community. The members nominated as representing native interests will consist, at least of 7 Europeans

and a Indians. These will be replaced, however, by African natives of the Colony as soon as the Governor considers this change desirable and practicable. In nominating these members, the Governor will be required to bear in mind the claims to separate representation of detribalised natives.

The Chief Justice of the Colony will be the President of the Legislative Council, he will have a casting vote in the event of a tie but will not have an original vote.

The Governor will have the right of veto in regard to legislation, and also the right in certain specified subjects, of enacting legislation contrary to the majority vote of the Legislative Council.

That, in brief, is the scheme of Government which I recommend as worthy to become our future political goal; and for the achievement of which I urge that we should fight with every constitutional means at our disposal, and with unswerving purpose, fixed resolve and indomitable will.

If I, I submit, a scheme to which no moderate minded man or woman can reasonably object, for while on the one hand it is entirely free of any taint of political intolerance, its adoption by the other hand, will undoubtedly secure the continuance of British ideals in Kenya for any period of time which we need now take into consideration.

You will no doubt have noted that my proposals embody the communal system of voting, and you will perhaps be wondering whether I am so optimistic as to hope that the Indian community which up to now have so strenuously opposed, that system in Kenya is likely, as it is so directly to be asked to make of the proposals a common ideal for achievement, with the European community.

I am confident that the majority of our Indian object to the communal system of voting in Kenya, because for one reason or another they regard it as marking the political inferiority of their race, and it is, as a consequence, going to their self-respect. I believe that this feeling will rapidly disappear as for a Constitution such as I have outlined this evening; a Con-

situation which places no obstacle whatever in the way of any man, whatever his race, from rising to the highest political position in the Colony to which His Excellency the Governor and a majority of the Legislative Council, may consider that his character and ability qualify him to fill.

We have it on the word of the Hilton-Young Commission that the European witnesses who appeared before them, did not object to the common roll on any narrow ground of racial prejudice, and I can quite truthfully say that no such feeling has caused me to include the communal system in the skeleton Constitution which I have outlined to you. I have included that system in my proposals because, in my mind, the arguments in favour of it in Kenya are unanswerable from the Indian as well as from the European point of view.

Briefly, those arguments are, that a Common Roll would inevitably lead to the interests and institutions of the minority races passing into the hands of the majority races, and would, moreover, inevitably lead also to a less desirable type of candidate, whether European, Indian or eventually African, being tempted, in order to gratify political ambition, to seek votes by pandering to the weaknesses of other races, thereby arousing the indignation of the better elements in their own communities.

The advocates of a common roll in Kenya have to resort to various expedients, to try and make such a scheme a workable one. Even they, apparently, agree that mere numbers cannot be accepted as the determining factor in regard to racial representation, and so we find them putting forward the proposal that the number of Indians, and presumably later on the number of Africans, to be admitted to a Common Roll in Kenya, should be strictly limited by the application of such a high educational franchise test, that if it were applied to the European community as they propose it shall be, as regards all new centers in the Colony, it would place the European community on such a reactionary franchise, that they would never for an instant submit to it.

It is definitely stated in the Hilton-Young Commission Report, and also in the Rt. Hon. V. S. Sastri's Report on his 1929 Mission to East Africa, that the Indian community does not claim representation in the Colony's Legislature in proportion to their number, and I imagine, therefore, that we need anticipate no objection on their part to the principle of the reservation of seats to the different races in the Councils of State. As to the actual number of seats allotted to each race, you will have noted, no doubt, that the Legislature is so constituted that the European Members would vote for the Government, the combined vote of other races, and Chief Justice of the Province, who, as Chief Justice of the Colony, will be the most independent authority obtainable in the Colony for this important work. The fact that His Excellency the Governor will have the power of veto in Legislature, will be a further safeguard for minorities in the Legislature.

If the Europeans and Indians in the Colony could be persuaded to make of these or similar proposals, a common ideal we should, I think, see every inch of ground from under the feet of those who now oppose the highest political advancement in the Colony on the ground, which they fancy so well known to me to give them an advantage, that when we talk about political advancement we are thinking of nothing more or less than the Government of the Province and African votes by the British Ruler.

I have made no reference so far as to the practical advantages which are likely to follow an self-government by the Colony, and as I have already occupied a good deal of your time, I will only briefly refer now to this aspect of the matter.

Can anyone doubt, that if we had had self-government in Kenya, the Land Bank with very much larger capital than is now proposed for it, would long since have been an accomplished fact, with the result that we should be in a much stronger position than we are to face successfully the economic difficulties with which we are now faced.

Again, is it possible to doubt that with self-government, we should long ago have put into effect the recommendations of the committees which advocated increased official loans of money, reduced rates of pensions, and the raising of the age of retirement to 50 or 55 years.

Or can it be doubted, that if, as would be the case under self-government, our Land and Publicity Office had been in the hands of people who had no other interests to consider but those of Kenya, the European population would have been more numerous than it is, and that, as a consequence, our power of resistance, both to economic and political adversity, would have been greater than it is?

Can anyone doubt that if it were not for the Senior Under-Secretary of State as an unscrupulous member of the Legislative Council for practically an entire purpose made to regulate the Colonial situation with this power as a check upon those who try to move the country to regard it as the Kingdom, to their own departmental disadvantage, greater practical efficiency and economies would result from the change.

I hope it will not be thought that anything I have said is intended in any sense as an attack on the Colonial Office, because I have no personal grievances with the governing body which is aimed from time to time at that department by some of our public speakers; a policy which always, I am sorry to say, finds a place from the getting on which these gentlemen's remarks are so unwisely advanced.

In any case so long as the bureaucracy of State remains directly and ultimately responsible for the Colony's public affairs, as it is today, no being will be able to exercise any real influence on those affairs, and whenever, as a result of the very prevailing view and some witnesses on my opinion, it is necessary and desirable that they should be done.

If we really intend not only to proceed in such a manner, if the country, in the sound of the economic aspect who is blind to just the Colony on the Government's direction, being on, as I am sure it will not be, that

the basis of our economic structure is too narrow and should be broadened by having introduced into it an income tax and we in our wisdom, or stupidity, as you may individually think, do not want such a tax, and wish to be perfectly certain that it will not be forced upon us, just as increased customs duties have been forced upon us within the last few days, then I suggest that we should safeguard ourselves from such a possibility in the future by concentrating now on acquiring for the Colony, a Constitution which will transfer full responsibility for our public affairs on to our own shoulders. For then and only then, in my opinion, will the right to legislate for ourselves such questions become an own unchallengeable privilege.

I have heard it said that self-government for Kenya will be impracticable until there are more people in the Colony who are capable of doing the job of administration. Of course we all know that a proposal to set without income tax to his own country, and or to insist refraining to such laws these persons would spend about two-fifths of their income, to the great advantage of the subject by that one statement, Sir Edward Lloyd, Sir Edward as reported to have said that the limitations of the European population, which at the present time numbered only 200,000 persons, does not affect the principle, that to expect what I have previously quoted, progress toward self-government in our affairs and progress to be made which will spread an effective sense of our great responsibilities is essential to the advancement of the European community in Kenya, and to the political health of the Colony as a whole, and he goes on to say that the European community which at number 200,000 is so responsible will not necessarily be more responsible than it is today, and that the atmosphere and tradition that are being established at this stage of the Kenya development, will soon become fact, dominant in the life of the Colony.

I conclude to hope that we will do and feel about the meaning in helping to establish the right atmosphere and the right tradition for our public life.

by adopting the motion before us and in making it clear that our voice is more than the sounding of brass—that it is, indeed, indicative of a true sense of political justice to all peoples in the Colony, including ourselves.

I have only one more word to say and it is to ask you when coming to a decision regarding the issues involved in this motion, to take the long view and to try and visualise the political position as it will be in the Colony, not in a year or two, but when our names have been blotted out and our children and our children's children stand in our places. Do not let them, I urge, be able to look back upon us as political weaklings who had not the courage to stand up to our political difficulties, making it the more difficult for them to secure that political freedom and independence, which is the greatest heritage of the British Race.

At the conclusion of Mr. Grannum's address the subject was thrown open to debate, when the Chairman, Mr. A. Davis, said that it was the best exposition on self-government that he had ever heard.

Mr. Udall said the motion was an old one and he agreed with Lord Delamere that a political truce was necessary, he thought that they should work for industrial success and not political success at the present. Mr. Carr considered that it was beyond the province of the Association to discuss on such a subject.

Mr. H. F. Bargman said he hoped the resolution would be passed unanimously.

There was every reason why Nairobi, as the capital should express its views.

Rev. J. F. G. Orr said the resolution should have the support of every section of the community, and as one of the representatives of the Church, he gave his full support to the resolution.

Col. Hon. W. K. Tucker spoke of the advantage of having a fixed point to march to, as being better than moving in a desultory way.

After a number of other speakers had taken part in the debate the resolution was put to the meeting and passed unanimously.

Mr. Bayly - 1875

W. F. Weston
Mr. West

Sir C. B. Colmanley
June 16/75

(The letter is not unknown to you)

Methods etc under book
protect the work

C.M.
15/8

In Kenya the settlers
go over this by saying
they are "the people"

2

TO THE EDITOR OF THE TIMES

Dear Sir your admirable leading article on
"Colonial Affairs" was sent your home to the
spot which you set. The Colonial are well
entitled to representation by a distinguished
leader and so you should be surprised. It
is the nature which is the most serious of us
which should be as the Colonial will
behold their administration. I have known a
country in which was that the Colonial are
treated as an enemy but the result is the
there is no other than the fact that the
on the contrary of the Colonial in the
purpose of helping the local government. As
the same time there is an idea that
is that not to be done. It is an article
and not a statement to the fact of the
the meeting. I am sure that the
of those "good things" and that to
that the best of the Colonial will be
to be the best of the Colonial will be
of the government, and it is to be
to be that we will be the best of
to be the best of the Colonial will be
to be the best of the Colonial will be

Continuing

2010

297

11 p.m. 1875

I am, Sir,

FRANCIS WEST

Government College, Toronto, Ont. 1875

AIR MAIL

KENYA

No. 448.



GOVERNMENT HOUSE
NAIROBI
KENYA

39 TO

RECEIVED
23 JUL 1933
C. O. REGISTRY

23 July, 1933.

Sir,

No 13

With reference to my telegram No. 123, via Kenyaradio, dated 13th July, 1933, I have the honour to transmit for your information a copy of a letter dated the 17th July, 1933, from the Hon. General Secretary of the East African Indian National Congress and a copy of the resolutions enclosed therewith.

2. The original of the letter was received unsigned but steps are being taken to remedy what appears to have been merely an oversight on the part of the Hon. General Secretary of the Congress.

I have the honour to be,

Sir,

Your most obedient, humble servant,

Aschroade

ACTING GOVERNOR KENYA.

THE RIGHT HONOURABLE
MAJOR SIR PHILIP CURTISS-LISTON, F.R.C., G.C.S.I., M.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
Downing Street, LONDON, S.W.1.

- COPY -

EAST AFRICAN INDIAN NATIONAL CONGRESS.

Office of the Executive Committee,

P.O. Box 75,

MOBASA.

17th July, 1933.

The Hon. the Colonial Secretary,
NAIROBI.

Sir,

I have the honour to forward you herewith for your information and record a copy of resolutions passed by the Executive of the E.A. Indian National Congress, in their meeting held on the 16th July, 1933.

The Conference of Kenya Indians, referred to in Resolution No. 5, will be held on the 22nd and 23rd July. When the Conference is over, I shall communicate with you on this subject, along with the decision of the Conference.

The Nairobi and Mombasa Indian Associations have passed resolutions against the "Alternative Taxation Scheme". I shall be placing the draft Bill as published before the next meeting of the Executive Committee. It is likely that this question will also be discussed at the Conference and I shall communicate the views of the Indian community in this matter at an early date.

I have the honour to be,

Sir,

Your obedient servant,

Hon. General Secretary.

(1) The Executive of the E.A. Indian National Congress views with great concern the resolutions passed of a result of secret deliberations, by the Unofficial conference of the European Colonists of Kenya, held on the 3rd July 1933, at Nairobi, and regrets to find that the White Settlers are plunging the country again into serious political controversies at a time when the country is faced with a serious economic situation and when united efforts from all sections of the population of Kenya are necessary to pull it successfully through the period of difficulty and distress.

(2) In order to formulate the public opinion on various issues raised by the unofficial European Conference the Committee wishes to place before the Indian Community for its consideration, the following points: -

(a) On the question of constitutional evolution and franchise the Imperial Government should adhere to their policy inunciated in the white paper of June, 1930, is as follows: -

"The goal of constitutional evolution in Kenya, as elsewhere, is admittedly 'Responsible Government' by a ministry representing an electorate in which every section of the population of Kenya finds adequate and effective voice".

On the question of franchise the same White Paper says: -

"His Majesty's Government are of the opinion that the establishment of a 'Common Roll' is the object to be aimed at and attained with an equal franchise of a civilisation or educational character open to all races".

(b) No section of the non-European communities, has confidence in the financial abilities experience and wisdom shown and the policy pursued by the European elected members in the past. The effective voice enjoyed by them over the finances of the country is largely responsible for the present financial difficulty.

The selfish financial policy of one-sided colonial development to the neglect of the interests of the other population which has been pursued by them in the past, is being pursued at present, and is likely to be pursued in a still greater measure if their present demands are granted, will be definitely detrimental to the interests of the Indian, Arab and the Native Communities and will be nothing but a calamity for the country as a whole.

(c) Therefore if any change in the present constitution of the country in any form is contemplated by the Imperial Government the Indian Community should, without delay, decide to renew their demands for the establishment of Common Roll, adequate representation and proper constitutional safeguards, protecting their interests, present and future, and guaranteeing equal rights and privileges as His Majesty's British subjects, along with the European colonists.

- 2 -

- (d) In any case, if the Imperial Government is inclined to give serious consideration to the secret representations of the European conference in the matter, they should be urged to give opportunity to Indian other communities, to place their cases and views before them, and that the basis advanced for such consideration be made public.
- (3) The Executive Committee, in view of the serious situation that is likely to arise as a result of the demands of the White Settlers, for constitutional advance and Financial control for the European colonists only, amounting to the virtual control of the country by them, call upon the Indian community to prepare for a further political struggle, which is thus being imposed upon them against their own will or desire, and hereby resolves to call a Kenya Indian Conference to be held at Mombasa on the 22nd and 23rd July, 1933, to formulate the necessary programme of action.

The Times 3 August. 33

EAST AFRICAN INDIANS' CLAIMS

FROM OUR CORRESPONDENT

NAIROBI, Aug. 2

The recent special meeting of the East African Indian Congress Party passed resolutions asking the Imperial Government to reaffirm the White Paper policy for East Africa, and expressing the opinion that the time has arrived when the Government should appoint a committee to devise ways and means for the introduction of a common electoral roll.

The congress held that financial control by an unofficial majority in a Legislature "properly representative" was a sound principle, but "viewed with alarm" recent European proposals to that end, and vigorously opposed the change until a common roll was established and the Legislature reconstituted. It asked the Secretary of State to publish "the secret representations made to him by Lord Francis Scott," and the Government of India to "watch the London position very closely."

A memorandum on the Indian case is being prepared for the Secretary of State.

36
75

Greenwood Cottage,
Taplow.

August 4th.

Dear Cunliffe-Lister,

I enclose for your information a copy of how I am starting my letter to Schwartz. I think this puts your position quite clearly. If you don't think so, please let me know by return so that I can alter my letter before Tuesday. I cannot say what line our people will take, and whether they will wish to force an issue or not, but anyhow I know your attitude quite clearly. For every reason, I do hope you will fly out at the end of the year. You would find it interesting, and personal contact does make problems so much easier to understand from both or all points of view. I hope you will have a real good holiday.

Yours very sincerely,

(Sa.) FRANCIS SCOTT.

arrived 7 Aug - 33

Original sent on to
S. G. at Marham
by post (to be held by S. G.)
(since to Taplow) if
necessary.

Ed. S.
5/8/33

Last week I wrote and told you that I had sent a letter to Cunliffe-Lister about the proposals put up by your Conference on Constitutional advance. I heard from him that he couldn't receive any proposals officially unless they were put forward in the usual way through the Governor of the Colony but that he would like to have a private and strictly confidential talk with me about the general question. I went and saw him yesterday and we had a full talk, but officially he has not had your resolutions. As he only agreed to talk to me on the strict understanding that our conversation was private and confidential and would not be published in any sort of way, I must ask you to treat what I write in this spirit, and merely as representing the impressions I have received as the result of my talk. If you wish to have a definite reply to the resolutions, you will have to forward them through the Governor, but I gather you did not wish this, as that was the reason why you did not put them forward officially. I will now give you my views fully

fully which of course you can discuss with our colleagues but
nothing must be published in the Press.

3198
Kenya

34

Mr. Preston. 8p

Mr. Bond

Mr. Parkinson

Mr. Tomlinson

Mr. C. Dochowry. 8-8.

Sir J. Shackburgh

Pres. U.S. 1-8

Pres. U.S. of S.

Secretary of State.

Antient
9-15 Aug.

file for
9-8-33

DOWNING STREET.

9 August, 1933.

Sir,

With reference to my confidential despatch of today, I have etc., to inform you that I have had an informal conversation with Lord Francis Scott on the subject of the Resolutions passed by the European Conference which assembled in Nairobi on the 3rd of July.

2. I pointed out to Lord Francis that our conversation must be regarded as strictly private and in no sense official. ~~It~~ ^{and that} he wished to submit ~~the~~ ^{any} proposals officially, this must be done through the Government of Kenya. ⁶ Further I made it clear that if he desired to arrange for an official discussion, not only should I feel obliged to consult you in the first instance, but I should be under the

obligation

DRAFT. *over*

KENYA

SECRET

Three drafts.

3198
Kenya

3477

- Mr. Preston: 87
- Mr. Hand
- Mr. Parkinson
- Mr. Tomlinson
- Mr. C. Henderson: 8-5
- Sir J. Strachan
- Mr. Pina: U.S. *file for*
- Party, U.S. of S. *9.8.33*
- Secretary of State

DORNING STREET,

9 August, 1933.

Sir,

With reference to my confidential despatch of today, I have etc., to inform you that I have ^{had} ~~been~~ an informal conversation with Lord Francis Scott on the subject of the Resolutions passed by the European Conference which assembled in Nairobi on the 3rd of July.

2. I pointed out to Lord Francis that our conversation must be regarded as strictly private and in no sense official. ^{and that} ~~if~~ he wished to submit ~~any~~ proposals officially, this must be done through the Government of Kenya. ⁶ Further, I made it clear that if he desired to arrange for an official discussion, not only should I feel obliged to consult you in the first instance, but I should be under the

DRAFT. *over*

KENYA
SECRET

Three drafts.

cc: Kenya

necessity of agreeing to
similar discussions with
representatives of the Indians
or any other section of the
community in Kenya.

3. I informed Lord Francis Scott
that I entirely disagreed with his
interpretation of Mr. Winston Churchill's
^{remark in} pronouncement of 1922 ~~and~~ in its

proper context, the term "British" must
be understood in the widest sense,
and not taken to apply solely to
the white settler community.

~~the United Kingdom~~
Government in this country would
ever agree to a proposal that Kenya
should be governed by the European
colonists.

4. I reminded Lord Francis
of the line of policy recommended
in the reports of the Joint Committee
on Closer Union and warned him that
if the proposals outlined in the
Resolutions were submitted to me
officially they would inevitably be rejected.

I have etc.

because if read

*Further I pointed out to
him that I did not
believe that any*

C. O.

Mr.

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Permt. U.S. of S.

Partly. U.S. of S.

Secretary of State.

DRAFT.

2 only
See my earlier
two letters
omit
Word
Ormit
B/H

18
5/ You are at liberty to give
such publicity as you consider
expedient to the substance of
the second paragraph of this
despatch. ~~with the exception~~
~~of the reference to the~~
~~request for discussion for~~
~~the holding of the~~
~~community, so that~~
~~reference might lead to~~
~~the kind~~
~~of request being made without~~
~~adequate reasons.~~

2

(Sgd) P. CURRIE-LISTER.

C.O.

3198/33 Kenya

15

Mr. Freeston. 8/8

Mr. Flood 8.8

Mr. Parkinson

Mr. Tomlinson

Mr. C. Estlinley 8/8

Sgt. J. Smackberg

Mr. ~~James~~ 8/8

Party, U.S. of S.

Secretary of State

AIR MAIL
9th Army

DOWNING STREET,

33

August, 1933.

Sir,

I have, etc., to acknowledge the receipt of your confidential despatch No.93 of the 6th of July enclosing a letter from the General Secretary, East African Indian National Congress.

2. I have been approached by Messrs. ^{Polak} ~~W.S.L. Felick~~ and Udani with a request for an interview, but in view of other urgent claims on my time I caused them to be informed that I regretted my inability to arrange to see them with regard to affairs in Kenya. Their attention was invited, however, to my speech in the House of Commons on the 14th of July which contained a full statement of ^{the} ~~the~~ Kenya questions.

DRAFT.

(24)

YENYA

CONFIDENTIAL (2)

D.A.T.

Then left.

3. You will no doubt so inform
the General Secretary of the East African
Indian National Congress.

I have, etc.

(Sd) P. CUNLIFFE-LISTER.

C. O.

348/3
Kenya

32

Mr. Freeston. 8/8

Mr. Flood. 8-8.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley. 8-8

Sir J. Shackleton.

Parly. U.S. of S.

Parly. U.S. of S.

Secretary of State.

Air Mail
9th Aug.

549 August, 1933.

DRAFT.

(23)

KENYA

CONFIDENTIAL

Sir,

I have, etc., to acknowledge the receipt of your confidential despatch No. 96 of the 13th of July enclosing a letter from Captain H.E. Schwartze on the subject of certain resolutions passed at a European conference convened in Nairobi on the 3rd of July.

~~2. Captain Schwartze will no doubt have learnt from Lord Francis Scott the purport of the informal conversation which he held with me.~~

I have, etc.,

(Sd) P. OUNLIFFE-LISTER

I would not be surprised if Lord 7. Scott is not the channel of communication in this matter.

2. This is not a secret despatch. Lord
These drafts.

NOTE BY SIR S. WILSON ON DISCUSSION BETWEEN THE SECRETARY OF STATE AND LORD FRANCIS SCOTT, AT WHICH LORD PLYMOUTH AND SIR S. WILSON WERE PRESENT.

The Secretary of State started by pointing out to Lord Francis Scott that the meeting must be regarded as strictly private and in no way official. If he wanted to put forward his proposals officially this must be done through the Governor of Kenya and it would have to ^{be} fought out to the bitter end. The Secretary of State informed Lord Francis Scott, however, that the proposals had not the slightest chance of being approved, as there was not one Member of the Cabinet or ten Members of the House of Commons who would support them. Incidentally these proposals provided for a Statutory Finance Committee on which there would be a majority of Elected Members, of whom nine European Elected Members could veto any money Bill unless passed by the Governor's certification and to which body all Government financial matters would have to be submitted.

A discussion then took place in connection with the announcement made by Mr. Winston Churchill, which was referred to in the Kenya Resolution, and the Secretary of State pointed out that he entirely disagreed with the interpretation put on this announcement by the Kenya settlers. He read to Lord Francis Scott what Mr. Churchill had said and pointed out that it was most misleading to pick out one part of the speech without giving the whole context and that the term "British" used further on in the

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Speech was not confined to the white settlers, but included Indians and Africans.

The Secretary of State reiterated that no Government in this country would ever agree to the claim on the part of the white settlers to govern on their own.

Lord Francis Scott appealed to Sir S. Wilson as to whether the settlers had not always made it plain that their ultimate goal was self-government by the white settlers, and Sir S. Wilson agreed that this was certainly not the first occasion on which he had heard such a procedure suggested.

The Secretary of State said he wanted ^{Lord Francis Scott} ~~him~~ to be in no doubt as to what the position was. The resolution passed by the Conference in Nairobi early in July raised quite new points and meant giving more power to the settlers. The adoption of the proposals would be entirely contrary to the recommendations of the Joint Committee of the two Houses of Parliament, and he then read Lord Francis Scott extracts out of the Joint Committee's Report.

The Secretary of State said that if the white settlers wanted close consultation and co-operation with the local Government he (the Secretary of State) would be the first to be in favour of it; but he would not agree to any proposals made with a view to obstruction.

The Secretary of State said that there were very few questions which could be described as purely affecting the white settlers, though there were exceptions, such as the alternative proposals for taxation which had just been approved. The present proposition was, however, that the Budget of the year should go to a Finance Committee which had

a majority of white settlers on it, which body was to mould the policy of the country. Such a procedure could with perfect justice be criticised as handing over to the white settlers the initiation, formulation and control of the essential policy of the Colony.

A discussion then took place as to how the Finance Committee in Trinidad worked, and ^{at} Lord Francis Scott's request Sir S. Wilson explained briefly how it was constituted.

A discussion then took place as regards the advantage of discussing the Budget in Select Committees or Committees of the whole Council.

Finally the Secretary of State pointed out that if the proposals which had been discussed were put forward officially they would be met by refusal. He said, however, that, offhand, he saw no objection to having a Select Committee to consider the annual Budget and any supplementary Finance Bill which meant the imposition of taxation, though in the case of Bills of the latter type, he thought it ought to be left to the Legislative Council to say whether they should go to the Select Committee or not.

The Secretary of State suggested to Lord Francis Scott that in communicating with Kenya he should point out to them that it was quite impossible for him to arrange an official discussion with the Secretary of State on the matter because if the Secretary of State were to agree to such a discussion he would not only have to consult the Governor in the first instance, but he would also have to agree to a similar discussion with the Indians, or any other section of the community who asked for one, and he might then go on to say

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say that from private conversations he had had with the Colonial Office there appeared to be no chance whatever of the proposals being accepted.

Before Lord Francis Scott left the meeting, he told the Secretary of State that he would let him have, before dispatch, a copy of the communication which he proposed to send to Kenya.

S.H.C.

2nd August, 1933.

TEL. WHITEHALL 4900

85
Sat. July 29th 18
18, CARLTON HOUSE TERRACE,
S.W. 1.

Dear Carlidge Sister
Herewith the cutting
which I mislaid yesterday. It
puts the case very clearly, I think.
Yrs very sincerely
Francis Scott

The Unofficial Conference.

Keep in mind the considerable divergence in view and the definite existence of a "left wing" when the Unofficial Conference opened, it will be admitted generally and with considerable relief that the Conference has discharged its tasks with credit. Apart from reaffirmation of the Churebill "pledge" and opposition to any attempt which might be made in the future to solve the constitutional problem by establishing artificial proportional representation on racial lines which would constantly lead to party bargaining and probably place the balance of power in the hands of a small racial group, the Conference with great wisdom has concentrated on a practical issue of to-day—greater control over the financial policy and affairs of the country. There is no doubt that having in view the history of the past two years, a good case can be made out for examination of that aspect of the constitution. There is nothing in the proposed Statutory Finance Committee—the only simple and logical solution—which need involve the much more difficult question of representation of races and such a Committee could be superimposed upon the present constitution without the necessity to consider more complicated and less easily solved problems. It means, in effect, an extension of the present Select Committee, with a European Elected Members majority. But it means something much more important even than that. As we pointed out yesterday in a comment on Lord Lloyd's speech, what is needed is control in any degree over the financial policy of the country is to be something more than a mere illusion, is a system whereby the influence upon financial programmes must begin to be exerted by the unofficial community at a point long before the Colony's Budget, in a complete draft form, is presented by Government to the Legislative Council for criticism. At

that stage, as experience has shown—although the Select Committee has invariably done very good work—it is difficult, if not impossible, to effect any major economies and certainly impossible to make any important structural alterations, in the Estimates. But if a statutory Finance Committee is agreed to and is permitted to start at the point when Heads of Departments are asked to prepare the details of their vote, there is at once at the disposal of Government a far more effective measure of advice and assistance than can possibly be obtained under the present conditions. It should not be forgotten that the annual Budget reflects the policy of Government on many public questions and is not merely a table of proposed expenditure. But under the existing system it is impossible to relate that expenditure to the policy which the Colony should be following unless the alterations and adjustments take place at the time the Estimates are being framed by Government. There was an admirable example provided the other day in the series of articles in these columns on increased Native production, The Government proposed to spend £35,000 from the Native Betterment Fund on African agriculture and over £70,000 on African education. If that allocation could be attacked before it is embodied in a complicated series of departmental votes, it would be possible to examine and realign the policy, those figures represent. It would be valueless, of course, to have any form of Statutory Finance Committee which had only a partial field to cover and no case can be made out, in the public interest, for the removal of expenditure on native services as was the case when the Expenditure Advisory Committee examined the Colony's position recently. The country is entirely opposed to separation of responsibility for native and non-native affairs and the tendency to make that division has to be fought on every occasion it shows itself. The Statutory Finance Committee would, of course, be purely advisory, but even so

TRACT COMPANY LTD.

ERS OF

TLE BARK

17th Dec 1971

Appeal for Membership

An appeal was made by Mr. J. K. Hambleton, hon. treasurer, for a larger membership of young people in order that they might become interested. While Mr. Peterson, acting D.M.S.W. in Kenya, gave the Society a hearty welcome and expressed his hope that the means of more people would be better and more numerous than what there was to be known by the people who lived in the country. For instance, Europeans have little time to spare. The Hon. Mrs. T. O'Connell

E FOUND

AIRS TO

AUXHALL CARS

FICIENT

workshops busy

the owners of

cars to give us

DR. MART

GE LIMITED

• Dar es Salaam Eldoret •

Handwritten signature/initials

*J. 256 10027
29/7/55
21
28*

28th July, 1955.

Dear Ambrose Lister

I am sure the last thing you want to do is to discuss Constitutional Reform in Kenya, but no doubt you have had a letter from Kenya on this subject. As you know, a very representative conference met recently in Nairobi and passed certain resolutions on this subject. They decided, however, not to send their resolutions to you officially but to ask me to discuss them with you. The resolutions are framed in a reasonable and moderate manner, and I was particularly requested to inform you that the whole tone of the discussion was reasonable and moderate.

In the course of the recent discussions in the House of Commons you have made it quite clear, as you had previously done to me privately, that you stood by the Report of the Joint Committee of both Houses of 1951. That Report was of course supposed to be on the question of Closer Union and so did not deal very fully with any question of changes in the Kenya Constitution, as we put up no proposals for such changes. Actually as I read it that Report made three main recommendations -

1. That the Secretary of State for the Colonies must remain the arbitral authority in any question of conflict between different races.
2. That there should be no material alteration in the present composition of Legislative Council.

5. That the present Communal system of election should continue.

The proposals put forward by the Conference do not ask for any alteration in these three respects. At the same time I must point out that circumstances have changed to a certain extent since the Report of the Joint Committee was published.

If you study the evidence given by myself and my colleagues before that Committee you will find that Lord Passfield, who was at the time the Secretary of State, made great play of the fact that an unofficial had been appointed Chairman of the Board of Agriculture, and claimed that appointment as a definite Constitutional advance towards more closely associating the unofficials with responsibilities of government.

Since the Report was issued the agitation engineered by the beaurocrats in Kenya prevailed, and the present Governor of Kenya, with your approval, dismissed the unofficial Chairman of that Board and appointed a Director of Agriculture in his place. This was not only directly opposed to the recommendations of Sir Daniel Hall, whose report caused the Board to come into existence, but abolished that Constitutional Advance on which the Secretary of State in 1931 laid so much emphasis.

Again, as a result of Lord Moyne's Report, it is the avowed intention of the government to institute a Native Betterment Fund, and so remove large sums of public revenue from the purview of the Select Committee of the Legislative Council.

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Both these actions mean a backward step constitutionally so far as the unofficial community of Kenya is concerned. What we ask is this. Are we always to have our privileges whittled away, or are we to be given some advance in some other direction so as to counterbalance these retrograde movements?

As a result of your action over Income Tax the whole atmosphere has been greatly improved and you will observe that instead of the unofficials demanding control of Finance, they now ask for powers which may enable them to have some real check on Finance.

If you read through the Resolutions you will see that the only one which puts up concrete proposals is No. 3. This asks for a Statutory Finance Committee with an European elected majority. At present the custom is for the estimates to be sent to a Select Committee including all the unofficial members of the Legislative Council. I believe in Trinidad there is an Advisory Finance Committee similarly composed. Would it not be easy to adopt in Kenya the same wording as is used for the appointment and duties of this Finance Committee in Trinidad? It would only be advisory but if it is to be of any practical use its advice must not be ignored unless the Governor can give good reasons for so doing.

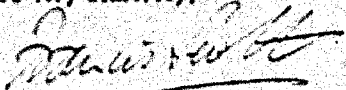
The other part of the Resolution asks for similar conditions as at present existing in Jamaica. This, of course, is asked for as a protection against the Government

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imposing fresh unnecessary taxation for the purpose of maintaining government expenditure at an unreasonably high standard. When I previously discussed this question with you, you pointed out that in Jamaica there was one common electorate for all races in the Island which was not the case at present in Kenya. Whilst admitting this point, I must point out that by taking away a large proportion of the Revenue in the proposed Native Betterment Fund, you are in fact safeguarding the interests of the inarticulate Natives; whilst at the same time with your Government majority and the Governor's power of veto and certification you have ample safeguards for seeing that no unfair racial discrimination takes place.

I am afraid this is a very inopportune moment to bring this matter to your notice as no doubt you are still fully occupied with the Economic Conference, and probably are looking forward to a well-deserved holiday. As there is no immediate hurry with regard to this matter and as I shall not be leaving the country myself till late October you may prefer to leave the matter dormant for the time being. At the same time if you would like to see me on this subject I shall be available up till August 24th when I hope to go to Scotland.

Yours very sincerely,



P.S. I enclose a cutting from the East African Standard which explains the point of view of people out in Kenya.

What method do you intend to employ in carrying out the proposed 70% ...

RESOLUTIONS PASSED AT CONFERENCE ON CONSTITUTIONAL ADVANCEMENT

JULY 3rd, 4th, and 5th, 1933.

THAT THIS CONFERENCE, BEARING IN MIND THE ACCOUNCEMENT OF MR. WINSTON CHURCHILL, THEN SECRETARY OF STATE, THAT HE 'DID NOT CONTINGULATE ANY SYSTEM WHICH WOULD PREVENT BRITISH EAST AFRICA FROM BECOMING CHARACTERISTICALLY AND DISTINCTIVELY BRITISH COLONY, LOOKING FORWARD TO THE FRUITFUL OF FULL SELF-GOVERNMENT,' REAFFIRMED THAT FULL RESPONSIBLE GOVERNMENT BY THE EUROPEAN COLONISTS OF KENYA IS THE EVENTUAL GOAL TO WHICH THE COLONY AIMS.

THAT THIS CONFERENCE IS DEFINITELY OF OPINION THAT THE TIME HAS NOT COME WHEN SUCH CHANGE SHOULD BE MADE IN THE COLONY'S CONSTITUTION AS WILL AFFORD THE COLONIAL COMMUNITY A GREATER MEASURE OF CONTROL OF THE COLONY'S FINANCES AND AFFAIRS, PROVIDED THAT SUCH CONSTITUTIONAL CHANGE SHALL NOT NECESSARILY AFFECT THE PRESENT COMPOSITION OF THE LEGISLATURE.

THAT THIS CONFERENCE IS OF THE OPINION THAT THE GREATER MEASURE OF FINANCIAL CONTROL ALREADY ASKED FOR SHOULD AS A FIRST STEP BE ACHIEVED BY THE SETTING UP OF A STATUTORY FINANCE COMMITTEE OF THE LEGISLATIVE COUNCIL OF WHICH THERE WOULD BE A MAJORITY OF EUROPEAN ELECTED MEMBERS SELECTED BY TERRITORIES. ALL ELECTED MEMBERS TO HAVE THE RIGHT TO ATTEND THE MEETINGS OF THIS COMMITTEE. THIS COMMITTEE TO BE ADVISORY BUT TO HAVE THE RIGHT TO HAVE ALL SPENDING FINANCIAL MEASURES SUBMITTED TO IT BEFORE SUCH MEASURES ARE INTRODUCED INTO LEGISLATIVE COUNCIL. IT TO BE FURTHER PROVIDED THAT SHOULD ANY EUROPEAN ELECTED MEMBER VOTE AGAINST UNANIMOUSLY AGAINST ANY BUDGET BILL SUCH BILL CAN ONLY BE PASSED BY THE GOVERNMENT'S CONSENT AS A MATTER OF EMERGENCY.

THAT THIS CONFERENCE IS OF THE DECIDED OPINION THAT ANY SCHEME INVOLVING AN ARTIFICIALLY BALANCED LEGISLATURE WOULD BE UTTERLY UNACCEPTABLE TO THE COUNTRY.

THAT THIS CONFERENCE EXPRESSES ITS SATISFACTION THAT H.M. GOVERNMENT IN THE RECENT DESPATCH OF THE SECRETARY OF STATE FOR THE COLONIES ON THE SUBJECT OF TAXATION HAS RECOGNISED AND ADMITTED THE RIGHT OF A COLONIAL COMMUNITY TO CHOOSE THE FORM IN WHICH ANY ASKED AMOUNT OF TAXATION SHALL BE IMPOSED.

if it falls on same date.

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26

R

27th July, 1933.

Dear Sir,

I write to acknowledge the receipt of your letter of the 26th of July.

Sir Philip Cunliffe-Lister asks me to say that he regrets that he is unable to arrange to see you with regard to affairs in Kenya. He would invite your attention to his speech which he made in the House of Commons on Friday, the 14th of July, when introducing the Colonial Office Estimates, which contains a full statement on Kenya questions.

Yours very truly,

H.S.L. Polak, Esq.,

Hy. S. L. POLAK.

P/H.

DANES' INN HOUSE,
265, STRAND,

LONDON, W.C.2.

TELEPHONE: HOLBORN 5065.
TEL. ADDRESS: KALOPH, ESTRAND, LONDON.
CABLES: KALOPH, LONDON.
BENTLEY'S CODE.

R
26th July, 1933.

The Private Secretary to
The Rt. Hon. the Secretary of State,
Colonial Office,
Whitehall, S.W.1.

Sir,

The undersigned have been authorized by the East African Indian National Congress to communicate with the Secretary of State for the Colonies, with a view to elicit from him such information as he may be willing to give regarding the subject-matter of his recent interviews with Lord Francis Scott and other matters affecting the general situation in Kenya Colony, and therefore the well-being and the status of the Indian population there.

Apparently recent events, and especially the above-mentioned conversations, have caused considerable anxiety to the Executive Committee of the East African Indian National Congress and the community whom they represent, and we should be greatly obliged if the Secretary of State would be good enough, before the holidays, to make an appointment with us, in order to enable us to learn what the present position actually is and to make such representations thereon, as circumstances may appear to require, either to the Secretary of State or to the East African Indian National Congress.

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24



KENYA.

GOVERNMENT HOUSE,
NAIROBI.

No. 93.

CONFIDENTIAL.

RECEIVED
24 JUL 1933
C. O. REGD

6th July, 1933.
KENYA.

Sir,

With reference to Sir Joseph Byrne's Confidential Despatch No. 67 of the 31st May, 1933,

Nos

I have the honour to transmit the accompanying letter dated 30th June, 1933, from the General Secretary, East African Indian National Congress.

Winnod (27)

2. With reference to the fourth paragraph of the enclosed letter, it is understood that Messrs Pollok and Udani are in Great Britain and are known in Indian circles in London.

Nd1

3. In view of the terms of the despatch under reference and of Sir Joseph Byrne's Confidential Despatch No. 61 of the 12th May, 1933, I do not propose to comment specifically on the substance of the enclosure to this despatch.

I have the honour to be,

Sir,

Your most obedient, humble servant,

Mr. Winnod

ACTING SECRETARY.

THE RIGHT HONOURABLE
MAJOR SIR PHILIP CUNLIFFE-LISTER, F.C., G.B.E., M.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET, LONDON, S.W.1.

96

East African Indian National Congress.

OFFICE OF THE EXECUTIVE COMMITTEE,

P. O. Box 75.

Mombasa, 30th June 1933.
(East Africa)

The Rt. Hon'ble,
The Secretary of State for the Colonies,
through the Hon'ble, the Colonial Secretary,
Colonial & Proctorate of Kenya,
Nairobi.

Sir,

Under directions of my Committee, I have the honour to refer you to my letter of the 18th May last, in regard to the movement on the part of some of the local non-official Europeans to secure constitutional advance and financial control in this Colony. My Committee desire to draw your attention to the fact that the acting leader of the European elected members, has convened a conference of the various organisations of the Europeans in this country, which obviously meet to discuss matters connected with the conversations held by Lord Francis Scott, with you.

As these conversations were of a confidential nature we have no opportunity to know in what they refer to. In the course of time, the result of deliberations in the conference above referred, will be communicated to you, and it is possible that on receipt of these, the question, as is conjectured by us, of constitutional advance, will be considered by you. It is essential that, the Indian Community of this Colony, should also be given a chance to place their case before you, before any decision is arrived at, in regard to constitutional advance and financial control.

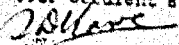
For this purpose, my Committee have duly authorised Messrs. H.S.L. Pollock and Udani, who are well-versed with political problems of Kenya, and who know the view point of the Indian Community, to take your interview and ascertain from you as far as it could be done, the nature of confidential negotiations carried on by Lord Francis Scott with you, and representations made to you in connection with constitutional advance and financial control.

They are also authorized to represent Indian point of view, as the accredited representatives of the East African Indian National Congress.

I have the honour,

to be Sir,

Your obedient servant,



J. D. DUTT, GENERAL SECRETARY.

AIR MAIL.



23/98

KENYA.

GOVERNMENT HOUSE,
NAIROBI,
KENYA.

Nb. 96.

CONFIDENTIAL.

RECEIVED
24 JUL 1933
D. O. REGY

13th July, 1933.

Sir,

With further reference to Sir Joseph Byrne's Confidential Despatch No. 31 of the 12th May, 1933, I have the honor to transmit in original a letter addressed to you by Captain H. H. Schwartze, M.L.C., dated the 6th July, on the subject of the resolutions passed at an unofficial conference which was held in Nairobi from the 3rd to the 11th July under his chairmanship.

Not
General (26)

2. This Government has not been officially supplied with a copy of the resolutions though a copy has been sent by the Chairman of the Conference to the Acting Governor for his private information. The resolutions have also been reported in the local press and a copy of the relative extract from the East African Standard of the 7th July is enclosed for your information. In these circumstances and in view of the terms of paragraph 3 of Sir Joseph Byrne's despatch under reference, the Acting Governor presumes any comments which you may desire from this Government should be reserved until the resolutions have been forwarded through the usual official channels.

I have the honor to be,

Sir,

Your most obedient, humble servant,

Arthur W. H. ...

ACTING GOVERNOR'S DEPUTY.

THE RIGHT HONOURABLE

MAJOR SIR PHILIP GUILFORD-LIEFER, P.C., G.B.E., M.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES,

DOWLING STREET, LONDON, W.1.

SHAPLEY, SCHWARTZ & BARRET,
ADVOCATES & SOLICITORS.

COMMISSIONERS FOR OATHS
& NOTARIES PUBLIC.

W. T. SHAPLEY
H. E. SCHWARTZ
EDWARD BARRET,
F. ESTERHARDT MODERAT.

HES/MIP

— LONDON AGENTS,
MESSRS. GIBSON & WELDON,
27, CHANCERY LANE, N. C. 4

P. O. Box 286.

Nairobi,
Kenya Colony (East Africa)

6th. July, 1933.

In reply please quote No. 85/2/102 and date

H.M. Principal Secretary of State for the
Colonies,
Downing Street,
LONDON, W. 1
England.

Sir,

POLITICAL CONFERENCE GEN. JULY 1933.

I have the honour to inform you that a Conference representative of every section of the European community in this Colony met by invitation of myself in Nairobi on July 3rd. and following days for the purpose of considering future political advancement of the Colony with more particular reference to the next step that could reasonably be asked for.

Certain resolutions were duly passed and have been sent to Lord Francis Scott with the request that he should approach you with regard to them and this he will no doubt do in the near future.

I have also been asked by the Conference to express the regret of the Government that you were unable to accept the invitation to visit it when you were recently in Egypt and to issue the most cordial invitation to come here and discuss, on the spot, with the leaders of unofficial opinion the many problems which confront us and in which we realise you are so interested.

I have the honour to be,
Sir,
Your humble obedient servant,

H. H. H. H.

Proposals of the Unofficial Conference.

STATUTORY COMMITTEE WITH EUROPEAN ELECTED MAJORITY.

To See All Financial Measures:

OPPOSED MONEY BILLS TO BE CERTIFIED BY GOVERNOR AS EMERGENCY LEGISLATION.

Lord Francis Scott, Leader of the European Elected Members of the Kenya Legislative Council, will be asked by the Unofficial Conference to open negotiations with the Secretary of State at once on the basis of resolutions passed by the Conference on the subject of a greater measure of financial control.

The principal proposal made by the Conference is the setting up of a Statutory Finance Committee, with a majority of European Elected Members to be advisory but to have the right to have all Government financial measures submitted to it before introduction into Legislative Council.

A proviso is added that should nine Elected Members unanimously oppose any money bill, such can only be passed by the Governor's certification as a matter of urgency.

The Conference is of the opinion that the extension of a greater measure of financial control should not necessarily affect the present composition of the Legislative Council.

On the general constitutional question, full responsible government by the European Colonists is reaffirmed as the ultimate goal and objection is registered against any artificially balanced legislature, as "utterly unacceptable."

Immediate Negotiations.

The following statement was issued yesterday on the findings and recommendations of the Unofficial Conference which has been sitting this week in Nairobi.

The recent Unofficial Conference which met in Nairobi on July 2nd, 4th and 5th, 1953, considered in very full detail every aspect of the question of financial control and Constitutional Advance, and its conclusions in this respect appear from the following Resolutions, which were passed without any dissentient voice.

1. "That the Government are introduced into Legislative Council in order to further provide that should nine European Elected Members vote together unanimously against any Money Bill such Bill can only be passed by the Governor's certification as a matter of emergency."

2. "That the Conference is of the decided opinion that any scheme involving an artificially balanced legislature would be utterly unacceptable to the country."

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RESOLUTIONS.

1. "That this Conference, bearing in mind the announcement of Mr. Winston Churchill, when Secretary of State, that he did not contemplate any system which would prevent British East Africa from becoming characteristically and distinctively a British Colony, looking forward to the fruition of full self-government," reaffirms that full responsible Government by the European Colonists of Kenya is the eventual goal to which the Colony aims."

2. "That this Conference is definitely of opinion that the time has now come when such change should be made in the Colony's constitution as will afford the Unofficial Community a greater measure of control of the Colony's finances and affairs, provided that such constitutional change shall not necessarily affect the present composition of the Legislature."

The Method.

3. "That this Conference is of the opinion that the greater measure of financial control already asked for should as a first step be achieved by the setting up of a statutory Finance Committee of the Legislative Council on which there would be a majority of European Elected Members selected by themselves. All Elected Members to have the right to attend the meetings of this Committee. This Committee to be advisory but to have the right to have all Government financial measures submitted to it

before such measures are introduced into Legislative Council. It to be further provided that should nine European Elected Members vote together unanimously against any Money Bill such Bill can only be passed by the Governor's certification as a matter of emergency."

4. "That this Conference is of the decided opinion that any scheme involving an artificially racially balanced Legislature would be utterly unacceptable to this country."

5. "That this Conference expresses its satisfaction that H.M. Government in the recent despatch of the Secretary of State for the Colonies on the subject of taxation has recognised and admitted the right of a colonial community to choose the form in which any agreed amount of taxation shall be imposed."

Amongst others, two further resolutions were moved, but did not meet with the approval of the Conference. The first of these was put forward by the Nairobi Association delegates, and favoured a request for the modified form of self-government as set out in their Memorandum which has already been published, but this was, after debate, withdrawn; while the second, proposed by the Delegates of the Trans-Nzoia Political Association, supporting a division of the Colony into black and white areas—in other words, "The White Island Policy" was defeated by an overwhelming majority.

Lord Francis Scott's Task.

The Conference further decided that the Resolutions passed should be forwarded to Lord Francis Scott, who should be asked to enter into negotiations with the Secretary of State forthwith. It being clearly understood that no compromise should be affected without further reference to the Colony. It was also decided that a detailed economic historical memorandum supporting the requests put forward should be prepared by a sub-committee and also sent to Lord Francis Scott.

At the business had been place with proposals Native regard to Colony's tions wer with eithe It was Delegates Conferenc to clear f its havin

C.O.

319/32
Kenya

22

Mr. [unclear] 11/7
Hond 22/7

- Mr. Parkson
- Mr. [unclear]
- Sir C. [unclear]
- Sir J. [unclear]
- Parad. U.K. of S.
- Parad. U.K. of S.
- Secretary of State

Important

DRAFT.

The U.S. [unclear]
19.

10-11)

19.

19.

19.

19.

Sir

I am so to acknowledge
 recd of yr. letter of the 18th
 of July (5064/32 and 5170/32)
 and to enclose to be laid
 before Soc. Sir Samuel Hoare
 copy of correspondence with
 the Acting Governor of Kenya
 regarding the information recd
 from the E.A. Indian National
 Congress on the subject of
 the constitutional position in
 Kenya.

2. I am to suggest
 the [unclear] to the [unclear]

Copy sent OAC of
 [unclear]

3191/37
Kemp

PC
22

C.O.

No. 307 (under 11/7)
Hond 22/7

- Mr. Parkison
- Mr. Tompkins
- Mr. C. [unclear]
- Mr. J. [unclear]
- Form. U.S. of S.
- Party U.S. of S.
- Secretary of State

Important

31 JUL 1937

Sir

DRAFT.

The U.S. of S.
10.

20 11)

copy of 29/7

From 10/22/37
(13)

To 10/22/37
(17)

I am rec. to adv. the
 recd. of yr. letter of the 18th
 of July (5061/33 and 5171/33)
 and to enclos. to be laid
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 regarding the information recd.
 from the E.A. Indian National
 Congress on the subject of
 the constitutional problem in
 Kenya.

I am to suggest

the [unclear] to the [unclear]

copy sent OAG

Respectfully

15
forward post of India should
be based upon Sir P. Curleff.
India's despatch to Kenya of the
21st July.

It will be appreciated
that this despatch, which is
being ^{sent} transmitted by the Air Mail
of ^(22 23 24 25) July 26th, will not be
in the hands of the Kenya
Govt before the 24th of August.

(Signed) J. E. W. FLOOD

Any further communication on this subject should be addressed to—
The Under Secretary of State for India,
Economic and ^{Department,} Overseas India Office,
London, S.W. 1.
and the following reference quoted—
E. & O. 5170/33

Telephone—
4136 and 4133 10, East, N.
Telegrams—
Eurasian, London.



INDIA OFFICE,
WHITEHALL,
LONDON, S.W. 1.

RECEIVED
19 JUL 1933
C. J. REGY

18th July, 1933.

102 21

3c

Sir,

I am directed by the Secretary of State for India to transmit copy of a telegram from the Government of India enquiring as to the accuracy of information received from the East Africa Indian Congress that the Secretary of State for the Colonies is likely to consider representations from the Kenya Europeans for the creation of a Statutory Finance Committee with a European elected majority.

E. Sir Samuel Hoare would be glad to be informed as early as possible what reply should be sent to the enquiry of the Government of India. Sir P. Cudiffe-Lister will observe that the Government of India ask that if the report is accurate they may be given an opportunity of being heard before any decision is taken.

I am, Sir,

Your obedient servant,

S. J. Turner

Under Secretary of State,
Colonial Office,
S.W. 1.

Dated
15.7.33.

*Copy (copy) for
15.7.33*

1933

DET/AV.

(31 words)

DECODE OF TELEGRAM.

(COPIES
CIRCULATED)

From Government of India, Department
of Education, Health & Lands, to
Secretary of State for India.

Dated Simla, 15th July, 1933.

Received 15th July, 1933, 1.15 p.m.

F.214/33/L & O.

East Africa Indian Congress has telegraphed that Colonial Office are likely to consider representations from white settlers in Kenya for creation of Statutory Finance Committee, with European elected majority, to which all financial measures must be submitted before introduction in the Legislature. Copy of telegram follows next air mail. Please telegraph whether there is any truth in this. If so, we should like to be heard before any decision is taken.

Any further communication on this subject should be addressed to—
The Under Secretary of State for India,
Economic & Department,
OVERSEAS. India Office,
London, S.W. 1,
and the following reference quoted:—
E. & O. 5064/33.



INDIA OFFICE, 104 20
WHITEHALL,
LONDON, S.W. 1.

Telephone:—
Whitehall 8140. L.O. Ext. No. _____
Telegrams:—
Botaxandam, London.

IMPORTANT RECEIVED
19 JUL 1933
C. O. REAY

July, 1933.

Sir,

I am directed by the Secretary of State for India to enclose, for the information of the Secretary for the dated 29th May, 1933. Colonies, a copy of a letter which has been received by the Government of India from the East African Indian National Congress relating to a demand of the non-official European community in Kenya for a further constitutional advance. The Government of India have no information whether any conversations have taken place between the Secretary of State for the Colonies and Lord Francis Scott or whether His Majesty's Government contemplate any change in policy regarding the constitution of the colony of Kenya. The Government of India hope that should any change of policy be contemplated both they and the Indian community in Kenya will be given adequate notice and opportunity to place the Indian point of view before His Majesty's Government.

*Recd 22 Apr 33
Copy (suppl) 29 Apr 33*

2. The statement of the acting leader of the

European

The Under Secretary of State,
Colonial Office,
S. W. 1.

European elected members of the Kenya Legislative Council quoted in paragraph 4 of the letter from the East African Indian National Congress has received publicity in India and has also evoked a certain amount of comment. The Government of India think it possible, therefore, that it may form the subject of a question or resolution during the forthcoming session of the Indian Legislature which opens on the 21st August; and it would be of great assistance to the Government of India in dealing with such a question or resolution if the facts of the situation could be communicated to them before that date.

3. Sir Samuel Hoare would be glad to learn what reply should be given to the request of the Government of India for information and to receive any observations that Sir Philip Cunliffe-Lister may desire to offer in the matter as early as possible for communication to the Government of India.

I am, Sir,

Your obedient Servant,

E. Turner

COPY OF A LETTER DATED THE 29TH MAY, 1933, FROM THE
HONORARY GENERAL SECRETARY, EAST AFRICAN INDIAN
NATIONAL CONGRESS, TO THE SECRETARY TO THE GOVERNMENT
OF INDIA, DEPARTMENT OF EDUCATION, HEALTH AND LANDS. 106

Under instructions received from my Committee, I have the honour to address you this communication for your consideration.

As you are aware, the Joint Parliamentary Committee on East African affairs had held in 1931, that no further constitutional advance be thought for the present in the Colony of Kenya and that all attention for the time being be directed to the economic improvement of the country.

The Europeans in this country had endorsed this view and the leader of the European Elected Members, had associated himself with same by an announcement in the Legislative Council, in 1932.

It is apparent that there is now a move on the part of the European Non-officials to influence the Home Government and press for a further control in the Colony's Government. To substantiate this, I quote hereunder a statement made by the acting leader of the European Elected Members, in the Legislative Council, in its 1934 Budget sessions:-

"It has been suggested that Elected Members are apathetic and pussilanimous in this regard, but I would ask the country to realise that, because a great deal has not been said in public lately on this subject, that is not to say that a great deal is not being done, and I feel justified in making public the fact that Lord Francis Scott has been and is actively engaged in intimate conversations with the Secretary of State and the permanent officials at the Colonial Office in connection with this matter."

The Indian community views with alarm any such negotiations in London, and the Executive of the Congress has already communicated with the Secretary of State for the Colonies, asking for a fair chance for Indian Community in this Colony, to place their case before the Secretary of State, before arriving at a decision on the subject of constitutional advance in this Colony. The Government of India, has consistently supported the Indians in this Colony in opposing any control of the Government of this Colony by the Non-official European members, and have upheld that final control should remain vested with the Secretary of State, through the official majority, and

we hope that the Government of India, will earnestly watch on behalf of Indians in this Colony, any negotiations in London which might lead to any further grant of power to Non-Official European community.

The acting leader of the Elected European members who made the statement as regards these conversations, between Lord Francis Scott and the Secretary of State for the Colonies, has also called an unofficial conference of the different European Political organisations here, to discuss confidentially further constitutional advance and financial control, which show without doubt that some negotiations are actually in progress in London and the Indians in this Colony are afraid that it might result in some move which might prejudice the interests of the Indian community. I may submit here that it is very essential that the Government of India should immediately intervene and impress upon the Colonial Office, the necessity of hearing the Indian view point, before any step is taken in any direction to satisfy the European demand. Further, it is necessary that the Indian community should get information regarding the representations made by one section of the population without the knowledge of the other.

We trust that the Government of India will take immediate steps and keep a watch over the trend of these conversations in London.

We trust that the Government of India will take immediate steps and keep a watch over the trend of these conversations in London.

C.O.

319/33
Kenya

8/19/33
C.D. Col
no. 2. 110
no. 217.5

- Mr. [unclear]
- Mr. [unclear] 18-7
- Mr. Parkinson 18.7.33
- Mr. Tomlinson
- Sir C. Bottomley
- Sir J. Shackburgh

Air Mail 29 July

C.O.
R: 19 JUL
D: 7

- Permt. U.S. of S. 18.7.33
- Parly. U.S. of S. 19.7.33
- Secretary of State

ff. 1 SS

22 JUL 1933

DRAFT.

Kenya
No. 545
D.A.B.

I have ... to ... the
 rec^d of yr. let. N: 133 of the
 13th of July forwarded - message
 from the East African Indian
 National Congress regarding the
 subject of representation made
 for the creation of a statutory
 for a Finance Committee of the
 Legislature.

2. You have already

received a copy of the motion
 addressed to me in Parliament
 on the subject by the R.P. Mr. [unclear]
 L.D. Grant M.P. on the 21st of June,
 and of my reply thereto.

Copy is att^{ch}
 to 10. LF.

Handled (H.K.) 14 July

1 on 17 July

Revised

3198/55

Kenya

19
received C.D. 110
as later 2. 110
2-26-7-33

C.O.

Mr. [unclear]

Mr. [unclear] 18.7

X Mr. Parkinson 18.7.33

Mr. Tomlinson

Sir C. Bottomley

Sir J. Shuckburgh

X Perini U.S. of S. 18.7.33

X Parly U.S. of S. 19.7.33

Secretary of State

Air Mail 29 July

C.O.
R 29 JUL
D 21

22 JUL 1933

S:

DRAFT

Kenya

N^o 545

D.A.R.

I have ... to ... the

(b) rec^d of yr. 12 = N^o 155 of the
13th of July forwarded - message
from the East African Indian
National Congress regarding the
subject of representations made
for the creation of a statutory
Finance Committee of the
Legislature.

2. You have already

received a copy of the Question
addressed to ... in Parliament
on the subject by the Rt. Hon^{ble}

L.D. [unclear] on the 20th of June,
and of my reply thereto.

Copy is at this
to D. L.F. (22)

Handled (18/7/33) [unclear]

1 on 29 July

Kenya

now enclose a copy of the Official
Report of the Debate in the Colonial
Office Vote on the 14th of July,
from which you will observe that
I reiterated the intention of H.M.G.
to stand by the findings of the
Joint Select Committee of Parliament
on East Africa.

3. I shall be glad if
the attention of the East African
Indian National Congress may be
directed to these pronouncements
of policy.

(Sgd.) P. C. INLIFFE-LISTER.

C. O.

Office P.S. 14

18
111

Mr. Boyd

17/7/33

17 July, 1933

Mr.

Mr.

Mr. Parkinson

Mr. Tomlinson

Sir G. Hottomley

Sir J. Shackburgh

Pres. U.S. of S.

Pres. U.S. of S.

Secretary of State

DRAFT.

Lt. Col.

Lt. Francis Scott, D.S.O.

(at 18 Carlton House

Terrace

S.W.1.)

Dear Lt. Francis Scott,

I am much obliged to you for your letter of the 17th of July, which reached me in time to show to the Secretary of State before the debate in the House of Commons on Friday on the Colonial Office Vote.

It happens that the Press report which Mr. P. Williams was alluding to in the following question which he put to the Secretary of State last Wednesday was on which appeared in the paper called "East Africa" in its issue of the 25th July.

I enclose a copy of the article which purports to refer to a statement made by Captain Schwatze during the debate in the House of Commons on the Kenya Legislative Council.

"EA" extract

In brief, I believe that
think that you may be
interested in the
report of the discussion of
Kenya affairs with those
on Sunday, and I am
therefore sending you a
corrected copy of the minutes
for the day.

I also return to
the copy of
copy of Miss Schwabe's
address on the occasion of
the opening of the
Conference, with you kindly
sent to me.

Yours sincerely,

(Signed) E. B. BOYD.

17
112
18, Carlton House Terrace, S.W.1.

July 13th, 1933.

Dear Mr. Boyd,

Many thanks for yours received this morning.

No 12
I have failed to find any reference in the Times to the questions. Frankly I have no idea what they refer to. So far as I am concerned I have given no interviews to the Press or authorized anyone else to do so on my behalf either here or in Kenya, except that when the Secretary of State made his pronouncement about income tax, Watney asked me my views about it, but I said nothing about any conversations with the Secretary of State.

Answered 17 July 33
I also sent a very brief cable to Schwartz for publication but again that made no reference to anything of the sort. I have kept ⁱⁿ pretty close touch with Kenya whilst I have been here and I have seen nothing of the sort mentioned anywhere, and so unless Mr. Thomas Williams can produce the text of the supposed offending statement, I am very unwilling to believe that Schwartz has made an indiscretion.

indiscretion. I have, of course, written privately to Schwartze giving the resume of my conversations but in the form of private letters, which I believe he has treated in a confidential way. This belief is strengthened by a copy of his address which he sent me by last mail before he had delivered it, where you will see he refers to information which he had received from me in strict confidence, and which must be treated in strict confidence. I think he is probably referring to a letter of mine written in May after the Secretary of State had told me that he was not prepared to put up any scheme for Financial Control which conflicted with the report of the Select Committee in 1931, when I explained the position as I saw it, and offered certain advice. Mr. Schwartze obviously considered my letter confidential, it seems very odd if he has communicated with the press previously, and I feel the whole thing must be a mistake. If you have a copy of the offending paragraph, I should be very grateful if I could see it, and so trace its origin. Please tell Sir Phillip that I am very sorry if in any way I have indirectly been a cause of trouble, but my conscience is clear, as I have particularly refused to say anything

13
anything to any Pressman, and for that reason abstained from writing to East Africa to dissociate myself from their attack on Sir Phillip, for fear of being dragged into a controversy.

Please send me back Schwartze's address when you have finished with it.

Yours sincerely,

(SD.) FRANCIS SCOTT.

CONTROL OF CO

~~UNITS~~ ~~FINANCE~~

Proposals of the
East African Unofficial Conference.

Standard of 7.7.33

STATUTORY COMMITTEE WITH EUROPEAN ELECTED MAJORITY.

To See All Financial Measures.

OPPOSED MONEY BILLS TO BE CERTIFIED BY GOVERNOR AS EMERGENCY LEGISLATION.

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A proviso is added that should any Elected Members unanimously oppose any money bill, such can only be passed by the Governor's certification as a matter of urgency.

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On the general constitutional question full responsible government by the European Community is reaffirmed as the ultimate goal and objection is registered against any artificially balanced legislature, as "utterly unacceptable."

continued on p. 16

Contd

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The following statement was issued yesterday on the decisions and recommendations of the Unofficial Conference which has been sitting this week in Nairobi:

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RESOLUTIONS

1. "That this Conference, bearing in mind the announcement of Mr. Winston Churchill, when Secretary of State, that he did not contemplate any system which would prevent British East Africa from becoming administratively and ultimately a British Colony, looking forward to the fruition of full self government, reaffirms that full responsible Government by the European Colonists of Kenya is the eventual goal to which the Colony aims."

2. "That this Conference is decidedly of opinion that the time has now come when such change should be made in the Colony's constitution as will afford the Unofficial Community a greater measure of control of the Colony's Customs and affairs, provided that such constitutional change shall not necessarily affect the present composition of the Legislature."

The Method

3. "That this Conference is of the opinion that the greater measure of Executive control already vested in the Unofficial Community should be transferred to the setting up of a Finance Committee of the Legislature composed of members who would be a majority of Unofficial Elected Members selected by those voters. All Elected Members to have the right to attend the meetings of this Committee. The Committee to be advisory but to have the right to have all Government Financial Estimates submitted to it

before such measures are introduced into Legislative Council. It to be further provided that should nine European Elected Members vote together un-animously against any Money Bill such Bill can only be passed by the Governor's certification as a matter of emergency."

4. "That this Conference is of the decided opinion that any scheme involving an artificially racially balanced Legislature would be utterly unacceptable to the Colony."

5. "That this Conference expresses its satisfaction that H.M. Government in the recent despatch of the Secretary of State for the Colonies on the subject of taxation has recognised and admitted the right of a colonial community to choose the form in which any agreed amount of taxation shall be imposed."

Amongst others, two further resolutions were moved, but did not meet with the approval of the Conference. The first of these was put forward by the Nairobi Association Delegate, and featured a request for the modified form of self-government as set out in their Memorandum which has already been published, but this was, after debate, withdrawn, while the second, proposed by the Delegate of the Trans-Nairobi Political Association, supporting a division of the Colony into black and white territories under other words. "The White Island Policy" was defeated by an overwhelming majority.

Lord Francis Scott's Talk

The Conference further decided that the first Motion passed should be forwarded to Lord Francis Scott, who should be asked to enter into negotiations with the Secretary of State for the Colonies. It being clearly understood that no such negotiations should be effected without the prior reference to the Colony. It was also decided that a detailed memorandum be prepared concerning the requests put forward should be prepared by a sub-committee and also sent to Lord Francis Scott.

At the conclusion of the main business to which the Conference had been called a debate took place with regard to Lord Moyne's proposals on the setting up of a Native Interment Fund and with regard to the question of the Colony's Currency, but no resolutions were proposed in connection with either of these matters.

It was generally felt by all delegates that the results of the Conference had done a great deal to clear the air, and fully justified its having been called.

[Sir P. Cunliffe-Lister.] There is no question whatever about any change in the constitutional position. The Committee will remember that in the Reports of the Joint Select Committee there occurs a passage in which they record their considered judgment. In paragraph 75 they say:—

"The primary obligation to the native races follows naturally from the acceptance of the principle of trusteeship, and to this certain conclusions must be added. The control of His Majesty's Government in the United Kingdom must remain unimpaired. The conditions in East Africa, where these widely differing communities exist side by side, demand the maintenance of an effective power of intervention by the Crown in all matters of both legislation and administration. This power will be exercised by His Majesty's Government acting through the Secretary of State. It is clear that unless existing conditions, the principles outlined above can only be effectively operative if the authority of His Majesty's Government remains unimpaired. The diversity of the interests to be co-ordinated and harmonised require a Government in partial and capable of long view. The Majority Report of the House Young Commission recorded their emphatic opinion that all matters in which racial interests were or appeared to be divergent should be decided by an arbiter authority. That authority exists in the Secretary of State and the Governor acting under his instructions."

I believe that the House at the time, along with His Majesty's Government, entirely accepted the considered findings of that most authoritative Joint Select Committee. That was put on record in the published despatch which was sent to Kenya. That is the view which the House and His Majesty's Government have accepted, and it stands. I am sure that in all quarters of the Committee the findings of that Committee on this subject meet with complete agreement. I will just mention the question of economy in Kenya. In addition to savings proposals have drastic economy. It is only fair to the administration in Kenya that I should give the Committee these figures. The expenditure during the last 12 months of the Government's expenditure. There is the present expenditure, such as pensions, health services and so on, which are contractual, and which Government must bear. That leaves only the field of departmental expenditure in which economy operations can be effected. In five years the Government of Kenya has reduced that part of its expenditure by almost one fourth of its cost. If those economies are maintained, I do not think that that is a bad record of economy to be achieved year after year.

Mr. Lunn: The other day my hon. friend the Member for Don Valley (Mr. T. Williams) put a question to the right hon. Gentleman about a change in the constitution of Kenya, and as there appears to have been some doubt on the part of both of my hon. friend and of the right hon. Gentleman, I think it would be as well if to-day we had the matter cleared up, and if we were told whether or not there is to be any change in the constitution of Kenya and whether there is anything in the point which was put by the hon. Member for Don Valley.

Sir P. CUNLIFFE-LISTER: I can answer that question now. I said that His Majesty's Government had endorsed the report of the Joint Select Committee and that is the policy which stands.

Mr. LUNN: I readily welcome that declaration from the right hon. Gentleman. I hope he will be more consistent in this matter than he has been in the past, and that he will be able to declare that that is still the policy 12 months hence when we come to debate these Estimates again—though I have my doubts as to whether he can continue for so long. This is a serious point. During a Budget debate in the legislature in Kenya the statement was made that the white settlers were anxious and determined that they should control the finances of Kenya. That statement was

made by the acting leader of a party in that Colony. I do not see any reason why he should not make such a statement since the white settlers' experience with the right hon. Gentleman on the question of income tax. I think he was justified in saying that they were determined that that change should come about. He went even further and said that Lord Francis Birt had been actively engaged in intimate conversations with the Secretary of State and prominent officials at the Colonial Office in connection with that matter. It is due to the House and to the Empire to know definitely whether there have been such conversations and whether guarantees have been given that the constitution is to be changed in that way.

Sir P. CUNLIFFE-LISTER: I wish the hon. Gentleman would not continue to repeat things which I have denied on questions of fact. I said in my speech and I have since repeated it, that the Government stand by the findings of the Select Committee. I have now said so three times and I hope the hon. Gentleman will accept my statement.

Mr. LUNN: I said I accepted that particular position, but this is something which has happened even since the income tax controversy was made. I agree with the right hon. Gentleman that it is his place to interview people who come from different Colonies and who know the circumstances in those Colonies. That is one way of improving his position in Colonial matters and creating for me the best use of his office. I am not objecting to that for any moment. The point is that when those people go back to those Colonies and make denunciations of the Government, it is necessary that we in this House should know the facts of the situation and should know whether those statements are justified or not.

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Capt. Guest.

It is impossible to touch upon the subject of Kenya without referring to the request for more effective control of finance. When I was in Kenya I attended the Convention of the Farmers' Association, which took place in March, and I urged upon them to face the facts and to realise that if they really were determined to press for more effective control of their finances it was tantamount to asking for self-government. I am certain that, although it is the legitimate ambition of any Britisher to manage his own affairs, I am certain that the time has not arrived when that colony should ask for it. The problems are too big and the white men are too few. I know quite well what if the effective consultation which is now the poetry established between the Colonial Secretary and the settlers out there is made more permanent, and not an exception, they will rest satisfied that their case is in good hands. They are reassured by the wisdom that they think is handed out to them in this way, and if only an announcement could be made by the Secretary of State that effective consultation is now to be the exception but the rule, he will find that they will go back to their farms satisfied.

Telegram from the Deputy Governor Kenya to the Secretary of State for the Colonies.

Dated 13th July. Received at 2-54pm 13th July 1933.

1.c
2.c

No 133. Following from East African Indian National Congress begins...

(19) Understand that European Community making representations for creation of Statutory Finance Committee with European Elected Majority. Indian community alarmed at secret negotiations Lord Scott Colonial Office. Submit no justification exists such constitutional change however if Imperial Government inclined to consider such representations Congress proposes to represent Indian case. Meanwhile pray postpone consideration memorandum follows Secretary Congress....ends.Recoverable.

10/11 1.0.22.

170
12

12th July, 1933.

Dear Lord Francis Scott,

The Secretary of State has observed that there is no report ^{in "The Times"} of the Question and Answer ~~in "The Times"~~ referred to in my letter of yesterday. He has, therefore, asked me to send you at once the enclosed copy of Hansard. The passages in question are in columns 929 - 931.

Yours sincerely,

(Signed) E. B. BOYD.

Lieut. Colonel,
Lord Francis Scott, DSO.

URGENT

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Secretary of State

The attached is a copy of ^{the} letter which, if you agree, I propose to send off this evening to Lord Francis Scott. I think it is important to have the letter rather carefully worded, and I should be grateful if you would look through it and ask Captain Dugdale to come up from the Committee Room and telephone to me if I may send off the letter, or if there are any amendments which you would wish to have made in it.

E. D. Lloyd
11.7.33.

*11. The President has identified
the item before us further
(3) in 3198/31 large bundle
Edw*

OK
[Signature]

*Mr. President
I have off the letter yesterday afternoon*

1077 25 JULY 1933
1077 25 JULY 1933
Capt Boyd tells me that the whole
about Mr. Williams started at the S. 28.
Instead of afternoon in the House was in
"East Africa" of 25th of May. I have obtained
a copy from the Library; I was afraid the original
in ^{London} ~~Italy~~ in case you have not seen it.

The S. 28. asked me to send to Mr. P. S. Scott
a copy of yesterday's ^{Howard in "The Times"}
did not refer to Williams' ^{Quaker's note}
Answer given to them. I have not written to
Mr. P. S. Scott accordingly.

Est Boyd
12/7/33

Seen ^{L.A. Smith}
11.

Mr. Boyd

See also the "Times" for 7 July (1107 on 3198) which
however only says that Lord P. Scott was being involved in open
negotiations.

You may wish to keep the pp. for the present.

J. L. G. Flood
12-7

// 112

11th July 1933.

Dear Lord Francis Scott,

Sir Phillip Cunliffe-Lister has asked me to write to you on his behalf (as he is at the moment engaged with one of the Committees of the World Conference) to draw your attention to a Question and Answer this afternoon in the House of Commons on the subject of the conversations which recently took place between the Secretary of State and yourself with regard to Kenya affairs.

The following is the text of the original Question and Answer:-

Mr. Thomas Williams. - To ask the Secretary of State for the Colonies if he will make a statement regarding the nature of the conversations and the conclusions reached with the representatives of the members of Kenya; and whether the proposed constitutional changes in Kenya Colony were then discussed.

Lt.-Col. Lord Francis Scott, BCO.

Sir

123

Sir Philip Cunliffe-Lister. - I and my officers make it a regular practice to see unofficial members of Colonial Legislatures when they are in this country. I think it is most important that I should be able to have these conversations; but I am sure the House will agree that the value of such informal conversations would be greatly reduced if they are to be made the subject of Parliamentary questions. As regards the Constitutional position in Kenya, I would refer the Hon. Member to the answer which I gave to my Hon. and Gallant Friend the member for the Drake Division on the 21st of June, of which I am sending him a copy.

There were several "Supplementaries" (a report of which will no doubt appear in tomorrow's "Times"); and in answer to one of them the Secretary of State said that he was sure there was no truth in the statement that you had given publicity to the substance of these private conversations at the Colonial Office.

In the course of subsequent conversation with Mr. Williams, the Secretary of State ascertained that the newspaper report of the conversations to which reference had been made emanated from Captain Schwartze in Kenya. Sir Philip presumes, however, that he was correct in stating that there were

no grounds whatever for the allegation that you had been a party to any communication to the Press on the subject.

Yours sincerely,
(Signed) E. D. BOYD

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Extract from Note by Sir Samuel Wilson on interview
with Lord Francis Scott.

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Lord Francis Scott raised the question of the Unofficial element in Kenya having more say in financial control. Lord Plymouth explained to him the Secretary of State's attitude, and pointed out that Sir Philip was not prepared to depart from the recommendations of the Joint Committee on East Africa, which had received the unanimous approval of the House of Commons. Lord Francis Scott said that he was not personally going to press the Secretary of State on this point, as he fully realised Sir Philip's position. He reminded us, however, that a Conference in East Africa was at the moment considering the question and he (Lord Francis) had suggested to the Conference that instead of making impossible demands they should put up a fully considered case giving their arguments why some concession should be

made

made to them in this respect. He added that it was quite possible that the more extreme elements might make unreasonable demands, and if they did this he would have to consider seriously on his return whether he should not split up the party and form a new constitutional party of his own.

In connection with the Secretary of State's decision that he would not depart in anyway from the recommendations of the Select Committee, Lord Francis Scott asked if we had not already done so in adopting Lord Moyne's recommendation for the setting up of a Native Betterment Fund.

During the course of this discussion Lord Francis Scott expressed the view that the future of Kenya was dependent on further white settlement and the consequent strengthening of the position of the white settler. In existing circumstances he said it was all "bunkum" that anyone should talk about self-government.

126
9

Extract from letter from Sir Philip Cunliffe-Lister
to Lord F. Scott of 26th June, 1933, (reference 3246/33)

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I have already discussed with you the constitutional position, and I told you frankly that it would be quite impossible for me or any other Minister in any Government to reverse the findings of the Joint Select Committee on which the views of His Majesty's Government were given in my published despatches, and you will have seen the definite answer which I was bound to give in the House as soon as the question was raised in that form.

EXTRACT FROM LETTER FROM LORD FRANCIS SCOTT

of 25 June 55

registered on 3246/55 Kenya.

X

X

X

Now, lastly, there is this question of some advance constitutionally with regard to control of finance. Let me say that I, personally, do not at all want to enter on a "dog fight" on this subject. I consider you have met us very fairly over the taxation question and shown that you do not wish in any way to ignore us or ride rough shot over us. At the same time, we feel we have no security, and are too much dependent on the vagaries of the Secretary of State and Governor of the moment, who, of course, frequently change. I quite appreciate your point that the Government cannot hand over the complete control of finance to the Opposition as that means handing over the Government. At the same time I feel very strongly that the only hope for a country like Kenya lies in a very real and genuine co-operation between the Government and the settlers. As you said the other day, this should be automatic. But it is not, and we feel that with a Labour Government in power, Drummond Shiels in your chair, and an unfriendly Governor in Nairobi, we should once more be ignored and trouble would arise. Cannot we devise some scheme, which, whilst leaving the actual control in the hands of the Governor, does give the settlers' representatives an actual statutory position as partners with the Government?

I am quite aware of the difficulties, and do not propose to put up any concrete proposal at the moment. As you probably know, a Conference is to be held in Nairobi on this subject on 3rd July. I have implored them not to tie themselves to something which you must refuse, but to put up an argued case which keeps the matter open for

discussion. At the same time, we have^a left wing out there who will probably want to force the issue. This may lead to a division amongst us of extremists and moderates. For this reason, I hope you will not hang, bar, or bolt any doors, as I feel ways can be found of satisfying reasonable demands without impairing the responsibility of the Government. I think you can realise that unless the position of elected Members means something real the best people will not come forward and offer themselves for election, as it does mean a very considerable sacrifice to do so.

x

x

x

FINANCIAL CONTROL IN KENYA

A SETTLERS' CONFERENCE

FROM OUR CORRESPONDENT

NAIROBI, July 3

A conference of representatives of the settlers, including delegates from several Kenya Chambers of Commerce, opened here this morning under the chairmanship of Captain Sadoway, acting leader of the European elected members of the Legislative Council. The main purpose of the conference was to discuss the question of constitutional reform, particularly methods of attaching financial control for submission to the Secretary of State.

Considerable importance is attached here to the recent appointment of the Philip Charles-Lewis (Secretary of State for the Colonies) as indicating his desire to regulate relations of strong association of the settler communities with the Government. This is the continuation of local government within the framework of the central principle of Imperial policy that the paramount power, particularly in connection with budget policy, must remain in the hands of the Imperial Government.

Although the conference is likely to have a very difficult task in aligning the views of the settler groups, who are anxious to demand an elected European majority in the Legislative Council, with those of the Government, who are concentrating on the preservation of a remaining part, there is at present only slight fear that the differences may break down to the negative of results. The Government believe that while complete financial control is not likely to be achieved at present, it is possible to improve the status of the settler community by some form of statutory financial Committee with an advisory function, and to present a report to the Secretary of State. Government and settler alike was anxious during the past two years on matters of submission and control.

The Times 11 July '33

FINANCIAL CONTROL IN KENYA

A SETTLERS' CONFERENCE

FROM OUR CORRESPONDENT

NAIROBI, July 3

A conference of representatives of the settlers, including delegates from several Kenya Chambers of Commerce, opened here this morning under the chairmanship of Captain Buchanan, being leader of the European racial minority of the Legislative Council, in the presence of Lord Franks, Knight. The main purpose of the conference was to discuss the question of economic development, particularly methods of securing financial control for settlement to the Secretary of State.

Considerable importance is attached here to the recent appointment of Sir Philip Cunliffe-Lindsay, Secretary of State for the Colonies, as indicating his desire to establish relations of closer association of the official committees with the Executive Council for the consideration of local questions without prejudicing the central government's right of Imperial policy that the Government should possess, particularly in connection with native policy, some control on the basis of the Imperial Government.

Although the conference is said to have a very difficult task in light of the views of the government groups, who are anxious to demand an amending European majority in the Legislative Council, with those of the minorities, who are apprehensive of the preservation of a status quo. Many in the present and might fear that the committee may break down as to questions of control. The chairman believes that while complete financial control is the likely of actual result of present, it is possible to improve the status of the settler community by some form of advisory Finance Committee with an advisory majority and no power of expenditure of the Government. It was suggested during the past few years the question of settlement and settlement.

131-5



GOVERNMENT HOUSE,
NAIROBI,
KENYA.

KENYA.

No. 67.

CONFIDENTIAL.

RECEIVED
23 JUN 1933
C. O. REGY

31st May, 1933.

Sir,

Not

With reference to my Confidential Despatch No. 61, of the 12th May, 1933, I have the honour to transmit the accompanying copy of a letter dated the 18th May, 1933, from the General Secretary, East African Indian National Congress.

2. It is understood that the original was sent to you direct in ignorance of the provisions of Regulation 200 of the Regulations for His Majesty's Colonial Services. The attention of the General Secretary, East African Indian National Congress, has been drawn to the correct procedure.

3. In view of the terms of my despatch under reference, it is not proposed to comment specifically on the substance of the enclosure to this despatch.

I have the honour to be,

Sir,

Your most obedient, humble servant,

SECRETARY-GENERAL,
GOVERNMENT HOUSE.

THE RIGHT HONOURABLE
MRS. LILIAN PHILIP CONLIFFA-LISTON, F.C., G.S.C., M.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
Downing Street, London, S.W.1.

Daily Mail

TUESDAY 16TH MAY, 1933.

THE CIVIL SERVICE SALARIES.

INCREASED LEVY SUPPORTED.

GOVERNMENT NOT IN FAVOUR.

It was stated in the Legislative Council that the European Elected Members, although very reluctantly, supported the recommendation made in the minority report of the Expenditure Advisory Committee that an increased levy on Civil Service Salaries was essential for 1934.

Captain Schwartz said the justification lay in the condition of other citizens in the Colony.

Referring to farmers, he declared that in many cases they hardly had the money properly to feed and clothe themselves. In the towns, reductions in salaries in the majority of cases was at least 20 per cent., while business men found their profits reduced from anything between 40 and 70 per cent.—if they had any profit at all.

In the course of his reply the Colonial Secretary declared that the government saw no exchange conditions which warranted a further increase in the levy on salaries.

It was also announced that the Select Committee on the Estimates had recommended to the Government preservation of the Native Registration system by effecting economies through amalgamation of departments.

The European Elected Members also urged upon Government the need for equality in the matter of terms of service, both for the local Civil Service and for officers engaged overseas.

BRITISH JOURNALIST ASKED TO LEAVE GERMANY.

NO FORMAL CHARGE.

(THE ASSOCIATED PRESS AGENCY.)

Berlin, May 15.

The British Journalist, Mr. Geoffrey Fraser who was imprisoned since 4th April is released and is informed that he must leave Germany within a specified period. No charge is laid against him but authorities earlier had indicated the British Ambassador that he was suspected spreading false or exaggerated reports.

Committee on the Estimates had recommended to the Government preservation of the Native Registration system by effecting economies through amalgamation of departments.

The European Elected Members also urged upon Government the need for finality in the matter of terms of service, both for the local Civil Service and for officers engaged overseas.

BRITISH JOURNALIST ASKED TO LEAVE GERMANY.

NO FORMAL CHARGE.

[THROUGH REUTER'S AGENCY.]

Berlin, May 13.

The British Journalist, Mr. Geoffrey Fraser who was imprisoned since 4th April is released and is informed that he must leave Germany within a specified period. No charge is brought against him but authorities earlier had intimated the British Ambassador that he was suspected spreading false or exaggerated reports.

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TAKLIWA—Carter,
§ KENYA—
† TAIREA—Creese,

☞ Calls at Seychelles
§ Calls at Marmagao.

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at Nairobi.

such

change or advance be entertained by the Secretary of State for the Colonies, without giving an opportunity to other sections of population to make their representations in the matter.

The presence of the Official majority and the ultimate authority with the Secretary of State for the Colonies, is a necessary safeguard under the present state of things to the Indians as well as the Natives of this country and any scheme of introducing unofficial majority which will in our submission give power to the European unofficial members, is viewed with the greatest alarm by the Indian community.

The Executive further draws your attention to the dangerous principle enunciated by the acting leader of bolstering up the production of this country by further loans to the Land Bank and forced white settlement which have so far proved a financial failure and is likely to lead to further losses to the country as a whole. That policy is advocated by the acting leader, in our opinion, to favour a group of white farmers with vested interests.

Finally it is submitted that the control from Home by means of an official majority is the most essential safeguard to the interests of the Indians as well as the African people, against the conflicting interests of the powerful group of settlers with vested interests, and it is hoped that such a step -constitutional advance- is not taken until the other communities in this colony are given adequate representation to protect their interests.

I have the honour to be

Sir,

Your obedient servant,

GENERAL SECRETARY.

Copy sent direct to
Sec. of State for Colonies
by Air Mail

5198/33 Re

H 135

C.O.
Mr. Davies 9/6
Mr. ...
Mr. ...

C.D.
R 9-JUN
D 1953

14 June 1953

Mr. Parkinson.
Mr. Tomlinson.
Sir C. Darnley.
Sir J. Shackleton.
Foreign U.S. of S.
Early U.S. of S.
Secretary of State.

DRAFT.

Kenya
No 424
6/53

Sir
I have the to inform you that
I have received a letter dated
the 12th of May from the
(3) General Secy to the
African Union National
Congress making certain
representations on the subject of
constitutional advance in
Kenya. The A copy of the
letter will certainly be
forwarded to me in due
course through the usual
channels, but in the
meantime I shall be glad
if a suitable acknowledgment
may be conveyed to the
General Secretary

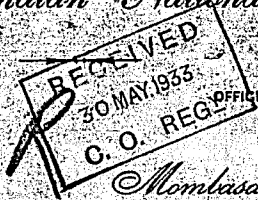
I am etc

(Sgd) P. CUNLIFFE-LISTER

S. N. 63
36

3

East African Indian National Congress



OFFICE OF THE EXECUTIVE COMMITTEE

P. O. Box 75.

Mombasa, 18th May 1933.
(Kenya Colony.)

The Rt. Hon'able,
The Secretary of State for the Colonies,
Through The Hon'able the Colonial Secretary,
Colony & Proctorate of Kenya,
Nairobi.

Sir,

I have been directed by the Executive Committee of the E. A. Indian National Congress, to draw your attention to the statement made by the acting leader of the Elected European Members, in the Legislative Council, Press-cutting whereof is annexed hereto, and in particular to the following part thereof:-

"It has been suggested that the elected members are apathetic and pusillanimous in this regard, but I would ask the country to realise that because a great deal has not been said in public lately on this subject, that is not to say a great deal is not being done, and I feel justified in making public the fact that Lord Francis Scott has been and is actively engaged in intimate conversation with the Secretary of State and the permanent officials of the Colonial Office in connection with this matter."

The E. A. Indian National Congress, on behalf of the Indians in this Colony has consistently maintained that any further constitutional advance, giving additional representation or power to the non-official Europeans, will mean the supremacy of that section of the population of this Colony to the detriment of all the rest and is afraid lest these conversations referred to above might lead to any such constitutional advance, and prays that no such

11

such

change or advance be entertained by the Secretary of State for the Colonies, without giving an opportunity to other sections of population to make their representations in the matter.

The presence of the Official majority and the ultimate authority with the Secretary of State for the Colonies, is a necessary safeguard under the present state of things to the Indians as well as the Natives of this country and any scheme of introducing unofficial majority which will in our submission give power to the European unofficial members, is viewed with the greatest alarm by the Indian community.

The Executive further draws your attention to the dangerous principle enunciated by the acting leader of bolstering up the production of this country by further loans to the Land Bank and forced White settlement which have so far proved a financial failure and is likely to lead to further losses to the country as a whole. That policy is advocated by the acting Leader, in our opinion, to favour a group of White farmers with vested interests.

Finally it is submitted that the control from Home by means of an official majority is the most essential safeguard to the interests of the Indians as well as the African people, against the conflicting interests of the powerful group of settlers with vested interests, and it is hoped that such a step -constitutional advance- is not taken until the other communities in this colony are given adequate representation to protect their interests.

I have the honour to be

Sir,

Your obedient servant,

D. Shawe
GENERAL SECRETARY.

AIR MAIL

KENYA

No. 61



139
GOVERNMENT HOUSE
NAIROBI
KENYA

CONFIDENTIAL

RECEIVED
22 MAY 1933
COL. OFFICE

12th May, 1933.

Sir,

I have the honour to enclose uncorrected copies of the Debate in the Legislative Council on the motion proposed by the Hon. Member for Kenya that :-

"In the opinion of this Council, the time has now come when the control of the Colony's finances should be vested in the elected representatives of the people as at present constituted."

2. You are aware from the evidence given by the Settlers' Delegation before the Joint Select Committee, to which the Colonial Secretary referred in his speech, that until quite recently it was the accepted policy of the Elected Members to abstain from pressing their demands for any form of constitutional advance at present.

3. The present change of attitude, though attributed to different causes by individual speakers in the course of the debate, undoubtedly owes its origin on the one hand to the sense of insecurity which the proposed introduction of income tax has aroused, however illogically, in the minds of those who see in it a weapon to be ruthlessly wielded by an autocratic Government, and on the other to the encouragement which Lord Moyne's proposals for the establishment of a Native Settlement Fund have given to those who argue that, since Elected Members are no longer to be entrusted with the voting of supplies in the native interest, there can be no justification for

THE RIGHT HONOURABLE
SIR PHILIP CURLIFF-JONES, B.C., G.B.E., M.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON, S. W. 1.

not granting them a larger measure of control over services that directly affect the non-native communities.

4. The fallacy inherent in the latter argument was pointed out in the course of the debate both by the Revd. Canon Burns and the Colonial Secretary, but there can be little doubt in my opinion that if the Native Betterment Fund is finally established substantially on the lines recommended by Lord Loyne, the demand for unofficial control at least of direct non-native services will become more insistent and more difficult logically to resist. The serious implications of any such policy both on the interests of the Indian community and on the whole unitary system of Government in this Colony will be at once appreciated.

5. While I believe the underlying causes which gave rise to this motion to be as I have stated, there is no doubt that it owed its immediate origin to the recent debates on the same subject in the Convention of Associations, to which reference was made by the Hon. Member for Plateau North. A full report of that debate was contained in the weekly edition of the East African Standard of the 1st April, 1935, and I would invite your special attention to it. A perusal of that report and of the report in the Legislative Council which forms the subject of this despatch will, I suggest, convince you that while there is at present, for the reasons to which I have referred, a general feeling of resentment at the present official control of the Colony's finances prevalent among certain sections of the European community, there is no consensus of opinion as to the form which any increased unofficial control should take, and no concrete proposal as to how such control could be brought within the ambit of the present constitution.

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6. Since the foregoing paragraphs were drafted a statement was made by Captain Schwartze on behalf of the Elected Members in the course of the debate on the adoption of the Report of the Select Committee appointed to consider the 1933 Estimates defining the attitude of Elected Members on the question of constitutional advance and financial control. A copy of the newspaper cutting on this portion of his speech is enclosed.

In his speech Captain Schwartze made reference to the fact that conversations on this subject were going on in London between Lord Francis Scott and yourself. I presume, therefore, that if it is your intention to reopen this question so soon after the pronouncement of the Joint Select Committee on the subject I shall be asked in due course for such observations as I have to make on any concrete proposals that may be put forward.

No 3
MH07/51.

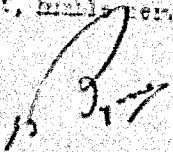
7. In your Confidential Despatch (5) of the 13th July, 1932, you have asked me to furnish you with my views on the whole question of the composition of the Legislative Council in the light of the Report of the Joint Select Committee. I have refrained from doing so until now as it appeared to me that owing to the controversies that have arisen over the question of income tax and the change in the Indian feeling towards participation in the Legislative Council the time was not an opportune one to raise a possibly further controversial issue on the question of the composition of the Legislative Council. I do not, therefore, propose to take any action in the matter pending further instructions from you but would confine myself to the general observation that unless the major question of an unofficial majority is to be reopened I am doubtful whether any workable scheme could be devised within the existing constitution under which the Elected Members could

be given that degree of financial control which they now demand. Whether the ultimate responsibility of the Executive Government is maintained by means of an official majority in the Legislative Council or by special powers of certification granted to the Governor, the result in the event of disagreement between the official and unofficial view is much the same, except that in the latter case the full odium rests on His Majesty's Representative instead of being shared, as at present, among his official colleagues.

I have the honour to be,

Sir,

Your most obedient, humble servant,



SECRETARY-GENERAL
GOVERNOR

"It has recently been suggested in more than one quarter either policy or that, if they have, their

that Elected Members have no is no unanimity.

"I wish to state, most emphatically, that neither of these allegations is true. There is complete unanimity amongst Elected Members with regard to their policy on all major issues, and I have their authority for stating briefly what that policy is.

Constitutional Change.

"In the first place they are determined to press, without remission, for such change in the constitution as will give them the control of the Colony's finance and will enable them to have the final say with regard to the Colony's expenditure and will further prevent any attempt in the future to impose taxation on the people against the will of the people. On this point there is complete unanimity.

"It is true that there is a section of the community which would prefer that the Colony's demand should be for some form of unofficial majority such as outlined in the Report of Sir Hammet Wilson, whilst another section is fearful of the dangers of what has been described as a hybrid form of unofficial majority.

The Right Course.

"While I, personally, do not share those fears to the extent that some do, I am convinced that the only right course for us to adopt is to press for such change in the constitution as is unanimously supported by the Colony and to accept that as a first step towards our eventual, and I hope not too far distant, goal, i.e. complete self government, and that this goal is also the eventual ambition of every unofficial in the Colony I have no doubt.

London Discussions.

"It has been suggested that Elected Members are apathetic and pusillanimous in this regard, but I would ask the country to consider that, because a great deal has not been said in public lately on this subject, that is not to say that a great deal is not being done, and I feel justified in making public the fact that Lord Franks has been and is actively engaged in intimate conversations with the Secretary of State and the permanent officials at the Colonial Office in connection with the very matter.

See pp. 163-187

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COLONY AND PROTECTORATE OF KENYA

LEGISLATIVE COUNCIL
DEBATES

APRIL 10 and 11, 1933

UNCORRECTED PROOFS

Hon. Members are asked to notify the Clerk within seven days of any corrections they may desire to have inserted in their own speeches.

PRINTED BY THE GOVERNMENT PRINTER, NAIROBI

MONDAY, 10th APRIL, 1933

The Council assembled at 11 a.m. at the Memorial Hall, Nairobi, on Monday, 10th April, 1933, His Excellency the Governor (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, K.C.M.G., K.B.E., C.B.) presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 5th April, 1933, were confirmed.

PAPERS LAID ON THE TABLE.

The following papers were laid on the table:—

By THE HON. THE ATTORNEY GENERAL (MR. A. D. A. MACGREGOR, K.C.):

Report of Select Committee on the 'Employment of Women, Young Persons and Children Bill.

Report of Select Committee on the Juvenile Offenders Bill.

Report of Select Committee on the Income Tax Bill.

NOTICE OF MOTIONS.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to give notice that at a subsequent meeting of this Council I shall move the following motions:—

"That the Report of the Select Committee on the Juvenile Offenders Bill be adopted."

"That the Report of the Select Committee on the Income Tax Bill be adopted and that the Bill be later referred to a Committee of the whole Council."

ORAL ANSWERS TO QUESTIONS.

BY COL. THE HON. J. G. KIRKWOOD: Your Excellency, may I ask when I can expect an answer to my question as to when the Government intends publishing the Report on the Decentralization of the Public Works Department?

THE HON. THE COLONIAL SECRETARY (MR. H. M.-M. MOORE): I can give an answer to that question at to-morrow's meeting.

CESSION OF TERRITORY.

No. 23.—CAPT. THE HON. H. E. SCHWARTZ asked:—

Is Government in a position to make any statement with regard to the conversations between the Prime Minister and Signor Mussolini at Rome so far as such conversations affect Kenya?

THE HON. THE COLONIAL SECRETARY: A communication has been received from the Secretary of State to the effect that the conversations in question included no reference whatsoever to Kenya.

AGRICULTURAL CREDITS.

No. 24.—LT.-COL. THE HON. J. G. KIRKWOOD asked:—

Will Government state what action is proposed with regard to the recommendations on agricultural credits submitted by the Board of Agriculture?

THE HON. THE COLONIAL SECRETARY: The Report referred to is receiving the earnest and sympathetic consideration of Government. Action has been taken by reference to the Land Bank Board, to whose views attention is now being given, and an application has already been made to the Secretary of State for sanction to increase the funds at the disposal of the Land Bank by £250,000.

CESSION OF TERRITORY.

No. 25.—THE HON. T. J. O'NEILL asked:—

(1) Has Government been consulted regarding any proposals to cede a further portion of Kenya to Italy, or for the Imperial Government to return Tanganyika Territory to Germany?

(2) If the answer is in the negative, will Government inquire from the Secretary of State for the Colonies whether any such proposals are under consideration, and inform him that the people of Kenya being deeply concerned by any such proposals will expect that Government to be consulted?

(3) Whether, in the event of any such proposals being now or in the future under consideration, Government will keep permanently on view—

(a) the heavy military expenditure borne by Kenya over a period of years on the Northern Frontier;

(b) the apparent trade deficit between Kenya and Tanganyika Territory;

(c) the close community of interests between Kenya and the Kilimanjaro District of Tanganyika Territory;

(d) the importance to Kenya of maintaining a territorial connection with the other British possessions to the south?

THE HON. THE COLONIAL SECRETARY: (1) The answer is in the negative.

(2) I would refer the hon. Member to the reply I have just given to the hon. and learned Member for Nairobi South.

So far as Tanganyika Territory is concerned, I would refer the hon. Member to the statements made by the Prime Minister and the Secretary of State for the Colonies on the 23rd March, as recently reported in the local Press.

(3) The answer is in the affirmative.

LT.-COL. THE HON. C. G. DUNHAM: With regard to my question the other day as to who was appointed the Deputy Collector of Income Tax and what staff had been appointed, in view of the fact that an answer has been given at home, Sir, might I be given an answer here?

MR. FLEMING: You have a question?

LT.-COL. THE HON. C. G. DUNHAM: Yes, Sir—put in about six weeks ago.

THE HON. THE COLONIAL SECRETARY: I will look into the matter, Sir.

THE HON. COLONIAL SECRETARY: Your Honorary, may I have leave to give notice about two questions? The first is to ask the hon. the Colonial Secretary if Government has had an official enquiry into the circumstances which involved the death of a Kenyan soldier at the Masomo Mission Hospital following the administration of an anaesthetic, and, if so, what was the result of such enquiry.

My second question, Sir, is addressed to the hon. the Secretary General in these terms:—

1. How many European, Asian and African respondents are expected to pay Income Tax in respect of the first year for which it is imposed?

2. What percentage of the total population of each zone is expected to become liable?

3. What amount is it expected to receive from each zone?

4. What percentage of the total amount is expected from each zone?

MOTIONS.

LOSSES INCURRED BY EAST AFRICAN CURRENCY BOARD.

CAPT. THE HON. J. L. COTTEN: Your Excellency, I have the honour to move the motion standing in my name:—

"That in the opinion of this Council a Committee should be appointed by the Secretary of State for the Colonies to inquire into the losses that have been incurred by the Currency Commissioners as revealed in the East African Currency Commissioners' Report."

I would first of all, with your leave, Sir, explain to any hon. Member who is not *au fait* with regard to our currency that our currency system is based on a token issue of notes and coin, and it is linked to sterling by a guarantee of the Currency Commissioners to convert East African currency at any time.

The East African Currency Board was appointed in December, 1919, and in any remarks I make, Sir, I am referring to the Currency Board, though I am aware, Sir, that in most cases they are not really and actually responsible, though in their own report no other names appear. When I refer to them I do so well knowing that they have had instructions from elsewhere, but that fact does not appear in their own reports.

In December, 1919, the Board took over a currency which at par—Sh. 1/4d. to the rupee—was actually solvent. They had at that time somewhere in the neighbourhood of £25,000 credit in hand. Actually, however, they did not take over the currency business until some time later on. In fact, the old East African Currency Commissioners continued their work until June, 1920.

In March, 1920, it was decided that the rupee should be fixed, and it was fixed then at the price of Sh. 2, the rupee actually then standing on its permanent value somewhere in the neighbourhood of Sh. 2/8d. to Sh. 2/10d. per rupee. By fixing it at Sh. 2 the East African Currency Board Commissioners automatically made the currency of this Colony insolvent to the extent of £210,000 odd by that one act. The result, of course, has been most disastrous to this country. There was no term put on the amount—and here I am quoting from the Commissioners' own reports—there was no term put on the amounts that should be redeemed, and actually, after the notes had been redeemed locally and for a considerable time afterwards rupees were presented here—at the banks and at the post office chiefly, I understand—for redemption at the price of Sh. 2 per rupee.

Unfortunately, before the redemption had really taken place, there was a tremendous drop in the value of the rupee, which, as a matter of fact, dropped down to one shilling and threepence and thirteen-sixteenths, which, I think, was the lowest price reached by the rupee. The actual loss on that transaction was £116,000, and that went on for such a long time that it was only the fact that we happened to have a senior officer of the Treasury here with us at the time, who brought to the notice of the Governor that this redemption should be done away with, that the loss was not considerably greater. I can only say that—as the senior officer of the Treasury who did that happens to be the hon. Treasurer who is here to-day—I can only say that few people in these territories realize to what extent they are indebted to that gentleman.

The next thing that happened in this currency business was the redemption of the German rupee. I have looked through the instructions of the Board, where, in Appendix I of the 1921 Report, their functions, duties and powers are delineated. I cannot see any instructions that the German rupee should be redeemed at Sh. 2. As a matter of fact, when they were originally trading they were bought for say 100 from Sh. 2/6d. to Sh. 2/10d., as I understand the value was considerably over Sh. 2. In the extraordinary drop in the value of the pound, however, certain firms, chiefly banks, were left. It is quite obvious that they were, because in the 1922 Report it is definitely stated that they were. The value of the pound of the German rupee dropped, I have been told, as low as 7d. and 5d. per German rupee. Naturally, those people who had been left attempted to off-load on to somebody. As a matter of fact, they off-loaded on to the East African Currency Commissioners. They agreed to cash these German rupees at Sh. 2, and they made a loss of somewhere over £200,000 on that transaction. This is no guesswork, Sir; these are their own figures.

We adopted a new coin, the shilling, and in doing so, Sir, we naturally linked ourselves to sterling. I will not go into a discussion on the linking of an agricultural country like this to an industrial country, which, as a matter of fact, is always injudicious, but in turning over to the Rupee it meant that we definitely got away from the old rupee exchange, linked with another agricultural country in which our interests are very much more bound up than they would be linked with an industrial country. We adopted the Rupee exchange at 100 to the pound. The loss made there was somewhere in the neighbourhood of £1,000,000. That was the cost to us. Inducement was brought to bear, I regret to say very largely by matters in Kenya, to get the Rupee altered to a shilling, and they also

adopted the idea that you must not have a shilling of the same size as the English shilling. As the coin is made of 50 per cent silver and 50 per cent copper, naturally, the making of the coin the size of that shilling cost a very big sum in changing over. In fact, the cost of the silver in the shilling appears to be very close to what it was in the original florin. The cost of that conversion was in the neighbourhood of £750,000.

I would like to take up the time of the House for a moment to go into a general principle. In my own experience, and I have examined this subject, coins are either real or token. In giving out a real coin, one should either take, roughly speaking on the date of minting the actual value of the coin—the metal in it—or one should make that coin of as cheap a material as possible. I cannot see any possible argument for taking fourpence-worth of silver and putting it into a shilling coin. Either take a full shilling-worth as the value of the silver contained in the coin, or give a token, in which case I should have thought a nickel coin would be the one. The importance of this will be seen when it is realized that we have actually in store in these various protectorates close on eighty million shillings—a figure, I suggest, which is out of all proportion to what is required. We have less than forty million shillings in these territories to-day. At the peak period of our trade, I think we had seventy-five million shillings. I would suggest, Sir, that these shillings actually are fifty per cent more than are required for the ordinary purposes of business in this country.

On looking through the various reports, I came across the sum of £75,000 in bullion or coin. I cannot imagine what was the need of having this burden. The actual bullion values of our coin lying idle is close on £300,000, which, had it been invested in gilt-edged securities might have given us a very good income.

Again, Sir, up till 1923, in studying these Currency Commissioners' Reports—which I have before me—I find that the first liability, and their only liability, is the redemption of notes already printed. From 1923 onwards, the whole system of accountancy is altered, and I would ask the hon. Treasurer, to whose ability and acumen in financial matters I have already borne tribute, if he can, to explain what is the meaning of the term "Currency Reserve" which appears later in the Report, for, in my own opinion, it is utterly unmeaning, and other business men to whom I have referred say that to them it is utterly inexplicable. In other words, the ordinary man is quite unable to understand the reports as issued.

Now, Sir, having made these losses, which in fact total over £2,500,000, the Currency Commissioners, by the Currency Bill which is coming up later in this House, are asking for leave to borrow a million and a half on the credit of these three territories. Now, Sir, anyone who understands the slightest thing about currency matters will realize what this means. They have already sold this currency and sold it to us. Whose money is this million and a half? There is no question about it; it is our money. When a man comes out here with £10,000 at home, what in fact happens is this: He goes to a bank with his money; the bank sends it out here. It is not actually sent out here—it is handed over to the East African Currency Board at home, and two hundred thousand shillings are delivered to the Treasurer out here in Kenya. What is proposed now will happen?—and in considering this matter it can be brought down to a question of £5. Someone—say, Mr. Smith—says he is a seller of East African currency and he wants to borrow £5. He guarantees he will redeem it at any moment. After three or four years, the lender returns to him and says, "Give me my £5 back, as you agreed." Mr. Smith looks round and says: "Yes, lend me £5, so that I can give it back to you." That is the exact process which is suggested now.

I suggest, Sir, as my idea of an inquiry into this matter in which our money has been lost, that one gentleman—a man who understands something about currency matters, and still more understands accountancy and business—should be sent home so that he can give the people back here an assurance that all has been done for their own good, or, if he is not satisfied, that all has not been done for their good.

THE HON. F. A. BEMISTER: Your Excellency, I beg to second.

HIS EXCELLENCY: The question is—

"That in the opinion of this Council a Committee should be appointed by the Secretary of State for the Colonies to inquire into the losses that have been incurred by the Currency Commissioners as revealed in the East African Currency Commissioners' Report."

THE HON. F. A. BEMISTER: Your Excellency, the one outstanding point that gives me great pleasure in supporting my hon. and gallant friend is that, I believe from the date of the establishment of the elected principle to this House and the inclusion amongst the number of its constituencies of that for Kenya, I think this is about the only time that it will be found the Government and Kenya agree.

You will notice that the motion is entirely for an investigation—an investigation into the management and handling of affairs which before 1919 were handled and managed on this side, and, so far as history shows us, were handled in a very efficient manner. In fact, I can find no reference in any book or pamphlet that the Currency Commissioners before 1919 were ever queried or questioned in their acts and business. Now, Sir, it does seem a most peculiar thing that people 6,000 miles away should have, by some methods of finance or book-keeping, incurred such colossal losses. There is no question that everything is straight and above-board, because the losses are definitely exposed in their own accounts. The Reports read so clearly that it does not require a knowledge of currency to understand the difficulties we are now in. It is as plain as reading your ordinary morning paper; so long as you know that two and two make four, those Reports definitely show that losses of two and a half million pounds odd have been definitely made in the value of currency.

To come back to the purchase of the bullion of £700,000 odd, Sir, it does seem a peculiar thing that with that amount of bullion in their coffers, the Currency Commissioners should have manufactured coin which the official figures now give at over £7,500,000 in store here, with a general currency of £3,300,000 to £4,000,000. It does show a peculiar system of balancing accounts. If the purchase of the bullion was intended to be a security for an even amount of currency, say, notes in issue, or something of that sort, there is only one factor which could alter the security of the issue and that is a fall in the price of their stocks of bullion on the open market, which we all know actually happened. We all know that. Now, Sir, does not it really want some investigation as to why, when you had £700,000 worth of bullion which can only deteriorate in its market value—it cannot deteriorate in its purity—you then issue some coins which in your balance sheet could be shown to represent £4,000,000? There is a very serious position, Sir, and I do certainly think that the Government would be not only pleased that this has been brought before them—because, of course, Government could not call for an investigation—but the people of the country—Elected Members being the liaison between the people and the Government. It is only their outstanding duty to bring this matter before the Government, so that you can approach the Secretary of State and say these points have been brought forward, these facts alleged: can there be any excuse now for not having an investigation to satisfy the people of Kenya that their affairs are being well looked after, that all those losses are

only for their own good, and they will see the benefit of it in a few years' time? That report, Sir, should be made by a competent authority, and one who cannot be misled by book-keeping or Colonial Regulations.

Lt.-Col. THE HON. J. G. KIRKWOOD: Your Excellency, I rise to support the motion before the House, and in doing so I should like to quote some figures applicable to the arguments that have been used; and from the comparative sense show the difference between the East African Currency Board and the West African Currency Board and get deductions from those figures. This has reference to the West African Currency Board:—

The cost of administration of the Board, it may be noted, was only £2,630 (somewhere about half the cost of the East African Currency Board)—a remarkably low price to pay for the benefits of currency stability and absolute freedom of exchange, and against this low cost may be set the fact that the Board's income from its investments, acquired from the issue of currency and from other sources, reached over £500,000, of which £144,000 was applied to redemption of West African coin and repatriation of United Kingdom silver coin, and £200,000 was distributed to the West African Colonies in aid of their ordinary revenues. Since the Board began operations in 1920, it has so distributed no less than £3,450,000 among the West African Colonial Governments.

That would give a loss, I understand, on the East African Currency Board of £125,000 a year, taking it over twelve years, but the West African figure of £3,450,000 profit in a little under eleven years would give a profit of £313,636 a year as against our loss of £125,000 a year. I submit, Your Excellency, there is a very great discrepancy between the two sets of figures that I have quoted, and for that reason I maintain that an inquiry into the working of our own Currency Board is absolutely essential to clear the atmosphere and to apply the load to those whose shoulders should bear it. I am not aware whether the West African Currency Board has had the same difficulties as the East African Currency Board, that is, stabilization, the redemption of the German rupee, the redemption of the Indian rupee, and afterwards the minting of the shilling in place of the florin, but I maintain that on the figures the discrepancy is so great that it would certainly point to inefficiency on the part of the East African Currency Board in the administration of their obligations—taking the £3,450,000 profit as against, I understand, an approximate loss by the East African Currency Board of £1,500,000, which

is approximately a difference of £5,000,000, and that is a very enormous sum to be the maximum variation between the figures of the two Boards. I do hope that this House will pass the motion before it, and allow of an inquiry to be held to get this matter cleared up.

THE HON. THE TREASURER (MR. H. H. HUSHTON): Your Honorary, I would like to refer to the terms of the motion in the first instance and particularly the words "losses that have been incurred by the Currency Commissioners as revealed in the East African Currency Commissioners' Report." I submit there is no reference in the East African Currency Board's Report. The revelations took place from ten to twelve years ago. They have been published and have been common knowledge for the whole of that time, and it seems to me a little late on the day to raise questions as to happenings so long ago, and I think particularly so when it is remembered that all those transactions and the losses consequent upon them were the result of representations from this Colony. Tanganyika and Uganda suffered too, but they were not the originators of the suggestions.

Originally, Sir, there was a doubt—I think it was more fundamental than anything else—to have a coin stamped up with sterling, as the produce of this country was sold in sterling. The first step was an East African rupee, value 1/4d. That coin was given up and before anything could be done—I think a few notes were printed—the people of the Colony desired that a coin should be introduced. I may say that while the conversations were going on about the new rupee the East African rupee continued to circulate, and it was then that the people suddenly fell into a panic, and it was then to stabilize the currency, because the rupee—the unfortunate thing was an overcast as a heavy mortgage—first of all found the field increased by 50 per cent, then by 100 per cent, and then by even more than 100 per cent; and it was to help the rupee that it was decided to stabilize. On the other hand, the rupees naturally finding their deposits increasing with the up-surge of their own, wanted the currency to remain floating. They did not want it stabilized. When, I think, it was 2/6d. or probably 2/3d., and was stabilized eventually at 2/6d. or 2/3d., and finally at 2/6d., as being a compromise between the two parties which was not unfair to either.

There it was thought locally that it would be a good thing to get away from this fluctuating rupee altogether, and have a fixed currency. Naturally had the German currency been minted and was not have there was demand for a stable currency. It is perhaps too late to make any more to say. I was chairman of the committee which recommended the

unfortunate shilling, and my present deputy was secretary of that committee. I did not think I should be called upon to go back to ancient history in regard to this kind of action. Every step in these currency transactions has been the result of representations made from this Colony. There was never any idea in the Secretary of State's head of Government-making profits in connexion with currency. It has been stated by the hon. Member for Kenya that the Currency Board was not responsible for these transactions. That is quite true, Sir. The Currency Board was appointed to carry out the instructions under the Currency Orders in Council. They were not the originators of those Orders; that was a matter of high policy on the instructions of the Secretary of State. It was stated again that when the Currency Board took over the currency in July, 1920, it took over a solvent currency if the rupee had been at par. That is quite true. Unfortunately, the rupee stood at 8s. 1/11d. at that time, and it seems to me it does not serve a very useful purpose to say, if certain conditions existed, then certain things would have been done—when these conditions did not exist.

Then it was alleged, Sir, that the redemption took place over a very long period. I think I am correct, Sir, in saying that redemption was allowed over a period of one month in the case of settlers and non-natives in Kenya, and for a further period of five months where the District Commissioner was satisfied that they had been held by natives. It would have been impossible to inform natives throughout a country like this—three millions of them—within a few days, and make them understand that they really must bring in their rupees and get them changed.

I am afraid I do not know very much about the German rupees, but I should think that at that time, as it was mainly a native country, it was essential that redemption should cover a very considerable period. I do not see how it could have been possible for it to be done rapidly.

CAPT. THE HON. J. L. COTTER: It was the 1922 Report I quoted from. The rupees were held in the banks; they are specially mentioned.

THE HON. THE TREASURER: I was coming to that point, Sir. It was from the Currency Commissioners' Reports that the banks applied to the Board for the redemption of accumulated German rupees, and it is true the Currency Board felt it expedient to redeem them. What the reasons for that were, I do not know. I am not fully informed about what took place in Tanganyika at that time.

Then it was stated, Sir, that the stocks of currency on hand were far too large, and the fact that they were on hand showed—I think I misstated inference—bad management. The position, Sir, is that in 1935, when circulation was at its height, the face value of notes in circulation was £1,817,315. In June, 1937, the notes in circulation amounted to £2,817,051 face value. Therefore, between 1935 and June, 1937, there was a shortage of over two million pounds' worth of currency. The stocks on hand now amount to £1,940,487 face value, the shortage taking place representing £1,000,000. The excess notes therefore over what were actually being used—practically used and circulated and brought back again because of reduction in trade—amount to £1,000,000. That is all you can say in the excess stock which has existed at any time, because over two millions have actually been issued and used and come back in the contraction of the currency.

The last order for stamping was made in 1935, and it was for two million pounds' worth face value. At that time, Sir, the Colony was prospering, expansion was taking place, trade was increasing and prospects were extremely bright, and the expansion of the currency had amounted to one million pounds a year. Therefore the order at that time, Sir, was sufficient for a two years' normal increase, and I agreed it would have been about equivalent to or less than that in the circumstances. That has nothing whatever to do with the Currency Board or anybody in London. They are advised by three local bodies, the Currency Advisory Boards of Kenya, Tanganyika and Uganda, each composed of three bank managers and a currency officer in each territory. They advise the Board as to the requirements of the territories as far as they see them. If there is any fault lying upon anybody, the responsibility rests upon the local board.

Reference was made, Sir, to the system of accounting on the balance sheet, reference particularly being made to the Currency Reserve Account. I cannot say that I know very much about that matter, but it seems to me that the Currency Board is required under its instructions to build up reserves when it can, and I imagine that as an adjustment account to which it debits what it should bring in the Reserve and then transfers the balance to the Profit and Loss Account, as appears to have been done here. That in the only suggestion I can make is an adjustment account of purely representative a bank entry. The balances are being good, because they are always been balanced with their transfers.

I think the hon. Member for Kenya also mentioned that it was not money that had been lost—that you paid it at

London and got five pounds' worth of shillings out here. If those have been made, as I said before, they were incurred for the benefit of the people of this Colony.

The hon. Member for Malawi mentioned the management of the old Currency Board, Sir. The old Currency Board never managed anything at all. The currency of the Colony was the Indian rupee, and they had no more control over the rupee than they had over any other currency. All the Currency Board did at that time was to change notes for coin and coin for notes. They made no remittances overseas, and in no way managed the currency.

The hon. Member for Malawi North mentioned the West African Currency Board and the different picture shown by their accounts and their transactions from that of this Colony. I agree to say that the West African Currency Board has been in operation, but it is for many years and through very prosperous times. It is admitted that currency boards should and do make profits, which mean the revenues of the colonies. Unfortunately, the East African Currency Board was faced into a position in which it could not avoid making very heavy losses, but that would not have been of very great importance, Sir, if it had not been for the extravagant fall in values and world conditions generally. Had there been a steady increase in the trade of the Colony with a steady expansion of the currency, it would have reached a position where it could have been prosperous. It is to be feared it will reach that position, but it is going to take very much longer than if it had made no losses.

It seems to me, Sir, that a solution of this kind does imply a degree of currency, or at least discontinuation with the way in which the Currency Board has carried out its duties. I do not see, Sir, that the Colony can in any way associate itself with a solution of this kind when, as I have said, these transactions were a direct result of the request of the people of the Colony and for their benefit. I do not know if it is due to a rapid population—we have had so many commissions of enquiry in Kenya—that hon. Members opposite wish perhaps to change the terms and have one or two in England. But those things all cost money, Sir, and I suggest, your Fiscal Secretary, that Government should not associate itself with this solution.

CORR. FOR HON. H. H. NEWCASTLE: Your Honours, The really interesting and the speech to which we have just listened, presumably as indeed the hon. Member himself said at the end, that this was necessarily a matter of course on common sense, that the Government of the terms of the

motion will show quite clearly that such is not necessarily the case. We are asking the Secretary of State to institute an inquiry into the reason for certain losses. That those losses have occurred is not denied. That we are the people who have suffered is also not denied, and is it a particularly unreasonable thing that those who have suffered a loss should ask that an inquiry should be instituted into the reasons for such loss? It may well be that what the hon. gentleman says is correct—that the result of such an inquiry would be to show that no fault could be at the door of the Currency Commissioners. It may be the reverse, but surely, Sir, when one asks for an inquiry into an admitted state of facts, it should not be suggested that those asking for an inquiry are presupposing that that inquiry will result in a verdict of "guilty."

The hon. Treasurer's speech was based on the difficulties of the Currency Commissioners, but he quite frankly stated in regard to one or two matters that were mentioned that he could not give any answer one way or the other—that he was not conversant with the facts. What we want is to get all the facts out into the open. It is not only a question of being asked to pass a Bill enabling the Currency Commissioners to call upon us to fund a loan to make good the loss, but we look to the future and we are fearful, perhaps without cause, that when the money that is raised as a result of this Bill has been again lost by the Currency Commissioners, we may again be called upon to pass a Bill enabling another loan to be funded, and it is at least not in any way unreasonable that, when we are asked to fund this money, we should say: "Very well, we will fund this money, but first of all please let us find out why it has been necessary for us to be called upon to fund this money."

I quite agree with what the hon. the Treasurer said with regard to the question of the fixation of the rupee at Sh. 2. If he will remember, I was also intimately concerned with that controversy, and there is no question that the suggestion to stabilize at Sh. 2 was done with the best intentions, and in order to try and meet as far as possible the producer without entirely ruining the producer. But, like many other things in life, things done with the best intentions have turned out not to be satisfactory as could have been hoped. I am very glad that it is correct that the Currency Commissioners did not originate this policy, but I do suggest that when a policy is suggested by the Secretary of State for the Colonies with the best intentions in the world, he must have consulted the Currency Commissioners as being experts in this matter, for without the knowledge that the Currency Commissioners had concurred in the view the policy would not have been adopted.

Now we come to the question of the redemption by the Currency Commissioners of rupees held by the banks. The hon. gentleman says he does not know why that was done, but in their wisdom they did it. Surely that is a matter for inquiry. Also is it not a matter for inquiry why they bought, as I believe they did, silver at a very high price—a large amount of silver, I believe somewhere about £700,000 worth; I speak subject to correction—and they held on to that silver hoping for a rise; if my information is correct, instead of which there was a catastrophic fall in silver, and an enormous loss as a result to the Currency Commissioners. If they did buy high hoping for a rise, I would suggest—knowing very little about it—that it really is not part of the duties of the Currency Commissioners to go in for any kind of gamble in bullion, and though no doubt we should have been very pleased if the gamble had turned out a success, so is the office boy pleased when he puts his hand in the till and takes a horse which comes in second instead of first—but the result is disastrous for the office boy.

One other point, Sir, I believe—again I speak subject to correction—that only quite recently have the Currency Commissioners shown as a liability in their balance sheet the note issue. If that is correct, it is a most remarkable thing, because it entirely destroys the value of the balance sheet if your liability, which is a very big one in regard to your note issue, is not shown in that balance sheet. I quite realize, Sir—I fully realize, that it is difficult for Government to go passing a resolution which calls upon the Secretary of State to do something, but, on the other hand, I do think it would be very disastrous if the Government definitely turned this motion down, and I would suggest—I have not discussed it with either Your Excellency or with the hon. Member for Kenya who moved the resolution—I suggest in view of this difficulty that has arisen, that it might possibly be worthy of consideration, if Government would give an undertaking to the hon. Member that this debate should be sent home to the Secretary of State with a covering despatch pointing out what has happened; that perhaps the hon. Member, now that the whole matter has been ventilated fully, would be prepared, on that undertaking, to withdraw the motion rather than have it defeated by a Government majority, which, I think, would be a disastrous matter.

His Excellency: I may say I am prepared, on behalf of Government, to accept that course.

The Hon. T. J. O'NEIL: Your Excellency, I had no intention of intervening in this debate, realizing that my knowledge of currency matters is very limited—just wide

enough to make me realize that my knowledge is so very limited—but having heard the interesting statement by the hon. the Treasurer, and having heard the suggestion put forward by the hon. Member for Narobi South, I should like an opportunity to speak before the motion is either defeated or withdrawn.

I am quite realize the force of the argument adduced by the hon. the Treasurer on behalf of Government against the passing of this motion as it stands, but, Sir, I am very disappointed indeed that he did not give any indication that Government realizes the necessity of a more comprehensive inquiry into our currency position. From the statement, it is pretty obvious that the very important matter of our currency has been handled in the most slipshod fashion, and it is difficult to find out where the responsibility for this situation does lie. One thing did stand out very prominently from his address, and that was that whoever may win by the manipulation of the currency of this country, the people of this country always lose. He was very exact indeed about the arrangements that were made about ten years back by which they suffered very heavily. The people of the country who were at the unfortunate position of being debtors had their debts added to automatically by 50 per cent, and now again to-day they are being called upon to take the responsibility for loans to cover the losses that have been made by people over whom they have very little control. I am not so much concerned about placing the responsibility for what has happened in the past as about placing the responsibility for the future. The emergency measures were obvious every day of facing the breakdown of the financial system of the world. The matter of currency is all-important to a country, and it is very significant that in most other countries arrangements have been made during the last year or two to alter their currency, whereas no organization has been made that we should even consider the question to escape some of our liabilities. Even Great Britain has found it necessary to alter the base of her currency. She has devaluated the value very considerably in the last eighteen months, and the grounds must exist to many people's minds that it may be necessary for this country to take stock of its position in relation to currency and investigate the necessity for doing something like that. As I say, Sir, I frankly acknowledge that my understanding of the subject is extremely limited, but the more I think about it, the more I am of the more I come to the conclusion that it is very necessary indeed that Government should take stock of its position and do a more comprehensive inquiry into it.

I was rather disappointed to find the hon. the Treasurer placing the responsibility for the doings of that period upon the farmers of this country. I have heard farmers here give expressions of opinion on many problems more fitted to the scope of their knowledge; and Government has never paid any attention to them, and to suggest that the farmers are responsible for the mistaken policy that was adopted in 1922 on a matter like this is, I think, grossly unfair. Surely it is, above all, a question for experts, and it is the experts to-day who made the decision to alter our currency; I think it is very unfair indeed to endeavour to saddle the responsibility on the people of the country who knew absolutely nothing about it—their opinions were not worth listening to.

Seeing that Your Excellency has already given an undertaking that the Secretary of State will be advised of this debate, Sir, I wonder whether it would not be better if the motion were withdrawn and redrafted in a way that would meet with the approval of Government, and so make it clear that what really is wanted is not merely an inquiry into the losses that took place, or that have taken place, but into the intentions of Government as to our currency position in the future. It seems to me very necessary indeed, and I should like to hear an expression of opinion from the Government side of the House as to whether Government does not feel the same way about it.

LT.-COL. THE HON. C. G. DURHAM: Your Excellency, I yield to no one in my admiration and respect for the hon. the Treasurer, but on his own admission, Sir, he says that nobody will be hurt in any way if an inquiry is instituted, and so, Sir, I think we should urge that an inquiry should be held even if it is only to clear up the very doubtful situation which has arisen. I support the motion, Sir.

CAPT. THE HON. J. L. COTTER: Your Excellency, I understand that you have decided to send the whole of this debate home to the Secretary of State, for which I thank you very much. I intend to withdraw the motion, but before doing so I should like to answer one or two points, with your permission, that have arisen in the debate.

First of all, I should like to refer to the hon. the Treasurer's remarks. As a matter of fact, before I got into this Council, on several occasions it has been brought up. Even myself on one occasion I was told that it would be undestable and unpatriotic. As a matter of fact, I do not agree with these things, because I think the whole thing should have been ventilated long before, but I have only been a Member of this Council for two years, and this is the first

opportunity I have had of bringing the matter up, chiefly because it is the first time the Currency Commissioners have needed permission to borrow money on our account. The position has arisen, and it is very interesting reading how this position has arisen. The balance sheet total showed that in June, 1925, the Currency Commissioners' investments were \$1,000,000 only; in June, 1932, they were \$200,000; in other words, the drift from the selling had then been during that period \$1,000,000—a very good indication of the state of trade in the country. It is a very good indication of the New, as a matter of fact, they had even got worse than that. I have had the paper, but I think the hon. the Treasurer will bear me out that my figures are not very far out. There was three months ago a considerable inquiry with the Crown Agents. I think to the extent of \$1,000,000, and there is now an overdraft of \$1,000,000 against roughly \$200,000 invested. That is the position as it stands today. Now there has been a return to the selling a time, but if anybody thinks that is an amount of the improvement of trade, may I make it is entirely due to the interest taken at home at Birmingham, where people have brought out or purchased the extra money.

One other thing was brought up by the hon. Member for Eastern North, and that was the West African Board. Now I suggest that much of the trouble was caused by the success of the West African Currency Board. It started in 1913. It was highly successful. It went through the Great War, when the prices of their goods fell, and various other things were at their highest, when their investments and what they made purchased it, and sometimes I got sent in gold-leafed securities, and they were left at the end of the War with a big profit. I suggest that that is the reason why we were dealing with the same form of Currency Board—that and that only.

In regard to the other thing about trying to stabilize the finances of this country with the responsibility for those various changes that were made in our currency, I am quite prepared to admit that the scheme had a lot to be said for it, but I would say that the Currency Commissioners are experts. They are chosen experts, and for them to listen to the view of the street, who may have an over-draft and feel financial oppression by it, is in my mind an entirely unorthodox. Because what one studies the question is not our interest, our own danger, it is to look for any change of currency.

I think that is all I have to say on that, and I would now permission to withdraw the motion, Sir.

THE SPEAKER: The motion is by leave withdrawn.

UNOFFICIAL FINANCIAL CONTROL.

CAPT. THE HON. J. L. COTTER: Your Excellency, I beg leave to move the motion standing in my name on the Order of the Day—

"In the opinion of this Council, the time has now come when the control of the Colony's finances should be vested in the elected representatives of the people as at present constituted."

I do not propose to say very much on this subject, Sir, because there are other and very much more able speakers on this side of the House than myself. I do not regard this matter as political at all. To my mind, if I thought that this was a political move, then I for one would be the first to oppose it both and naal. It is simply a matter that the people of this country, now that the Native Betterment Fund has been withdrawn from the purview of this House, should have the right, and I consider the inalienable right, that they should have some say in how their taxes are spent. Therefore, as I have suggested in the motion, the Elected Members, as representatives of the Taxpayers of this country, when the Budget is framed, should have the say as to how such money is voted. This is what I had visualized—and I happen to know that Lord Francis Scott is much of the same opinion—that the Government should produce its Budget; it is then handed by Your Excellency yourself or your nominee, with the Treasurer present and the Elected Members. The various services are then brought forward by each Head of Department. The responsibility is then placed upon the people who have to find the money to say how much or how little they will find.

CAPT. THE HON. H. E. SCHWARTZ: Your Excellency, I beg to second the motion.

HIS EXCELLENCY: The question is—

"In the opinion of this Council, the time has now come when the control of the Colony's finances should be vested in the elected representatives of the people as at present constituted."

CAPT. THE HON. H. E. SCHWARTZ: Your Excellency, I agree with the hon. member that I do not think it is necessary to speak at any great length in regard to this matter, but I hope it will be fully realized that the fact of dealing with it briefly does not mean that Members on this side of the House have not got this subject very much at heart.

Now, Your Excellency, I think, without going into any details of what I am this control should take, one thing must be agreed upon, and that is that the Governor should have the power and only of veto but also of certification. It is

possible—though I should not think our time justifies—that if financial control is placed in the hands of the European and Indian Members, they might go in, or attempt to go in, for a policy of wild extravagance; but however negligible and unlikely that is, there should of course be a power of veto to check that undue extravagance.

The real reason that we are asking, and I think asking as a right, for some control in finance is that we should be able to act as a brake on proposed Government expenditure. I am not referring now to the last two years, but I am suggesting that, certainly from the years 1955 to 1960, if that financial control had been vested in the elected representatives of the people, there is no question that the position of the Colony's finances about would be very different to-day—different from what it is usually to-day. Again, I agree that the country should not expect that we should have the right to refuse every expenditure suggested by Governments, but that could be put over, as I say, by the Governor of the Colony having the power of veto.

Is there, Your Honorary, any real answer to this demand? The only argument of any kind of weight that has been put up that I have ever heard is that the balance, not being fully represented by those who have control of finance, ought to be adversely affected and that their services would be disturbed. I do not believe that the history of Members on this side of the House since 1947, when elected representatives first came in, has justified any such contention of any such gravity. But there that came. The fact is now that if Lord Moyne's suggestion is put into force that agreement is completely swept aside, as practically the whole control of public finances is going to be transferred from the purview of the Council.

The Hon. T. J. O'Connell: Never.

LORD THE HON. H. E. DOUGLAS: I would remind the hon. Member that I said "if Lord Moyne's proposals are put into force," and I was going on to say that using that argument as an excuse to be taken as implying, as far as any Member of this House is concerned, that acceptance in the highest degree of any proposal of Lord Moyne on this regard. I, personally, and I think my colleagues, consider that that suggestion is one that should be and must be opposed as strongly as we can oppose it, but at the same time I very much doubt that the right to deal in full detail with the situation of revenues and Expenditure have always been through the British history very jealous of their financial rights and only takes that way, but it leads to an end that is to the very disadvantage of the

which is the policy dear to Lord Lugard's heart of having a sort of white and black islands. His idea was to have two budgets, both debated in the Legislative Council—one for natives and one for non-natives. I do not believe any country like this is ever going to go along the road to its full development except as one entity, each interdependent on the other and all pulling together, and the wisest way to back the progress of a country such as this is to try and divide it into watertight compartments, and it is for that reason that I for one consider the suggestion of Lord Moyne quite apart from its great difficulty of application, must on constitutional grounds be opposed. But if that is to be forced upon us, then at least the one argument against financial control being vested in Elected Members is gone, and I would ask Government not to turn down this motion out of hand, but merely to see in debate whether they can give any really valid reasons why, given the power of veto and continuation, we should not have that most step granted to us of financial control. The country is unanimous in considering that it has the right to demand it; that the history of the past few years has shown that that demand is not an unreasonable one; and I believe the country is waiting today with a very live interest to see the attitude with which this motion is received by the Government of this Colony.

MEMBER THE HON. THE HONORABLE CHIEF JUSTICE: Your Honorary, in speaking in this motion for a few moments, I do not want to waste more time than is necessary on a mere recital of facts, but at the same time as I think necessary to review a few of the facts that have led up to this demand—so inevitably I say frankly that if all one would like to command this House of the fact that the introduction of white settlement in this country was a deliberate act of an elected policy. That act was undertaken by the Government by an elected Member of this country and only by that means was it possible for the economic development of the country to take place. Here we have a country which had used to export production of highly priced tropical products. White settlement, the introduction of agricultural immigrants, was the only possible method of carrying out that development. With all its ups and downs it has been perfectly successful up to now. A good export trade has been built up by white settlers; the internal native market which has been created by any immigration on that business and all the satisfactory economic connection of it, the amount of money that has come in the native population in the form of wages and the enormous amount of capital—amounting to £2,000,000,000—has been invested in the country by private enterprise and this shows that the policy has been a brilliant success if it had not been for those that have now. Moreover,

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Sir, the result that has been achieved is that by that policy the whole responsibility for the maintenance of the economic structure of this Colony has been thrust upon the white settler and he has cheerfully accepted it. It is only on these grounds that it has been possible to build it up, and it is only on these grounds that it will be possible to maintain it. Everywhere in our overseas markets are loans and loan commitments, and the position arrived at to-day, in my view, in this, Sir: that those who are responsible for maintaining that position regard it purely as a business proposition. It is impossible for them to continue to maintain that position or inspire confidence in others to enable them to do that work unless a fair measure of control over the finances of the country is vested in this Legislature. I use that expression, Sir, because a misunderstanding I think has been introduced by the insistence, which is a perfectly natural one, that control must rest in our hands on this side of the House. We want to see the control in the hands of this Legislature, and it seems to me that the obvious constitutional method of doing that is to make use of the Elected Members on this side of the House and to bring an increased measure of authority to this Legislature in the matter of the finances of the country.

If some simple machinery could be devised for that purpose I think it would greatly facilitate the work by early Budgets and the passage of those Budgets through this House. Agreement would be arrived at on principle before the Budget was presented and its close scrutiny and possible minor amendment in Select Committee would be further simplified, and it does not seem impossible. I suppose that with a Finance Committee under a Financial Secretary—with a Finance Board conceivably with a few members from each side of this House, with statutory power in the hands of a Select Committee to have the final decision in matters of money business—that constitutional problem is a very difficult one.

I think there can be no more opportune time to regard this matter than the present, when we have before us two financial measures of vital importance and very controversial, as regards which there is probably wide divergence of opinion on both sides of this House—the income tax proposal and the Native Betterment Fund proposal. I do not wish to recapitulate the debate on the one, nor do I wish to anticipate any debate on the other, but I do think that we should realize that in these two very important and difficult measures this Legislature is not in a position now at this date to give a frank and spontaneous decision on these matters and either accept or reject them. They can be forced upon this country whether we like it or no. That is a position which I believe the economic structure of this country cannot stand very much

longer. These shocks from overseas, these measures introduced very hastily, sometimes in a very ill-considered manner, without sufficient previous consideration, are thrust upon us, and here in this Legislature you have men on both sides of the House with more experience of this country and its needs and requirements than anywhere else, and yet these men are not allowed to make the decision in the best interests of the country. I submit it is a position that cannot continue for long. I think it is one of the most vital importance, this question of giving authority to this Legislature of Kenya Colony to manage its own financial affairs as far as may be possible, but, of course, under proper financial constitutional control, as pointed out by the hon. Member for Nairobi South. That is an obvious part of any proposal that has been made, but what we want is constitutional control, and not autocratic control, and if we have power in this Legislature to come to our own decisions with regard to our financial bills—and through whatever method of financial control there is, the only power that can override that decision is the power of the Imperial Parliament—then we have advanced a step which I believe would be of the greatest value to this Colony and to everybody who lives in it.

There are several difficulties in the way, Sir, and it is to use pretending they do not exist by merely ignoring them, and one of them is that which is thrust upon us that in making a demand of this sort from this side of the House we should be perfectly clear as to what our aims and objects are. Vast confusion of thought is caused by those ultimate aims and objects, but if you introduce aims you immediately get about half a dozen brought forward for your consideration. Some people say that full responsible self-government is what we are after—whatever that may mean; some people say an elected European majority is our ultimate aim; others name other form of Legislature, possibly on the lines suggested by the Hilton Young Commission or something of that sort; leading again to some other further aim that is not yet specified. Or else we have suggestions made by eminent authorities outside the Colony such as Mr. Winston Churchill in 1923 or the Imperial Government itself in 1929, when they said that the ultimate aim of this Colony must be government by a ministry responsible to an electorate representing all sections of the population—another vague vision which possibly has some meaning and possibly has not. But, surely, the answer to them is that we cannot at this stage of the proceedings commit ourselves to ultimate aims and objects in the country. All we can say is that as and when the time comes when we are to carry this burden of responsibility on our own shoulders we are prepared to accept it and are prepared to accept it in whatever executive manner it is imposed upon us.

We cannot make our proposals for constitutional advance on future aspirations, however ideal they may be, when there is no agreement about them; but we can take steps which are based on the hard cold facts of past and present experience, and that is what we are suggesting to Government to-day. We have this position built up in the country; we have this economic and financial structure built up; as has been pointed out, it has been built up, and we need, definitely need, in this Legislature the power to manage this financial machinery for ourselves and to protect ourselves against the ceaseless shocks of interference from outside.

I am glad, Sir, that the hon. Member for Nairobi South made clear what I believe is the general opinion of Members on this side of the House about the Native Betterment Fund proposal. That is a proposal which I personally regard with the utmost distrust and hostility. I think it is an inexcusable invasion of the proper rights of this Council in the management of its own affairs, and I hope it will never reach the Statute Book. The whole object of this motion, Sir, is to expand and widen the powers of this Legislature in the matter of this country's finances, whereas the other proposal that I referred to is one that must obviously curtail those powers and reduce this Legislature to an even lower level of farcical impotence. Therefore I should never dream of using it as an argument to strengthen a point of principle which is obviously opposed to it.

We are endeavouring to point out to Government as best we can, by fact and argument and quiet reasoning, that this step is really now necessary for the benefit of this country and all the people in it. Another difficulty, however, which confronts us in trying to make that reasoned argument clear is this question which is so often brought up of the taxpayers' rights. That expression "taxpayers' rights", when applied to a country such as Great Britain, where you have a homogeneous population all in the same position and all in the same boat and franchise, and that kind of thing, no doubt provides complete explanation of the whole constitutional position. In this country, I submit, it means nothing. We have here different communities in different stages of advancement, different stages of political capacity, different taxable capacity and vastly different importance in the economic structure of the country, and if we try to base an argument for the advance of this country on the question of the rights of taxpayers, I submit we are merely confusing the whole question and introducing an insoluble problem. It seems to me that the whole case should be based not on this much-belaboured question of taxpayers' rights but on the duties and obligations of the taxpayers to the country in which they have come to live,

If we approach the matter in that manner, Sir, we can see that the proposal that there should be thrust on the representatives of certain sections of the taxpayers on this side of the House the responsibility for assisting in the management of the country's affairs is a perfectly fair and straightforward proposition. We do not prejudge the issue. The time may come, or it may not come, when native men may sit on the seats in this House now occupied by officials of Government, and appointed to represent—we do not know whether they will or will not; if they do, it will mean that they too have reached this standard of responsibility, and will have to play their part and take their share. If at the same time you so construct your Legislature that all sections of the taxpayers are properly represented there and their interests properly protected, then I submit you have got a machine which will work. In this connexion at the present moment a very interesting point arises which is worthy of consideration. At the present time in this House all sections of the taxpayers are adequately represented. We admit that. When we come to the question of protecting their interests we find the native taxpayers are, I suggest, as completely and irretrievably protected as they could be by the official majority; on the other hand, those sections of the taxpayers who send elected representatives to this House have no protection at all. We can explain, we can expostulate, we can appeal—but we cannot protect; whereas if some such step as we suggest were taken this lop-sided arrangement would be more evenly balanced, and whereas we would have power to protect the interests of those whom we represent, the arrangement would in no way diminish the power of Government to protect those who are not able to represent themselves here.

I think those difficulties that have been brought forward in argument in opposition to any such proposal as we are discussing to-day can largely and entirely be met by quiet discussion and quietly endeavouring to adapt those arguments to the country and to keep in view the absolutely essential nature of the demand which is made in this resolution. I beg very much now, Your Excellency, that Government will not turn down this motion without the very deepest consideration. It is an economic problem of the greatest importance to this country, one which I believe will remain the most important problem before us until some solution for it has been found. I have spoken quickly to-day and briefly in covering it for the first time, but I believe that the various difficulties which appear in the way are not really as great as they appear if only the one great object can be achieved that this Colony of Kenya shall have in its own legislature the right to manage its own finances under proper constitutional control.

THE HON. ABDUL WAHID: Your Excellency, how much I wish to be in that happy position when I would have been glad to give my wholehearted support to this motion. Unfortunately, however, unless the reconstitution of the Legislature takes place on the basis of fair representation of all communities, I do not think I am justified in supporting it. I agree with it entirely in principle, though. Your Excellency, I therefore feel compelled to oppose it at the present moment.

THE REV. CANON THE HON. G. BURNS: Your Excellency, I only rise to speak on one point which was made, and which is only brought forward when such questions as this come forward. That is the question raised by the hon. Member for Nairobi South when he stated that now that the proposal for the Native Betterment Fund is on the boards the objection against such representation or such control by the Elected Members had been taken out of the way. All that I want to say this morning is that I would remind hon. Members of this House that it is only a very small portion of native taxation that is taken out of the revenue to be under the control of the Committee. Whether that takes place or not, I am not speaking to that point now, but not only is half of the direct taxation which comes from the natives still under the control of the Legislature of this Colony, but there is also practically a million sterling of indirect taxation, which very often is not taken into account.

The reason why I rise, Sir, is to correct the impression that because half of the direct taxation over a period of five years is to be taken from the Budget and put into a separate fund, that therefore the native part of the expenditure has already been dealt with. I beg to say, Your Excellency, in all submission, that that is not so—that there is still the other half of the direct taxation and there is also the amount of indirect taxation which the native to-day is paying, so that, even if there was such control granted to Elected Members—and I am not speaking for or against at the present moment—the natives even then should have their full representation as to how the remainder of the revenue arising from native taxation should be spent, as well as other aspects. I beg to say that of course numerically they are very much larger. Europeans are paying £36 a year and the natives a very small sum, but I beg to say the natives have contributed collectively the larger share towards the revenue of the country. They have contributed £791,000 and the Europeans have contributed £665,718, and although £269,000 has been deducted from the revenue and put under the control of a Committee to administer that Fund, still there is the other large sum contributed by the natives, which of course deserves consideration by those

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representing native interests, whether Government or otherwise. The natives are not in a position to be heard, and put forward their own views, but they are playing their part very nobly in the proportion of the revenue which they are contributing in direct and indirect taxation.

THE HON. T. J. O'SHEA: Your Excellency, I observe with great interest that the speeches made on this side of the House so far in support of this motion make it clear that it is not intended that Government should interpret the motion in its widest possible terms. However much people may deceive themselves, immediately they get down to consider the practical implications of a motion of this nature, it must become obvious to them that the control of finance is the control of policy, and the widest interpretation of that motion is responsible self-government. Apparently, however, that is not what it is intended to convey by this motion. We are asked to interpret it in a much narrower sense, which seems to me advisable, because it must be obvious that there would be no good purpose served in putting it forward in the present stage in its widest possible sense.

I observe also that no attempt has been made to support this demand on the dictum that "long dead warriors are kings", because I believe that this is a very faulty basis on which to put it forward. I base my support of this motion on traditional British policy. As I understand the traditions of the British people, they are that Government must be based upon the broad consent of the governed and that it must have the ability to govern. If this motion be examined from that point of view, I think there is everything to be said in its favour. Unquestionably the existing government institution of this country is not based upon the broad consent of the governed, and I think it is equally the case that it cannot justify itself on the ability to rule. For years past it has been becoming increasingly obvious that our present machinery is rapidly becoming obsolete and must be replaced. In the last year or two that has become so obvious that I do not see how it is possible for Government to resist the demand for replacement, and I suggest that from whatever point of view you look at the problem, one is bound to recognize the necessity for change of some kind. The existing state of affairs cannot exist much longer without irreparable harm being done to this country.

The necessity for reform being recognized, upon what basis can that reform be based? There is only one possible basis, and that is to resort to a new constitution of the governed with the machinery of government. I would urge, Sir, that it is necessary in Imperial interests that the government of

this country should be reformed and reformed along those lines. This part of Africa is becoming of increasing importance to the Empire, and I venture to prophesy that within the next five or six years it will become of even more importance in the Empire. The present territorial status of Central Africa may not be preserved very much longer, and in the changes it seems to me almost inevitable that this particular part of Central Africa will become of increasing importance, and with that increased importance it will become of vital necessity to the Imperial Government to see that the Government in this territory is based upon a sound foundation, and the only solid foundation I can see for it is the broad consent of the governed and the ability of the government to govern.

The Secretary of State to-day has the choice between making this part of Africa another New Zealand or another South Africa. I am taking New Zealand as that part of the Empire most closely wedded to the home country by ties of friendship, respect and loyalty. I hope I am not doing South Africa an injustice by saying that the spirit there is rather different from that of New Zealand, but I suggest that we are at the parting of the ways in this country, and that the policy of the next few years will decide whether the rising generations of Kenyans are going to lean towards the Motherland, as the New Zealanders do, or lean as sections of the South African people do. In Imperial interests, it is necessary that the choice should be made in the near future. If it is to be a wise choice, it will be based upon the idea upon which I support this motion.

I am not surprised that the hon. Indian Member who has spoken should have refused to support this motion. I regret to say that within my experience of Indian Members in this House they have been all too prone to see in motions from the European Elected Members intentions which they very often do not include. I am sure I am interpreting the views of the European colonists of Kenya when I say that they recognize the necessity of making provision for the interests of the Indian people in this territory, and that in the future constitution they would be prepared to make provision for those Indians. But perhaps it is only right I should say also that the Indians themselves must recognize the limitations of their position here. For better or for worse, the native inhabitants of this country have to be developed along either western or eastern lines. If they are developed along western lines, then western people are more competent to guide and assist them than their eastern compeers. That implies that the executive government of this country must in the future remain in the hands of the western people, and present-day

tendencies justify one in urging that we shall in the near future have to make up our minds as to whether this part of Africa shall in the future be part of the British or the Indian Empire. But believing, as we do, that it must remain a part of the British Empire, then our position and the future government of this country are surely clear. I am not one of those who think, Sir, that more obstacles will be placed or can be placed in the way of the people, who have the ability to govern, getting control of their finances because of their position in relation to the native races. I think we can with justice urge that the colonists of Kenya have a record unequalled in the history of colonization in relation to native peoples. I know of no other part of the world in which a more liberal policy has been pursued towards the aborigines of a country in the process of being colonized by people of a different race. I think it is not without significance that, as we have learnt more of the requirements of the native peoples and as we have grown into a deeper understanding of our obligations, our policy has been of an increasingly liberal tendency. I feel that I can claim for our people that there is no reason to fear that that policy will be changed because greater responsibility is put into our hands. I recognize that for many years to come the ultimate control will remain in the hands of the Imperial Government—and that I do not think any of us can question—but we believe that we can with benefit to the native people be made greater use of if the financial control of Government is placed in our hands.

Lastly, Sir, I would urge that it is necessary for the economic future of this territory that financial control should be placed in our hands. The credit of the country is at present jeopardized by the unsatisfactory government machine of to-day. I believe the credit of this country would rise considerably if our machinery, our government machinery, was reformed and control were placed to a greater extent in the hands of local people. In the course of the last ten or fifteen years a complete change has come about in this country. Whereas ten or fifteen years ago the Government could urge that experience and knowledge were on the Government side of the House and that their critics on the other side of the House were very largely amateurs, to-day I think it can be urged that the weight of experience and knowledge is on this side of the House, and not on the other, and day by day it becomes increasingly obvious that reform must take place, and reform can only be in the direction of giving greater responsibility to the people.

I have great pleasure in supporting the motion.

THE HON. HAKIM SINGH : Your Excellency, I oppose this motion, not on the ground that it has been put up by the European Members, but on the ground that the Indians have not got adequate and equal representation on this Council. It has been said that if the management of the financial position of the Colony were given to the Elected Members they would not strike for self-government. I think it is a step towards self-government, and I cannot agree until equal representation is given to the Indians. It has been said that this Colony is meant for the European population. We Indians are subjects of the same King and Emperor, so we claim as much right to live and control our finances and take part in all the management as much as the Europeans have got.

With these few words, I oppose this motion, Sir.

*The Council adjourned till 10 a.m. on Tuesday,
the 11th April, 1933.*

MONDAY, 11th APRIL, 1933

The Council assembled at 10 a.m. at the Memorial Hall, Nairobi, on Tuesday, the 11th April, 1933, His EXCELLENCY THE GOVERNOR (BRIGADIER-GENERAL SIR JOSEPH ALOYSIUS BYRNE, K.C.M.G., K.B.E., C.B.), presiding.

His Excellency opened the Council with prayer.

MINUTES.

The minutes of the meeting of the 10th April, 1933, were confirmed.

PAPERS LAID ON THE TABLE.

The following papers were laid on the Table :—

By **THE HON. THE COLONIAL SECRETARY (MR. H. M.-M. MOORE) :**

Report of Committee Appointed to Inquire into Certain Questions Affecting Public Works Department Activities in the Old Nakuru, Eldoret and Kisumu Divisions.

By **THE HON. T. D. H. BRUCE (SOLICITOR GENERAL) :**

Report of Select Committee on the Stock and Produce Theft (Levy of Fines) Bill.

NOTICE OF MOTIONS.

THE HON. T. J. O'SHEA : Your Excellency, I beg to give notice that at the next session of Council I shall move the following motion :—

" That this House urges upon Government the necessity of taking action in time for the General Election due in March, 1934, to alter the Electoral Boundaries as recommended by the Electoral Boundaries Committee's Report of 1924, and further urges the necessity of providing representation for the mining community at Kakamega."

THE HON. T. D. H. BRUCE : Your Excellency, I beg leave to give notice that I shall move the following motion :—

" That the Report of the Select Committee on the Stock and Produce Theft (Levy of Fines) Bill be adopted."

THE HON. THE TREASURER (MR. H. H. RUSHTON) : Your Excellency, I beg to give notice that at a subsequent meeting of this Council I shall move the following motion :—

" That this Council approves the payment of a reduced pension of £114 18s. 11d. per annum and a gratuity of £383 5s. 10d. to Mr. B. J. Rand, who is being retrenched from the Service on the 30th April, 1933, in lieu of an unreduced pension of £152 18s. 6d. per annum."

ORAL ANSWERS TO QUESTIONS.
COMMITTEE ON THE DECENTRALIZATION OF THE PUBLIC WORKS DEPARTMENT.

No 5.—**LT.-COL. THE HON. J. G. KIRKWOOD** asked:

Will Government please state when the Report of the ad hoc Committee on the Decentralization of the Public Works Department will be published?

THE HON. THE COLONIAL SECRETARY: It is not proposed to publish the Report. A copy of the Report has, however, been laid by me on the Table for the information of any of the hon. Members of this Council who wish to see it.

THE HON. T. J. O'SHEA: Your Excellency, arising out of that answer and in view of the importance of the subject considered by this Committee, may I ask whether copies will be available to Members of the House?

THE HON. THE COLONIAL SECRETARY: I think there should be sufficient copies for hon. Members who desire them without Government going to the expense of printing the Report.

THE HON. T. J. O'SHEA: Thank you, Sir.

MOTIONS.

UNOFFICIAL FINANCIAL CONTROL.

HIS EXCELLENCY: The debate will now continue on the motion by the hon. Member for Kenya.

LT.-COL. THE HON. J. G. KIRKWOOD: Your Excellency, I rise to support the motion before the House. We were told yesterday by the hon. member, the Member for Kenya, that it was not a political question, that he was not raising it from that point of view. I must admit that I fail to follow his reasoning. I think it is undoubtedly a political question and it is a constitutional question since it is arguing for constitutional advance in this Colony, which I see in full sympathy with as I believe it is long overdue.

The hon. Member representing native interests told us in the course of the debate yesterday that he thought the Betterment Fund of £279,000 was small and should not be interfered with. I have suggested that it should be but I would remind the hon. Member that the Betterment Fund is £279,000 on paper but it is probably never three-quarters of a million pounds if all accurate figures were worked out.

We were also told by the hon. Indian Elected Member that he could not agree, but he is looking at it from the same point of view as I am. It is a constitutional question asking

for constitutional advance, and he asked for full representation for his own people. I think I am right in saying that the White Paper that was published in 1923 laid down what that representation was to be both for the European and for the Indian communities in Kenya, and I see no occasion for raising that question again or any justification for it, neither do I see any justification for any claim from any Indian for equality with the Europeans of this Colony. It has got to be understood that this is a British Colony administered by the Home Government as a Crown Colony. What justification he has got to claim equal rights in this Colony I do not know. It was beyond my imagination. I cannot conceive any reason or any justification for making that claim.

This question has been brought very much into the limelight lately due to the Income Tax Bill, a constitutional issue, and due of course to the Betterment Fund; the creation of that fund, which was also a constitutional issue separating finance from general revenue for the benefit of the natives of the Colony. Constitutional questions in the past have created very great difficulties. To go back to when Britain did have a Colony in America—through their unsympathetic attitude towards their people in America in those Colonies they brought about a rebellion which ended in the Civil War in America and the loss of those Colonies. That is history, and we can go right through ever since. We have had Colonies in the Empire—the same struggle, the same demands have always been made. History has always repeated itself in every case, and no advance has ever been given without very strong pressure being brought to bear on the rulers at home. The same thing can be said about Ireland. The question of Home Rule has been going on for as long as I can remember, and that is some sixty years. Home Rule was delayed. A very insistent demand was created in Ireland and it was maintained for a very long period of years, and it has ended very disastrously both for the Irish and the Empire. That struggle, the results of that struggle, are still going on, and had sympathetic consideration been given to Ireland in the past and in time without creating that ill-feeling and bitterness on their part against the British Empire I maintain the Empire would have been very much better off to-day.

In Kenya, I say, it has been brought to the forefront in very recent times due to the intention of the Government to impose income tax and the betterment fund. Both of them are constitutional issues, and I maintain also that if the representatives of the people do not accept the challenge that is contained in both those measures they are lacking in their duty to the people they represent. It is a very difficult question, I admit. It is very difficult for Your Excellency.

It is very difficult for everybody. It is more difficult in Kenya in that we have not only the Europeans but we have the Asians and we have the natives, but I maintain given goodwill by the authorities at home and amongst ourselves in this Colony that we shall arrive at a solution satisfactory to everybody and for the welfare of the Colony in general. We have had many commissions visiting the Colony, such as the Hutton Young Commission. We have also had the Grimsby-Grove Commission, Sir Samuel Wilson, and recently we have had Lord Moyne. It is quite obvious to those who wish to see the writing on the wall that a project is of no value to his own country. If they want an expert they must bring him from overseas, somebody who has knowledge of our very difficult problems and here at home. The difficult position that the Government is placed in in solving these problems has no weight with these matters on the other side of the sea, but the same has arrived when Kenya has made up its mind that it is going to get a political advance. At the last Convention of Associations, which represents sixty odd affiliated Associations throughout the Colony, a resolution was passed demanding that national control should be vested in the Elected Members as nominated in this Council. It was a unanimous vote on that matter and Government will be wanting in their duty if they do not take notice of what happened at that Convention. That motion was debated on a Friday; it was again debated on the Saturday, and a unanimous resolution was taken on the matter. It only tends to show that the people of Kenya consider the time has passed and is overdue for a constitutional advance in this Colony, and I sincerely hope that the authorities that are now being made to think that constitutional advance will be conceded to. Sir Samuel Wilson when he was here carried on long negotiations with representatives of the people in this Colony and he arrived at what was known as the Wilson Agreement, but due to a change in the political parties at home nothing has been done. That brings me to the point that we are in this Colony, have been and will be, at the mercy of the political situation at home unless we get a constitutional advance that will give us more power in this Colony to regulate and manage our own affairs. It is quite obvious that when the Conservatives were in they were prone at first to follow the idea; the Labour Party again when they were in were opposed to the idea. It only shows that we are at the mercy of the political situation at home. We are simply pawns in the game.

I do hope, Your Excellency, that you will give favourable consideration to this motion. It seems to me it is a difficult position. I realize that I realize the position that Your Excellency is in, but if we can have the substance of this

motion conveyed to the Secretary of State and if he can be told that there is the unanimous opinion throughout the Colony behind this motion, then probably something will eventually happen.

I also would like to warn the Government that it is the general opinion throughout the Colony now, very firm, very insistent, that there shall be no taxation without constitutional advance, and I believe, in issuing that warning, I am only doing my duty. I do not wish to be compelled to take any part in any obstruction measures against the constitutional Government, but if Government acts unconstitutionally then other people in self-defence are compelled to act in a manner which may obstruct the constitution. All this could be saved by goodwill on both sides. Your Excellency, I do not propose to dwell on this matter. It is a most serious motion and it has culminated in a most serious situation in the Colony. When the hon. member said that this was not a political question all I can say is I think he is a very great humorist. He evidently had in his mind that it was an economic question and would lead to economy if the intention of the resolution was implemented in this House. It would lead to saving by getting the co-operation of this side of the House in all measures of Government, and I believe that is the only happy solution for this Colony, and the longer it is delayed the greater will be the opposition to Government, and the greater the opposition the more regrettable from many points of view it will become. I hope as far as possible Government will do their part to try and get the co-operation of Members on this side of the House by getting the constitutional advance that is being demanded.

THE HON. THE COLONIAL SECRETARY: Your Excellency, in dealing with the motion that now stands before the House I confess that I felt myself in considerable difficulty, and I am very much indebted to the hon. Member for Plateau North for the remarks that have just fallen from his lips and which have helped somewhat to dissipate the fog which, in my mind at any rate, has been circulating there ever since I listened to the motion that has been engaging the attention of the House. The actual terms of the motion are:—

"In the opinion of this Council the time has now come when the control of the Colony's finances should be vested in the elected representatives of the people as at present constituted."

I confess that when I first read that motion I took it at its face value—that it was a motion in favour of an elected financial majority. I was rather surprised therefore when

the mover of that motion prefaced his remarks by the statement that this was not a political question whatsoever. Fourth, as I am again to touch the establishment of the hon. and gallant Member for Nairobi North, I feel it is rather difficult for me not to treat this question on a political basis. But, Sir, as I listened to the way in which the debate developed it did become clear that there were apparently two lines of thought. As I gathered it—and he will correct me if I am wrong—the hon. mover of this motion envisaged the possibility of some form—whether on Select Committee on the Estimates or some such device within the present framework of the constitution—under which more financial control could be given to Elected Members opposite. Hardly, however, Sir, had those expressions fallen from his mouth than the hon. Member for Nairobi made it quite clear that in his view it was a different question altogether and must be treated on a broader issue, while the hon. and learned Member for Nairobi South put forward the view that it really was a constitutional question; but, if I am not misinterpreting him, he seemed to base his argument largely on the point that the Honorable House and Lord Moyne's proposals constituted an alteration to our constitution and, as the final form of that matter has not been taken, it did appear to him at the time that it was proposed a little premature for us to discuss this very serious constitutional question until the final decision on the Moyne proposals had been got out of the way. When I say that, Sir, I would not like hon. Members opposite to think that undue weight should now be placed upon Lord Moyne's proposals as radically altering the constitution of the Colony, as it was very carefully and thought out out by the hon. Member representing Native Interests that it is only a portion of native territories which are to be put under the purview of a special body, not the total of territories, and that instead of a large area of the territories of this Colony as still existed in the Legislative Council. But, Sir, I feel that the hon. and learned Member for Nairobi North was bound to take that line, as view of the attitude which has been adopted, and I understand the full content of the annual communiqué of this Colony, before the first Select Committee recently. However, Sir, he will forgive me if I remind the House that in a written memorandum prepared by Lord Francis Borthwick, Mr. Hargreaves and I myself, he stated the position which they wished to put before the Committee as their considered view at that time. If I may cover the subject of the House I will quote the words then used—

"The opening months of 1951 find Eastern Africa in a condition with the winds of change blowing deep and varied problems at the result of structural depression.

Eastern Africa has not yet experienced the full effects of this depression, nor is it clear that further problems may arise as these effects concentrate and deepen over the territories.

It is, however, possible to say that much hard work will be required thoroughly to repair the damage already done, necessitating a complete concentration on economic subjects to the exclusion of all other consideration, by those responsible for the administration of these territories, and by those concerned in production, trade and commerce:

It is significant to note that if it is these reasons which have actuated the commercial community of Kenya in supporting the contention that consideration of any form of Closer Union should be postponed till the present period of depression has passed, and the economic condition of the world resumes a more stable basis than at present.

The same reasons have actuated the leaders of political thought in postponing their demand for a further advance in the political status of the Colony.

As in all countries, public work in Kenya falls to be performed by a comparatively small proportion of the community, and it is essential at the present time that the energies of public men should be concentrated on the serious and complex economic questions with which they are now confronted, rather than dissipated on the detailed and laborious work entailed by a proper consideration of constitutional changes of a highly controversial nature."

The memorandum then went on to deal with this question of the Select Committee on the Estimates and is stated as follows—

"In Kenya there is firmly established a permanent white population and we are confidently of the opinion of Sir Edward Grigg that its destiny is greatly to increase. The tendency of such a population, which is already the driving force in the development of the Colony, must be towards a progressive increase in participation in its Government.

As it is, the elective principle has been in operation for eleven years, with the inevitable result that the un-elected element, though in a permanent minority, and theoretically an opposition, has acquired by virtue of its practical knowledge of Colonial problems, considerable influence on the Government of the Colony.

This influence has been described as disproportionate to the numbers particularly in the matter of the Annual Estimates, which are reviewed by a Select Committee on

which the elected members are in a majority. This fact, while it argues nothing as to the merits of the elective principle—except its value in promoting useful co-operation between governors and governed—emphasises the distinction between Kenya and the neighbouring territories."

That, Sir, was the considered view put before the Joint Select Committee at that time and what I would ask the House is, is the Government to suppose or to assume that the threatened imposition of income tax and Lord Moyne's proposals—which have not yet been finally agreed in their settled form—are so serious in their nature that the country as a whole desires to retreat from the attitude which it took up before the Joint Select Committee at home?

AN HON. MEMBER: Yes.

THE HON. THE CHIEF SECRETARY: If that is so, Sir, I do suggest in all circumstances that if hon. Members opposite expect the Home Government to reverse the decisions so recently made in the Joint Select Committee Report, they will have to produce more concerted, more logical and more thought and arguments than have been advanced in Council this morning.

The matter, however we may view it here, however keen individual Members may be on their own point of view, in one which, particularly in view of this recent pronouncement—which, thank you, was not a party pronouncement, but was the pronouncement of the Joint Select Committee—will require, I would like to suggest, more considered reasons before opinions at home is likely to sway the opinion so recently expressed. In that respect, Sir, I would just like to quote, if I may, from the terms of the Joint Select Committee's Report. In reviewing the position of the Kenya Legislative Council it says—

"The Legislative Council, as the principal forum in which the affairs of the Colony are usually conducted and the only medium by which laws are enacted, should be so organised as to give to every separate race and interest a voice that their special point of view will be considered and safeguarded. The questions which come before the Committee is whether any, and if so, what changes to the composition of the Council are necessary in order to ensure a sense of security to each community with the knowledge that each has its fair share in the government of the whole country."

That, I suggest, Sir, is a very difficult formula to meet. We all know the practical difficulties in this Colony, but I do suggest that any measure of constitutional reform which is put forward from this country will have to be able to stand the test of those considerations which I have just read out. As a result, Sir, of this very close consideration at home, the final view of the Select Committee was as follows:—

"The Government has an official majority and the Unofficial Members sit on the Council in the capacity of advisers, who can always be outvoted by the official majority should the Governor see fit to use that majority."

If I might interpose for a moment, Sir, and go back to the expression used in the memorandum which I have just read out, in which it is stated that the unofficial element, though in a permanent minority, is theoretically the opposition, I would like to say, in my view anyway, I think it is a great pity that it should be considered that hon. Members opposite are theoretically an opposition. I feel, what I have just read out, that they are here as advisers to Government, to help us, to give us the information which we have not got as to law, very often, the unofficial community is thinking on important matters. The essence of a real opposition is that if the opposition view prevails they are in a position immediately to assume the reins of Government and prove their opposition is right. Unfortunately, under the constitution, that position here does not exist. Often for my own part I wish it did, but that being the position, Sir, to say that the gentlemen opposite are really the opposition is, I suggest, not really a correct view of the constitutional position. I often personally deplore the fact that we all sit on opposite sides of the House with a piece of carpet down the middle and talk on alternate sides. In other legislatures which I have been to, with a similar form of constitution, the Government and unofficial members have sat sprinkled together and I feel the psychological effect of that is not without its value.

To return, Sir, to my point. The final decision made by the Select Committee was that the present position should be maintained. In arriving at that decision they make that significant statement, particularly in view of the remarks made by my hon. friend as to the possibility of further additional representation safeguarded by powers of veto and certification. Those are the words that we need—

"Different considerations, however, arise directly the question of an additional majority is admitted into the Amendment. That was suggested with the safeguard, however, of the Governor's veto and power of certification. But it appears to the Committee—let me again repeat

that this was a Committee of all parties in the House)—that, even with the safeguards suggested, an-unofficial majority, whatever may be said to the contrary, does morally and in fact become responsible."

Those were the views of the Joint Select Committee, and only recently, when speaking on a different motion, I informed the House of what the final decision arrived at by the Secretary of State as a result of that Report was. I will repeat it again, Sir: "I do not propose that any change should be made in the present arrangement which secures an official majority in Legislative Council." May I again, Sir, repeat that that pronouncement was made in a despatch signed on the 13th July, 1932, after the submission of Lord Moyné's Report, and in fact on the very page in which that pronouncement is made special reference was made by the Secretary of State to Lord Moyné's proposals:—

"In this connexion it will be observed that Lord Moyné in his Report has recommended that one half of the proceeds of direct native taxation should be assigned to a Native Betterment Fund, the disposal of which should be controlled by a special committee with the Governor as Chairman. I have already stated in the House of Commons that I am in general agreement with Lord Moyné's proposal for the creation of a separate fund to be specially administered. If a proposal on these lines is accepted it will, I think, comply with the spirit of the Joint Committee's recommendations."

And just having said that he goes on to make the pronouncement which I have just repeated. That being so, Sir—not that I suggest for a moment that the Secretary of State will not be fully open to sound argument and will give the most careful consideration to any proposals that are put up—as I see it at present and the way the debate has gone, the only new feature which has occurred since that pronouncement was made is the very strong opposition which has arisen from certain sections of the community against the proposal to introduce income tax in this Colony, and I would again inquire, with all seriousness, as to whether that fact alone is likely to be regarded by the authorities at home as a sufficient reason for reversing a considered opinion so very recently made.

There is also a further consideration that might weigh with them in coming to such a decision. I admit now that I am proceeding into the realms of hypothetical conjecture, but the hon. Member for Plateau North pointed out that the nearest approach to agreement which we have arrived at in recent times on the matter of constitutional advance is what he termed the Wilson Agreement. If he would look through

the proposed constitution of Legislative Council under the Wilson proposals and the balance thereby proposed—on the assumption—and I admit it is a pure assumption—that nominated officials and nominated members for other interests would vote as they have already recorded their votes on the income tax measure, even under those proposals, with the support which the Government has had up to the present, there would have been a majority for an Income Tax Bill being introduced in this Colony.

Sir, I think perhaps I have said enough. My object in speaking has been to point out, not in any hostile spirit, but to point out the very real difficulties which I know all serious Members opposite who have given this matter full consideration realize are involved in the proposal, and in view of the debate to which we have listened and the divergence of views which have been expressed which I have endeavoured to invite attention to, I do seriously suggest that it might not be in the best interests of hon. Members opposite to force this motion in its present terms to a division. The debate will have had the result which I have no doubt the hon. member had in mind of inviting public attention to this issue and to the fact that public feeling has, owing to incidents of which we all know, been strongly aroused in this matter, but in view of the pronouncements of the Secretary of State the hon. Member opposite will understand, and will I think not regard the Government as unreasonable, when I say we cannot accept this motion and I would suggest to the hon. member that now the matter has been fully debated the motion should be withdrawn. The report will, of course, be forwarded to the Secretary of State.

LT.-COL. THE HON. C. G. DUNN: Your Excellency, I had not intended getting up but one has got to raise this point. The hon. the Colonial Secretary, Sir, stressed the fact of the evidence given in 1931. Now, Sir, he must be perfectly well aware, just as we all are, of the reasons for what he calls our refusal. It is entirely wrong, Sir. They did not press our points, they did not press for an official majority or anything of that sort simply and entirely because the whole of the country and the Elected Members wanted to concentrate on the economic situation and they thought the other could be held in abeyance. Since then, Sir, matters have arisen in this Colony which have occupied Elected Members again to put them forward. We cannot go on as we have been going on in the last two years. We would have been quite content, Sir, if we had not been unjustly treated. It is all very nice for the hon. the Colonial Secretary to say that the Government has done this and that for us. They have not, Sir. We have not had fair treatment in the last two years—because

our present attitude. I am sorry, Sir, but I had to get up to disagree with what he thinks. I do not know why he should think we intended to abandon any efforts for self-government or an unofficial majority simply because of what happened in 1931.

HIS EXCELLENCY: If no other hon. Member wishes to speak I will call upon the hon. mover to reply.

CAPT. THE HON. J. L. COTTER: Your Excellency, in answer to various questions brought up in this debate I am inclined to agree with the hon. the Colonial Secretary when he refers to the divergence of opinion. I had myself made it very obvious when I started to speak that I did not regard it as a political question and therefore I cannot see how any of my supporters regarded it as such. They could say they did regard it as such because I regard that as an axiom, and I should like to dwell on that subject if I may for a moment. I admit now that I was entirely wrong. It must be a political question and the gentleman who spoke, the hon. Indian Member who spoke, on this subject has converted me. It is evident that in future we have to regard that any question brought up, of finance or otherwise, is purely used by the Indian community as a means of getting extra representation. Very well, as they have thrown down the gauntlet we shall have to take it up, and therefore I will withdraw from my position myself in that and say that I do regard it now as a political question. I have been converted during the course of this debate.

The hon. the Colonial Secretary mentioned several small matters of divergence of opinion but, Sir, I would state that I myself—and here I am talking purely of myself—would like to state that I had regarded ourselves as an opposition, in tackling the question he brought up about our being advisers. I have been here two years, Sir, and on no occasion that I ever remember has anything except the most trifling measures been accepted in any shape or form. Take, for instance, the question of the economic advisory committee we have had. As a matter of fact it was eventually granted but we never applied for it in that shape or form, and I have no knowledge whatsoever that our advice has ever had any effect on Government.

As far as the hon. and rev. Member representing Native Interests is concerned, I feel sure that he has not read the suggestion of the Native Betterment Fund in Lord Moyne's Report for there he will see that where half the native direct taxation should be credited to the Native Betterment Fund he forgets there are many other factors in the shape of pensions, passages and payments during leave so that as a matter

of fact, as pointed out by the hon. Member for Plateau North, it is far more likely to be a sum of three-quarters of a million pounds than the £300,000 odd that has been mentioned as the Native Betterment Fund figure.

I regret very much that the Government finds itself unable to accept this motion. I suggest, Sir, that it is bound to come up again; the reason for it is too obvious for words. It is for somebody on this side of the House eventually to decide where this money is to come from and who is to pay and who is to call a halt to the reckless Government expenditure that has gone on ever since 1925, every year mounting up, mounting up, and whatever may be said by the hon. the Colonial Secretary there has never been any chance of any hon. Member on this side of the House being able to call a halt to that expenditure. The thing is necessary and it is bound to occur again, Sir. It must occur shortly because whatever the idea of the 1934 Budget is going to be a man is indeed an optimist who cannot see written out there the 1934 Budget, and I am going to chance my arm in a prediction that the 1934 Budget will be at least half a million pounds down. The same thing must crop up again and again and again and I feel sure that the Government itself will be the first to regret that they have not got other shoulders to put the burden of that Budget on when it does come up.

HIS EXCELLENCY: The question is—

"In the opinion of this Council the time has now come when the control of the Colony's finances should be vested in the elected representatives of the people as at present constituted."

The question was put and lost by 10 votes to 22.

Ayes: Capt. Cotter, Col. Durham, Mr. Conway Harvey, Col. Kirkwood, Mr. O'Shea, Major Robertson-Eustace, Capt. Schwartz, Major Sir Robert Shaw, Capt. Ward, Mr. Wright.

Nops: Mr. Bruce, Canon Burns, Messrs. Deck, Feild-Jones, Gardner, Hakim Singh, Horne, Logan, MacGregor, Montgomery, Moore, Dr. Paterson, Gen. Rhodes, Messrs. Rushton, Scott, Sheriff Abdulla bin Salim, Sikes, Wade, Abdul Wahid, Walsh, Welby, Col. Wilkinson.

Declined to vote: Mr. Bemister.

REPORT OF SELECT COMMITTEE ON THE EMPLOYMENT OF WOMEN, YOUNG PERSONS AND CHILDREN BILL.

THE HON. THE ATTORNEY GENERAL (MR. A. D. A. MACGREGOR, K.C.): Your Excellency, I beg to move that the Report of the Select Committee on the Employment of Women, Young Persons and Children Bill be adopted.

The recommendation of this Committee, Sir, is that this Bill be enacted without amendment and the motion is therefore a formality.

THE HON. T. D. H. BRUCH: Your Excellency, I beg to second the motion.

HIS EXCELLENCY: The question is—

That the Report of the Select Committee on the Employment of Women, Young Persons and Children Bill be adopted.

The question was put and carried.

BILL.

THIRD READING.

THE EMPLOYMENT OF WOMEN, YOUNG PERSONS AND CHILDREN BILL.

THE HON. THE ATTORNEY GENERAL: I beg to move that the Employment of Women, Young Persons and Children Bill be read a third time and passed.

THE HON. T. D. H. BRUCH: I beg to second the motion.

The question was put and carried.

The Bill was read a third time and passed.

MOTION.

REPORT OF THE SELECT COMMITTEE ON THE JUVENILE OFFENDERS BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move that the Report of the Select Committee of the Council on the Juvenile Offenders Bill be adopted.

The Report, Sir, is a brief one of nine paragraphs and thirty six. I think, only three points to which I need draw attention. The first is that embodied in recommendations Nos. 4 and 5, which deal with clause 15 of the Bill. That clause, in the form in which it appears in the Bill, confers very wide and arbitrary powers of arrest on any person—old powers of arrest as much as powers of detention and taking into a Juvenile Home. The Select Committee felt that in the circumstances which existed in this Colony that might possibly lead to arbitrary and excessive use of powers, and recommended that those powers be limited to authorised persons; an authorised person being a person of whose persons included by name in the Statute.

The next point, Sir, is that in recommendation No. 6 of the Report. It was pointed out, after exhaustive research into this Bill made by the members of the Crime Committee, that nowhere in the Bill was it declared that the term of detention in an industrial school or reformatory has to be of such term as to make such period of detention really reformatory. The Committee have recommended that the present provisions of the Reformatory Schools Ordinance, which provide for a minimum period of three years and a maximum of seven years should be incorporated in this Bill. A period such as that will give a child or young person a real chance in life, whereas a short period of a few months is probably worse than useless. But with that power, Sir, there necessarily, in the opinion of the Select Committee, must go those additional powers which recommendation No. 7 proposes to confer on Your Excellency, a right of discharge at any time from an industrial school or reformatory school—the right of release when any fit person is found willing to receive and take charge of him, and also the right to remove from a reformatory school to an industrial school, or vice versa.

Those are the main recommendations, Sir; the only other one is that in the last recommendation. All other matters relating to the establishment of industrial schools and reformatories are, by clause 24 of the Bill, suspended until such time as the financial state of the Colony permits of the institution of such schools. That being so, Sir, it is quite obvious that the provisions for the sending of a child to an industrial school for a period of years also must be suspended. That is the import of the last recommendation, Sir.

THE HON. T. D. H. BRUCH: Your Excellency, I beg to second the motion.

HIS EXCELLENCY: The question is:—

That the Report of the Select Committee on the Juvenile Offenders Bill be adopted.

CAPT. THE HON. H. E. SCHWARTZ: Your Excellency, I am afraid I have to move an amendment to clause 24 and I regret that I did not give notice to the hon. the Attorney General yesterday. It is really only a question of not having had time. My amendment is, after the word "until", to delete the words "the Governor by proclamation" in lines 2 and 3 and substitute therefor "the Legislative Council by resolution"; and in the last line but one of the clause to substitute for the word "proclamation" the word "resolution".

I hope Government will accept that. I did refer to it in the debate on the second reading. It simply means that it will rest with the Legislature to say when these three clauses, which mean the expenditure of very considerable sums of money, should be applied. I am quite certain they would not be unreasonably applied but on a matter of principle we always have had these things subject to Legislative Council sanction and Government in practically every case has accepted that principle.

THE HON. CONWAY HARVEY: Your Excellency, I am prepared to second that.

HIS EXCELLENCY: If it is accepted, the Report of the Select Committee is adopted. . . . I think perhaps we had better consider this in the adjournment. Have you got your amendment in writing?

CAPT. THE HON. H. E. SCHWARTZ: I think the hon. the Attorney General has got it down, Sir. Can I move to report progress?

HIS EXCELLENCY: Perhaps we had better adjourn now.

THE HON. THE ATTORNEY GENERAL: Might I suggest that we deal with the other motions first?

HIS EXCELLENCY: Yes.

SELECT COMMITTEE ON 1933 ESTIMATES.

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

"That the Estimates of Revenue and Expenditure for the year 1933, as passed by this Council, be referred to a Select Committee for examination in the light of the Expenditure Advisory Committee's Report and to make a report."

As hon. Members are aware, the present position is quite an unusual and abnormal one. The Budget was passed and the Appropriation Bill enacted in December last but in putting that forward, Sir, you, in your communication from the Chair, stated:—

"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 authorize, under General Warrant, such expenditure as is necessary to carry on essential services."

It is in accordance with that undertaking that we have taken this; the earliest possible opportunity, of bringing forward these Estimates, which are actually on the Statute Book, for examination in the light of the Expenditure Advisory Committee's Report which has only so recently been published.

The practical difficulty that this Colony is placed in is this: that owing to the fact that the Report of the Committee was not received quite as soon as we expected—a short time only before it was necessary to call Council together—there are certain matters on which Government has not had time really to give a considered opinion, if, in Select Committee, I am asked what is the Government's attitude on this or that. But I can assure hon. Members that when we go into Select Committee I will give them all the assistance I can in that regard.

There is a further point. As explained in one paragraph of the Expenditure Advisory Committee's Report, the provisional Estimates already passed already incorporate a large number of interim recommendations put up by them and the full effect of such recommendations as have not yet been so implemented is not likely in their opinion to have a very great effect on the year 1933. That being so, Sir, it will be a matter for us in Select Committee to see how we can deal with the Budget as it stands. But I do feel, anyway on those heads of expenditure which have already been so exhaustively examined by the Expenditure Advisory Committee, that we may be beating the air if we try to go over all that ground again.

THE HON. THE ATTORNEY GENERAL: I beg to second the motion.

HIS EXCELLENCY: The question is:—

"That the Estimates of Revenue and Expenditure for the year 1933, as passed by this Council, be referred to a Select Committee for examination in the light of the Expenditure Advisory Committee's Report and to make a report."

CAPT. THE HON. H. E. SCHWARTZ: Your Excellency, as you are aware, under ordinary circumstances and in ordinary years the motion to go into Select Committee just proposed by the hon. the Colonial Secretary is the occasion for what may be termed a full dress debate on the Estimates. That full dress debate did not take place when the Estimates were introduced last year. There was a debate, but not covering the ground that it usually covered, and there will probably be a considerable amount still to be said in this House. We have felt however—and the hon. Member for Plateau South is in agreement with us . . .

THE HON. T. J. O'SHEA: No.

CAPT. THE HON. H. E. SWARTZ: I understood that he agreed with me if I have misinterpreted him. I apologise. We feel that this morning is not the time to deal in detail with any of the matters which may have to be dealt with, but that they had better come after we have come out of Select Committee, when we have had our discussions and when our minds are clearer and the points at issue have been set out more clearly for our consideration. We do not, therefore, propose to indulge in an ordinary debate on this resolution but reserve to ourselves the right to do that when the motion is proposed in the House that the Report of the Select Committee be adopted after we come out of Select Committee.

I have only one other thing to say. Speaking for the affected Members (opposition), we did agree that we personally thought that it would not, as the Colonial Secretary has said, be of any value to cover the whole of the ground that has already been covered by the Expenditure Advisory Committee, but we did want to go into as much detail as we desired into those parts of the Budget which were excluded from the purview of the Expenditure Advisory Committee and also deal with those questions and those recommendations of the Expenditure Advisory Committee which might affect expenditure for the year 1933. I understand that the hon. Member for North North wishes to ask the hon. the Colonial Secretary for an assurance as regard to procedure as Select Committee but I understand that, apart from that, no Member proposes to address the Council on this resolution this morning.

CAPT. THE HON. H. P. WALKER: Your Excellency, on a point of order and in view of the actual working of the resolution now proposed, which might be taken to limit the deliberations in Select Committee to matters brought to light by the Expenditure Advisory Committee's Report, I would ask for an assurance from the hon. the Colonial Secretary that we shall not be prevented from going into certain important matters connected with expenditure and expenditures and affecting seriously the revenue of the Colony.

THE HON. THE COLONIAL SECRETARY: Your Excellency, if any such queries arise on the report and are quite material, hon. Members will be quite open to take them.

MR. CHAS. THE HON. A. G. KEMPSON: Your Excellency, I am sorry I cannot agree to introduce an any Select Committee at any of this session. I had in my mind a definite proposition of just proposals that we have had in the mind of the House, definitely stating how just how far we can go and as far as the Select Committee on the Budget. It is certain

but I made it quite clear I was not going to detain the House debating the Budget seeing we were told we should have an opportunity at the following session. I have always had that in mind. I believe that was the intention that was conveyed to the House and the attitude they took on it was that the Select Committee would go into the Budget as usual during the session that followed, and if by this action I am going to be deterred from treating any one item in the Budget in Select Committee I shall not sit on the Select Committee.

THE HON. T. J. O'SHEA: Your Excellency, if reference is made to the address which you gave to Council at its opening on the 15th December last and also to the address given to the House by the hon. the Colonial Secretary when, on the 19th December last, he moved that these Draft Estimates be approved, it will I think be seen that no charge of being merely fractious can be laid against me if I take exception to the procedure that it is now proposed to adopt with regard to the Estimates for 1933. It was clearly indicated at the December session that these Estimates were provisional only and that revised Estimates would be introduced early this year. On that assurance Members on this side did not debate the Estimates for the year as they are accustomed to do, and again it is now suggested that we should not debate them to-day. I have the strongest possible objection to allowing the Estimates for the year, under such difficult circumstances as we are in, going through without receiving the fullest possible consideration, and I cannot agree to the acceptance of these Estimates in this cursory manner. In view of these facts and that the Estimates as presented make provision for a very large sum of the country's revenue being set aside for something known as the Native Betterment Fund, while in fact a Native Betterment Fund has never yet been agreed to by this House in principle, nor has any machinery been set up with the approval of this House for the administration of that fund, it seems to me entirely unconstitutional that a large sum of money like that should be set on one side before the House has agreed in principle to such a thing being done and before the House has discharged its responsibility of providing the necessary machinery to administer that fund. I raised the issue some months back and Government agreed to the appointment of a Committee to tender their views on this subject. That Committee has not yet sat: the majority of the Members of it have wasted the interim in trying to decide whether we should accept Collins's Income Tax Bill or Short's Graduated Full Tax Bill.

Again, Sir, the Estimates as now presented to us do not include a reserve from taxation which Government contemplates bringing into being in the very near future. I understand

that it is the definite intention of Government, whatever may be the views of Members on this side of the House, to introduce next session of some sort this year and it estimates to get some appreciable amount of money from that new taxation. That being the case, I do not see how we can possibly allow Estimates to pass for the year in which that new taxation is not accounted for.

Again, the Estimates as we are now asked to approve them show a deficit, though I understand that the arrangements the Government has in view for this year do not allow of a deficit, that in fact steps have been taken to prevent a deficit arising. In such circumstances I suggest it is most improper that the House should pass those Estimates.

Again, it has been a horrible practice of this House year after year as long as I can remember it to debate the principles of Government policy as disclosed by the financial Estimates. That has not been done this year and I think it more than ever necessary it should be done in a year such as this. If it be suggested to me that we can still do that on the Report of the Select Committee I ask what is the sense of doing it after the work of reviewing the Estimates for the year has been completed?

In those circumstances, Sir, I hope the House will allow that I am reasonable in opposing, as I most strongly do, to the passing of the motion.

His Majesty: If no other hon. Member wishes to speak I will call upon the Colonial Secretary to reply.

The Hon. The Colonial Secretary: Your Majesty, the only remarks that I would make in reply to the hon. Member for Freetown South are that I am not asking him to pass those Estimates. I am asking that they should be moved by a committee, or a Select Committee, framed on just the ordinary basis of a Select Committee on the Estimates for examination. I do not think that anything that I have said has suggested that in that Committee the Members of it should not be able to examine the Estimates fully. It is perfectly true, however, as the hon. Member for Barbuda South has said, that I am quite sure he was speaking at the time that he had the support of all the hon. Members behind him—so far as they were concerned they were most anxious to go into the Estimates properly through much of the work which had been so admirably done by the Legislative Advisory Committee and not summarily to give your Majesty and that there were several points of expenditure which had not been worked out properly when they would naturally like to examine and it was on that point of perfect good faith on both sides that the motion was put forward at the stage in which it has been put forward.

His Excellency: The question is—

"That the Estimates of Revenue and Expenditure for the year 1933, as passed by this Council, be referred to a Select Committee for examination in the light of the Expenditure Advisory Committee's Report and to make a report."

The question was put and carried.

Capt. The Hon. H. E. Schwartz: I presume the Select Committee will be the usual one, Sir.

His Excellency: It will be a Select Committee with the usual personnel, including all the Elected Members.

SUSPENSION OF STANDING ORDERS.

The Hon. The Attorney General: Your Excellency, with your permission, Sir, I beg to move that Standing Rules and Orders be suspended in order to enable the Companies Bill to be read a first time without due notice.

As hon. Members will observe, I am not suggesting anything more than the first reading, Sir, and the argument in support of moving the suspending of Standing Rules and Orders can be put very shortly, Sir. This is a very lengthy and comprehensive enactment and it is Your Excellency's intention to adjourn Council this week until the 24th. Obviously a measure so substantial as this ought to be examined in Select Committee and I understand that hon. Elected Members are in agreement with the course that I am about to propose, that, namely that the Bill should be formally read a first time to-day and be read a second time before the adjournment this week and then be referred to a Select Committee which will have an opportunity of making an exhaustive examination of this very lengthy measure.

The Hon. F. D. H. Bacon: Your Excellency I beg to second.

The question was put and carried.

BILL. FIRST READING. THE COMPANIES BILL.

On motion of the hon. the Attorney General the Companies Bill was read a first time.

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

The Council adjourned for the usual interval.

On resuming,

MOTION.

REPORT OF SELECT COMMITTEE ON THE JUVENILE OFFENDERS BILL.

THE HON. THE ATTORNEY GENERAL: Progress has been reported, Sir, on the motion which stands in my name:—

"That the Report of the Select Committee on the Juvenile Offenders Bill be adopted."

The hon. Member for Nairobi South has moved an amendment.

HIS EXCELLENCY: The question is that the motion be amended by the addition of the following words at the end thereof:—

"Subject to the amendment of clause 24 (1) by the deletion of the words 'the Governor by proclamation' where they occur in lines 1 and 3 of the clause and the substitution thereof of the words 'the Legislative Council by resolution'; and by the deletion of the word 'proclamation' at the beginning of the penultimate line of the clause and the substitution thereof of the word 'resolution'."

THE HON. CONWAY HARVEY: Your Excellency, I second that.

HIS EXCELLENCY: Clause 24 (1) of the Bill with them read:—

"(1) The provisions of sections 16, 17 and 20 of the Ordinance shall not come into force until the Legislative Council by resolution has declared that the provisions of the said sections shall be in force as from a date to be specified in the said resolution in so far as they relate to the whole or any part of any area or areas in the Colony."

The question was put and carried.

HIS EXCELLENCY: The question now is that the Report of the Select Committee, as amended, on the Juvenile Offenders Bill be approved.

The question was put and carried.

BILLS.

THIRD READING.

THE JUVENILE OFFENDERS BILL.

THE HON. THE ATTORNEY GENERAL: I beg to move that the Juvenile Offenders Bill be read a third time and passed.

THE HON. T. D. H. BAUCE: I beg to second.

The question was put and carried.

The Bill was read a third time and passed.

SECOND READINGS.

THE CURRENCY LOAN BILL.

THE HON. THE TREASURER: Your Excellency, I beg to move that the Currency Loan Bill be read a second time.

Hon. Members will notice that in this case the stated Objects and Reasons are longer than the Bill itself, and they are so complete that I think there is little left for me to say that would be of any use to Council. There are just two points, Sir. The first one is, Sir, the probability of the Currency Board having to take advantage of this Bill which is nothing more than an enabling measure, and on that point, Sir, my own opinion is that the probability is rather remote, even if possible for a short temporary borrowing towards the end of this year. The demands on the Currency Board for the credits of East African Currency have been diminishing for some time past and they show signs of diminishing still further. Already this year the tide has commenced to flow in the opposite direction and the Currency Board has received £250,000 in London for transfer to East Africa.

The next point, Sir, I think is the extraordinary change which has taken place in the trade of the Colony. I think, for the first time in the history of the Colony, the balance of trade is favourable, and that directly affects the transactions of the Currency Board. So long as the balance of trade was adverse there seemed little prospect of a change in the flow of money but that has recently taken place now.

The third point is, of course, the Exchange problem. If there is anything at all in the opinion generally expressed of the possibility there and of the importation of capital for development of the goldfields, then I think we can rest assured that the Currency Board will not have to take advantage of this enabling measure.

The next point, Sir, is the arrangement made for financing the Currency Board in the case of need and the intention, as I understand it, is not that a loan should be raised in the ordinary way. Credits have been arranged with London Banks which can be drawn upon as required and paid as settlement at very low rates of interest so that, even should it be necessary for the Currency Board to borrow at all, they can borrow if necessary for a week or a fortnight at low rates of interest and repay as soon as money comes into their hands. I think that is all I can say, Sir, and to the Objects and Reasons appended to the Bill, Sir.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to second the motion.

HIS EXCELLENCY: The question is that the Currency Loan Bill be read a second time.

CAPT. THE HON. J. L. COTTER: Your Excellency, I am opposing this Bill—and I hope every other hon. Member on this side of the House will do likewise—for the reasons which I stated in a motion which I brought up in this House yesterday, a motion to inquire into the manner in which the Currency Commissioners had lost certain sums.

Now, Sir, the Currency Board at the present moment is in fact—if it was asked to meet its full commitments—insolvent. It has a credit of roughly some £280,000 over its debts at the present moment, but it actually is insolvent to the extent of two and three quarters of a million pounds. Now, Sir, it has come to us for permission to borrow one and a half millions on our guarantee. As I said the other day, Sir, it is in fact asking us to lend it money with which to pay ourselves. That is the exact effect of what it is doing.

I want to criticize one or two remarks made by the hon. the Treasurer. First of all, he suggested that the Currency Commissioners will not want this money. With that I would beg to disagree. It is an absolute certainty the Currency Commissioners will need this money on first count because the Crown Agents for the Colonies will request it as a first charge for repayment of the loan. It might be taken as an axiom that as there is no money coming in from the land in this country, that for a certainty conditions will become worse, and except for that one point about a big advance in the gold-fields of Kakamega—an advance which the Government of this country is by no means encouraging—it is closing down places and giving every discouragement. I think there is no likelihood of a big movement in Kakamega—I expect it will flow the other way in two or three months and the Currency Commissioners will be asked to redeem the money already so lately brought in. In my opinion they will have to borrow that million and a half and within the next six months—the whole amount.

There is another point, Sir, that has never been brought in in any of the discussions so far in this House on currency matters. We have the example of Australia, New Zealand, and I notice this morning in reading the paper, they are actually talking about doing it in the United States; and we have first of all the example of our own parent country, England. I refer now to devaluation. I have often heard it said by many people in this House and this country: "Do

not monkey about with our currency." "What we are doing to-day is encouraging and asking the Currency Board Commissioners to "monkey about with our currency." Of a truth, if our currency is left on its own, it would certainly fall to very little over the actual bullion coin which is issued. Putting the notes at their true value, it would fall to something in the neighbourhood of 1½d. in the shilling.

Now, Sir, in ordinary fairness to those who have bought our currency under the impression that it had a full market value, it would be utterly unfair to say, "You have lost all your money. We are sorry, but there you are." But, Sir, I would ask you this: to take into consideration whether we should attempt that method adopted in Australia, New Zealand and England and take the value of our currency and fix a certain sum where we should produce it. There are one or two gentlemen in this country, such as Major Grogan, who have suggested that we should devalue to eightpence. Before this Bill is passed I would honestly suggest, Sir—and I have taken the greatest pains to study this question, and I feel I know a little about what I am talking about—that we are going to make a great mistake in passing this Bill, because so soon as we lend this million and a half this country will become bankrupt two or three years hence. A million and a half will not tide them over—perhaps for three years, perhaps for four. If they wish to borrow to make themselves safe they will have to borrow three million pounds.

LT.-COL. THE HON. J. G. KIRKWOOD: Your Excellency, I endorse a great deal of what has been said by the hon. Member for Kenya. I most certainly intend to vote against this Bill. We were told last year that we could not get any money for the Land Bank until we balanced the Budget. It is true that it has now been intimated that there is a possibility of some £200,000 being obtainable, but it has not eventuated yet. I cannot understand how the Secretary of State can lay it down that you cannot have money for the Land Bank until you have balanced the Budget when he does not apply the same principle to the £200,000 that we are liable for under this Bill if it is passed this morning. It also is very apparent that this Bill will be passed by Government with the official vote and yet this Council, as far as I have been able to ascertain, has no control whatever over the Currency Board. It touches the question again, the question of the motion for financial control. Again it only emphasizes the absolute necessity of this Council having control of its own finances. I quoted figures yesterday in connection with the West African Currency Board which show it made something like £3,450,000 in a matter of 4½ of eleven years as against

the loss of £1,500,000 that appears to have been made by the East African Currency Board. The motion for an inquiry which was debated yesterday was not accepted by Government. For these reasons I intend to vote against this Bill.

THE HON. P. A. BEMISTER: Your Excellency, I oppose this Bill because it seems to me for a Board outside our control to require to place upon the resources of this Colony a very heavy debt, which the Treasurer himself says it may not want, to place it like a blank cheque at a time when we have had Your Excellency's agreement to place the whole matter of its working before the Secretary of State and it would be a great advantage to the whole credit of this Colony.

HIS EXCELLENCY: If no other hon. Member wishes to speak I will call upon the mover to reply.

THE HON. THE TREASURER: Your Excellency, I would like to remind hon. Members that there is nothing new about this Bill. It merely provides the machinery for implementing section 3 (2) of the Currency Notes Ordinance passed in December, 1920. It merely defines the obligations of this Colony; it does not increase them. I do not think, that being the case, that some of the strictures on the Currency Board are justified. I do not agree either, Sir, that the Currency Board can be called insolvent when it has the whole credit of this Colony and Tanganyika and Uganda at its back.

CAPT. THE HON. J. L. COTTER: On a point of order, Sir, I quite agree with the hon. the Treasurer there. I should have said if it had been regarded as an ordinary business it would have been considered insolvent.

THE HON. THE TREASURER: I accept that, Sir. It is a matter of opinion very largely: the hon. Member for Kenya takes the view that the Currency Board will have to make use of these moneys, take advantage of this Ordinance—I definitely do not, and there I think we shall have to leave it at. I have given my reasons at some length why I think it will not be necessary to draw upon these funds, and I am afraid I must leave it at that.

The hon. Member for Kenya did mention the matter of the depreciation of currency. I do not know that I got his meaning quite clearly, Sir, but I do most earnestly hope that there will be no further talk on the matter of the depreciation of currency, and I would make an earnest appeal to the Press that nothing should appear on this subject at the present time. Too much damage has been done to this country by references

as the hon. Member said, to "monkeying about with the currency." I entirely agree with him it would have been very much better for the Colony if the currency had never been touched.

The hon. Member for Plateau North was not quite clear as to why the Secretary of State should object to funds being provided for the Land Bank until we balance our Budget when he approves of this Bill now before the House. I think it is perfectly clear, Sir, that unless these moneys are provided, unless the Currency Board has funds on which it can draw if demands are made upon it, then our credit goes, and to a worse extent than if our Budget is not balanced. I think the balancing of the Budget and this arrangement to support our currency are essential features in stabilizing the position of the Colony before we incur any other debts of a different nature.

The hon. Member for Mombasa said he could not understand the Secretary of State placing a burden like this on the Colony at the present time. I tried to make it clear that in my opinion the burden will be no burden upon the Colony, and if there is it will be a very light one, and I feel convinced myself—I am speaking quite seriously—that my opinion on this matter is a correct one. I do not quite see myself why there should be. I think Members are fairly optimistic if they imagine that under any circumstances this Colony will be relieved of any expenses which might fall upon it in connexion with the Currency Board and that those expenses would be taken over by the unfortunate taxpayer at home when you remember, as I said yesterday, that the changes in the currency were largely brought about at the request of the people of this Colony with a view to helping the people in this Colony and improving their financial position. I think it would be a dreadful thing to suggest that the unfortunate British taxpayer should be saddled with any additional charges on account of this Colony in those circumstances.

I think that I have replied to all the points, Sir.

HIS EXCELLENCY: The question is that the Currency Loan Bill be read a second time.

The question was put and carried by 21 votes to 7.

Ayes: Mr. Bruce, Canon Burns, Messrs. Deck, Feild-Jones, Gardner, Hakim Singh, Horne, Logan, MacGregor, Montgomery, Moore, Dr. Paterson, Gen. Rhodes, Major Robertson-Eustace, Messrs. Rushton, Scott, Sheriff Abdulla bin Salim, Abdul Wahid, Capt. Ward, Mr. Welby, Col. Wilkinson.

Notes: Mr. Bemister, Capt. Cotter, Mr. Conway Harvey, Col. Kirkwood, Capt. Schwartze, Major Sir Robert Shaw, Mr. Wright.

THE AGE OF MAJORITY BILL.

THE HON. T. D. H. BRUCE: Your Excellency, I beg to move the second reading of a Bill relating to the Age of Majority.

At the present time the law in force in this Colony relating to the age of majority is the Indian Majority Act, 1875, as applied to the Colony. Under the provisions of this Act 18 is the age of majority for all non-native persons except for a non-native person for whom a guardian has been appointed by a Court of Justice or for a person for whose property a guardian has been appointed by a Court of Justice in either event before such person has attained the age of 15 years, in such cases a minor shall be deemed to have attained his majority when he has completed the age of 21 years.

The Law Society of Kenya has recommended that the law be amended to provide that the age of majority for all European children in the Colony be raised to 21 years.

The Law Society considers that 21 years is quite sufficiently young for a European child to attain his majority. The Society further points out that in certain instances members of the Society have been instructed to prepare wills with provision for accumulation of property for a life or lives in being and 21 years thereafter which is the ordinary English rule, but that as the Indian rule against perpetuities which is set out in section 14 of the Indian Transfer of Property Act, 1922, provides that no transfer of property can operate to create an interest which is to take effect after the life-time of one or more persons living at the date of such transfer and the minority of some person who shall be in existence at the expiration of that period—it would seem that the normal period during which property could be tied up, if the settlement were made here would be for a life or lives in being and 18 years afterwards only which is directly contrary to the English law.

Government agrees that it would be better that the age of majority for Europeans should be 21 years instead of 18 years and that every European or arriving at the age of 21 years shall be of the age of majority as fully, freely and effectually to all intents and purposes in the law, as he may or might have been by the law of England.

The provisions of the Bill relating to the age of majority for natives other than Europeans are exactly the same as are now contained in the Indian Act.

The Indian Majority Act as applied to the Colony does not apply to natives. The law relating to majority applicable to natives is the native law and custom of the tribe to which the natives belong. It is therefore provided that this Bill shall not apply to natives.

It is also provided that the Indian Majority Act of 1875 shall cease to apply to the Colony thus carrying the declared policy of Government one step further in deleting Indian law from the statute book of this Colony and replacing it by the law of England.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to second.

HIS EXCELLENCY: The question is that the Age of Majority Bill be read a second time.

The question was put and carried.

THE PARTNERSHIPS BILL.

THE HON. T. D. H. BRUCE: Your Excellency, I beg to move the second reading of a Bill relating to Partnerships.

The object of this Bill, which is based on the English Partnership Act, 1890, is to declare the law of Partnership in the Colony. The Bill resolves itself into four divisions.

The first division which is embodied in clauses 3 to 6 inclusive of the Bill deals with the nature of partnership and defines what partnership is and what it is not. Rules are laid down for determining the existence of partnership, one of which is that joint tenancy, tenancy in common, joint property, or part ownership, does not of itself create a partnership as to anything so held or owned, whether the tenants or owners do or do not share any profits by the use thereof.

Another rule is that the sharing of gross returns does not of itself create a partnership, whether the persons sharing such returns have or have not a joint or common right or interest in any property from which, or from the use of which, the returns are derived.

The third rule for determining the existence of partnership is that the receipt by a person of a share of the profits of a business is prima facie evidence that he is a partner in the business, but the receipt of such a share, or of a payment contingent on or varying with the profits of a business, does not of itself make him a partner in the business. In certain circumstances the rights of persons lending to a partnership in consideration of a share of the profits is postponed in case of bankruptcy of partnership.

The second Division of the Bill deals with the relations of partners to persons dealing with them. It is provided that every partner is an agent of the firm and his other partners for the purpose of the business of the partnership; and that the acts of every partner who does any act for carrying on in the usual way business of the firm carried on by the firm of which he is a member, bind the firm and his partners, unless the partner so acting has in fact no authority to act for the firm in the particular matter, and the person with whom he is dealing either knows that he has no authority, or does not know or believe him to be a partner. There are other provisions in this Division of the Bill, but I will not enlarge upon them.

The third Division of the Bill deals with the relations of partners to one another. It is provided that the mutual rights and duties of partners may be varied by the consent of all the partners. What is partnership property is laid down in these clauses and it is further provided that unless the contrary intention appears, property brought with money belonging to the firm is deemed to have been bought on account of the firm. It is provided further that a writ of execution shall not issue against any partnership property except on a judgment against the firm. And a person interested in the partnership property and profits may be charged in favour of a judgment creditor of such partner.

The fourth Division of the Bill deals with the dissolution of partnership and its consequences. Various ways of dissolving a partnership are provided for in the Bill: one is by expiration of term, another by bankruptcy or death, the third by reason of illegality of partnership; and yet another way is by an order of the Court for various reasons, such as fraud, misapprehension, breach of partnership agreement, when the business of the partnership can be carried on at a loss and generally whenever in any case circumstances have arisen which, in the opinion of the Court, render it just and equitable that the partnership be dissolved.

Hon. Members will observe that clause 47 of the Bill provides that the rules, rights and equities applicable to partnership in general in operation in the Colony shall continue to have effect so far as they are inconsistent with the express provisions of the Bill.

There are various objects of partnership which are dealt with in various Ordinances, such as the Partnership Ordinance and the Companies Ordinance and there is in the Colony quite a considerable body of case law on the subject of partnership. This clause intends that the provisions in various other laws

and cases will remain in force in spite of the passing of this Bill except where such provisions or such case law is inconsistent with the express provisions of the Bill.

Hon. Members will further observe that clause 48 repeals Chapter XI of the Indian Contract Act as applied to the Colony. This conforms with the wishes of the Secretary of State and with the desire of the people of the Colony generally that Indian law should be replaced wherever possible by English law.

The passing of this Bill will also be a further step forward in the unification of the commercial law of the East African territories which is so strongly urged by the Association of Chambers of Commerce of Eastern Africa.

I beg, Sir, to move the second reading of this Bill.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to second the motion.

HIS EXCELLENCY: The question is that the Partnership Bill be read a second time.

The question was put and carried.

THE LIMITED PARTNERSHIPS BILL.

THE HON. T. D. H. BATES: Your Excellency, I beg to move the second reading of a Bill to Establish Limited Partnerships. This Bill may be said to be complementary to the Partnership Bill, which has just been read a second time.

The Bill is based on the Limited Partnerships Act in force in England, which was passed in the year 1907.

The essential characteristics of an ordinary partnership are, first, that the liability of every partner is unlimited; and, secondly, that each partner has an implied authority to bind the firm in all matters within the scope of the partnership business, and, apart from agreement to the contrary, has, as against the co-partners, a right to take part in the management of the partnership business.

This Bill creates a partnership to be formed which does not display these essential characteristics.

Clause 2 of the Bill defines limited partnerships, and provides that a limited partnership shall not consist in any case of more than twenty persons, and must consist of one or more persons called general partners, who shall be liable for all debts and obligations of the firm, and one or more persons called limited partners, who shall at the time of entering into such partnership contribute thereto a sum or sums as

capital or property valued at a stated amount, and who shall not be liable for the debts or obligations of the firm beyond the amount so contributed. The Bill provides that every limited partnership must be registered as such with the Registrar of Companies, and that, in default of such registration, it shall be deemed to be a general partnership. Clause 5 provides that, subject to certain exceptions, a limited partner shall not take part in the management of the partnership business and shall not have power to bind the firm.

Clause 6 lays down that, subject to the provisions of this Bill, the Partnership Ordinance, 1933, and the rules of equity and common law applicable to partnership, except so far as they are inconsistent with the express provisions of the last-mentioned Ordinance, shall apply to limited partnerships. The manner and particulars of registration are dealt with in clause 7 of the Bill. The amount of capital contributed by a limited partner shall be charged with an ad valorem duty of sh. 3 for every £100 of capital. A penalty is provided for making false statements as regards limited partnerships for the purpose of registration. Any statements made for the purpose of registration must be filed by the Registrar of Companies, and it is also provided that the Registrar of Companies shall keep at his office a register and an index of all the limited partnerships registered with him and of all the statements registered in relation to such partnerships.

Power is given to the Governor in Council to make rules concerning the fees to be paid to the Registrar of Companies under the Bill, so that they do not exceed on the date of the original registration of a limited partnership the sum of two pounds, and in any other case the sum of five shillings. Power is also given to the Governor in Council to make rules for various other purposes.

Government members that this Bill should go to a Select Committee, and I am embarrassed to say that the Bill will be sent to a Committee composed of the same personnel as that of the Committee on the Partnership Bill which has just been read a second time.

I beg, Sir, to move the second reading of this Bill.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to second the motion.

HIS EXCELLENCY: The question is that the Limited Partnership Bill be read a second time.

The question was put and carried.

APPOINTMENT OF SELECT COMMITTEE.

THE HON. T. D. H. BRUCE: Your Excellency, I beg to move that the following Committee of the House be appointed to consider the Partnerships Bill and the Limited Partnerships Bill:—

The Hon. T. D. H. Bruce (Chairman),

The Hon. the Acting Commissioner for Local Government, Lands and Settlement,

The Hon. Member for Nairobi South,

The Hon. Member for Plateau North.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to second.

The question was put and carried.

THE ARCHITECTS AND QUANTITY SURVEYORS BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move that a Bill to Establish an Institute of Architects and Quantity Surveyors be read a second time.

The measure, Sir, is somewhat of a standing dish in this Council. It dates back to 1929, when a similar Bill, designed to achieve the same end in a rather more ambitious and elaborate manner, was actually before the Council which preceded this present Council. At that time the reception given to the Bill was distinctly mixed. It did—perhaps deservedly—find—with the death of the Council—Hon. Sir, the promoters of the Bill, who are the East African Institute of Architects, a body which includes a number of quantity surveyors, had the opportunity, after the publication of that first Bill, of discussing the matter at length and in detail with Elected Members, and as a result of that discussion a new Bill emerged, which is now before your Members. It is, I think, a much less contentious and a much more acceptable measure than was the former, but it would be hypocrisy to my mind, Sir, to suggest to Council that the Bill in its present form meets with the full acceptance of all Members, and so, Sir, I propose, in moving the second reading to restrict myself to an exposition of the main and basic principles only, for the reason, Sir, that if the motion for the second reading of this Bill is resolved in the affirmative—and on that question, Sir, I should like to say at once that Your Excellency has authorized a free vote—of that question as resolved in the affirmative, the measure will then be referred to a Select Committee, which will have to examine, not only the details of the Bill, but the application of those main principles to which I have just referred.

What are these principles? The first is that for the protection of the public of the Colony against unskilled architects there is set up an Institute of Architects and Quantity Surveyors; an institute consisting of two chapters, one of architects and one of quantity surveyors; and it is provided that that institute shall be the present East African Institute of Architects with the chapter of quantity surveyors which forms part of that institute. That, Sir, is the first principle. I have reason to believe that it is one of the grounds of opposition to this measure that such powers should not be vested in an existing and not entirely disinterested professional body in the Colony; that it would be more in accord with precedent were the power to confer qualifications upon architects and quantity surveyors vested rather in a Board of Registration, as is done at the present moment in the case of surveyors. That, Sir, will be a question which the Select Committee will necessarily have to examine, and examine carefully and at length, if the Bill is referred to a Select Committee. But, Sir, I would point out to hon. Members the manifest advantages from the point of view of the public in having some system of registration for architects and quantity surveyors. Those professions, Sir, impinge on one's everyday life from a number of angles, and the limiting of registration to properly qualified persons and the disciplinary powers over such properly qualified persons which a system of registration necessarily imparts cannot, I suggest, be of anything but great value to the public.

There is, Sir, elaborate machinery set up, firstly for the incorporation as members of the new proposed institute of all those who to-day are fully qualified and registered members of the existing institute; and, secondly, for a system of examination for individual recruits to these two professions. There necessarily must be, in my submission, a prohibition placed on the use of the title or style "architect" or "architectural" by persons who are not properly qualified. There will be placed before the Select Committee representations made by such bodies as the Institute of Civil Engineers and the Institute of Structural Engineers. These representations take this form, Sir, that the Bill has one important omission in that it does not protect members of such well-recognized and highly accredited institutions as these. It does not give to their members that protection which they have the right to seek when they are engaged in the ordinary practice of their professions. That is another matter which will have to be examined by the Select Committee.

There is only one other matter of principle to which I need draw attention. I do so because to my mind at least it is of paramount importance. One of the objects of this Bill, as

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hon. Members will find in clause 20, is the provision of a scheme of education in architecture and quantity surveying for the youth of the Colony. Complementary to that provision is that in the succeeding clause, No. 21, wherein any architect is empowered to take articled clerks from among the local youth of the Colony, and such articled clerks may in course of time become fully qualified members of the proposed institution. That, I repeat, I personally regard as most important. Anything that will give a vocational and professional training to the youth of Kenya is obviously all to the good at any time, and particularly at a time like this.

These are main provisions of the Bill. I repeat that I am painfully aware there is certainly no degree of unanimity on either side of the House with regard to the details of the measure. I do earnestly suggest to hon. Members that because any one of them does not like the Bill in its present form, that is hardly a reason for throwing it out here and now. Let it, I suggest, go to a Select Committee, which will be charged with the duty of making a full and detailed examination of its provisions. That is time enough to say that, such as I like the educational scheme, I cannot agree with my colleagues on the Committee as Members of this House. Do not, I implore, prejudge the issue at this stage. Let the Bill go to Select Committee and let that Select Committee have the duty of examining it in all its details, in the interests of the public, in the interests of the youth of the Colony, and in the interests of the professions.

THE HON. T. D. H. HODGSON: I beg to second, Sir.

THE HON. MEMBERS: The question is that the Architects and Quantity Surveyors Bill be read a second time.

THE HON. COLONEL HAVES: Your Excellency, I have seldom listened to a more full and unambitious statement for a draft on the guidance and time of this House regarding the expenditure of public funds.

Although, Sir, I greatly admire the way in which Kenyan architects have improved the appearance of this town during the last few years, many of the best work undoubtedly having been performed by architects who would be disbanded from practicing under the Bill unless they elected to become members of the local institute. I intend to oppose the second reading of this Bill, Your Excellency, for several reasons, but chiefly because it substitutes the worst features of trade entrance examinations as the main highly qualified professional men will be barred from practicing their professions unless they elect to join the local institute, which may fix exorbitant rates of fee.

Now, Sir, it was announced that no public expenditure is involved if this Bill becomes law. As the hon. mover said, it has now been on the stocks for a period of years, and a very large amount of public money has already been expended by the highly competent and highly paid members of the learned gentleman's staff in drafting the Bill, discussing its detailed provisions, and in connexion with printing and postage. I admit, Sir, that it is slightly less harmful than the stillborn product which made its unfortunate appearance about a year ago. Nevertheless, even in its present form, Sir, I say most definitely and emphatically it is most unacceptable to the great majority of people in this Colony. I suggest, Sir, that the staff of the learned Member's Department might far better have been employed in connexion with things that really matter. We all know, Sir, that at the present time we have far too much legislation on the Statute Book of Kenya, a very large proportion of which the Government finds itself quite unable to administer and a very large proportion of which nobody takes the slightest notice of. Now legislation, Sir, should never be introduced in the absence of a genuine and widespread public demand. I suggest, Sir, in this case there has been no public demand whatever. In these times, Sir, of financial stress, in fact at any time, it is utterly wrong to expend official energy and public money in this manner.

I should like to ask the learned mover, Sir, whether he has taken the preliminary precaution of consulting expert opinion other than that of the architects of this town who are definitely interested parties. There is a great deal of expert opinion available in Kenya, as Your Excellency is so well aware.

Now, Sir, the Objects and Reasons: It is stated that it is intended to protect the public against unqualified architects. Now, Sir, has the public asked for this protection? I am quite prepared to admit, Your Excellency, the public of Kenya is notoriously inarticulate, but I suggest if they wanted this very badly they would have made some gesture in that direction to the Government.

Now, Sir, the next thing that the learned Member mentioned as a justification for this obnoxious measure was that it was intended to establish an Institute of Architects and Quantity Surveyors. What rubbish, Sir. An Institute of Architects and Quantity Surveyors has been in existence for quite a long time and their capacity to do their work efficiently and well and even acquire public confidence should be quite sufficient. No, Sir, the idea is to confer a monopoly on members of the existing Institute of Architects and Quantity Surveyors, many of whom, Sir, I am informed on most excellent authority, are entirely lacking in any professional

qualifications whatever. Now, Sir, are we to understand in terms of section 3 of this measure that all members of the Kenya Institute of Architects and Quantity Surveyors are allowed to practice their profession whether they have any qualifications or not?

My next point, Sir, is why should fully qualified and highly competent architects from England and other parts of the British Empire be barred from practising their profession when they come to Kenya? Such is not the case in England. Your Excellency. This measure is based on nothing known to civilisation. The Kenya architect, provided he has proper professional qualifications, is fully entitled to make a living and practise his profession, certainly in England, and I think in most other parts of the British Empire. The only difference there, Sir, is he cannot describe himself as a "registered architect" unless he elects to register, but there is nothing whatever in English legislation to prevent him describing himself as an architect and making his living in that way. Such is not the case under this measure, Your Excellency. As I said, the most highly qualified professional men are not allowed to practise unless he elects to join the trade union.

Now I am very grateful to Your Excellency for allowing a free vote on this highly contentious matter, and I feel convinced that both Members on all sides of this House, in accordance with the reputation they have so justly earned for sane judgment and sound common sense, will join me in relegating this obnoxious measure to the limbo of forgotten things.

Capt. THE HON. H. H. SCHWARTZ: Your Excellency, it is obvious from the hon. Member's speech that he feels very deeply as regards this Bill. The seriousness with which he debated it has shown that it is therefore surprising that he has not taken the trouble to read the Bill.

THE HON. COLONEL HEYER: Don't!

Capt. THE HON. H. H. SCHWARTZ: The whole tenor of his speech throughout was what a monstrous thing it was that no one, however well qualified, should be allowed to practise the profession of an architect or quantity surveyor. This Bill in no way prevents anyone practising as an architect or a quantity surveyor, all it does is that, unless he is registered or has certain qualifications, he is not allowed to call himself an architect or a quantity surveyor. Even should this Bill pass, there would be nothing to prevent my friend himself from starting to build a house or do anything else, let him beware and not call himself an architect or a quantity surveyor.

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Now I am very grateful to Your Excellency for allowing a free vote on this highly contentious matter, and I feel convinced that hon. Members on all sides of this House, in accordance with the regulations they have so justly earned for sane judgment and sound common sense, will join me in rejecting this obnoxious measure to the benefit of forgotten things.

CAPT. THE HON. H. M. SHERWELL: Your Excellency, it is obvious from the hon. Member's speech that he feels very deeply as regards the Bill. The seriousness with which he debated it has shown us that. It is therefore surprising that he has not taken the trouble to read the Bill.

THE HON. CONWAY HAYES: Don't!

CAPT. THE HON. H. M. SHERWELL: The whole tenor of his theme throughout was what a scandalous thing it was that the one, however well qualified, should be allowed to practise the profession of an architect or quantity surveyor. The Bill is to make provide anyone practising as an architect or a quantity surveyor, all it does is that, unless he is registered of the certain qualifications, he is not allowed to call himself an architect or a quantity surveyor. Every architect that I know, there would be nothing to prevent any trained person from starting to build a house or do surveying, but in fact because and not call himself an architect or a quantity surveyor.

May I, Sir, add my appeal to that of the hon. the Attorney General—and it is extremely refreshing to find oneself being able to do that—that at least the commonsense of this House should allow this Bill to go to Select Committee entirely without prejudice to their right to throw the Bill out after it comes back from the Select Committee if the provisions are still as obnoxious as my friend would have us believe.

CAPT. THE HON. J. L. COTTER: Your Excellency, I should like to endorse the remarks of the hon. Member for the Lake. In fact, he has said so much of what I was going to say myself that there is little left for me to add. I have a letter here from a well-known architect in this country. I asked him what his views were on the subject, and as I happen to have his letter here now, this is what he says:—

"The plain fact is that this is a Bill to give a monopoly to a small body of about thirty or forty men promoting the Bill for their own ends without a shadow of justification for the public good."

I submit that this gentleman is known to all of us—he is very famous in his own profession.

I think myself it is an absolute waste of the time of this House. Nobody has asked for it, and there is no public wish for it. I was informed there were seventy-three Bills come up every year. I suspect that in a few years' time you would not be able to get them into this room, and this is one of the examples of people getting together and asking for legislation which is not required and which is entirely a waste of public time and money.

HIS EXCELLENCY: If no other hon. Member wishes to speak, I will call upon the mover to reply.

THE HON. THE ATTORNEY GENERAL: Really, Sir, I think there is very little for me to add to what has been so admirably said by the hon. Member for Nairobi South, but there have been two express points put to me by the hon. Member for the Lake, and I think that he is fully entitled to express answers to them; Sir. One was whether or no expert opinion had been consulted. As far as possible, it has. There is a local branch of the Institute of Civil Engineers and the Institution of Structural Engineers are represented in the Colony. They have been consulted. They have expressed their views at very considerable length. The file, even on this re-born chrysalis of the Bill, already runs well into the second volume. The

eminent architect, to whom my friend the hon. Member for Kenya refers, has contributed very largely to these volumes. In short, every endeavour has been made to sound expert opinion.

CAPT. THE HON. J. L. COTTER: May I ask the hon. Member if he is in favour of or against this Bill, Sir?

THE HON. THE ATTORNEY GENERAL: The fact that I was about to say, Sir, is that assuming that the Bill is amended in the respect to which I referred in my review of the basic principles of this Bill, if this Bill is amended in that particular respect, this institution and their members, not only in the Colony but in England and in South Africa, have expressed themselves as in agreement with the provisions of this measure. That amendment will have to be considered and considered very carefully indeed, together with the other basic points to which I referred.

Then, Sir, I was asked whether the members of the existing East African Institute of Architects and Chapter of Quantity Surveyors would *ipso facto* be members. The hon. Member for the Lake seemed to find something in that effect in clause 3. There, Sir, he has the advantage of me, but if he looks at clause 12—one and two do make three—he will find the provision is expressly made.

THE HON. CONWAY HARVEY: Your Excellency, my remarks on that matter in reference to section 3 applied to the first proviso to that section.

THE HON. THE ATTORNEY GENERAL: Which applies to persons who are not members of the local institute.

HIS EXCELLENCY: The question is that the Architects and Quantity Surveyors Bill be read a second time.

The question was put and carried by 19 votes to 8.—

YEAS: Mr. Bruce, Canon Burns, Messrs. Duck, Peck, James, Gardner, Horne, Col. Kirkwood, Messrs. Logan, McGregor, Moore, Dr. Paterson, Gen. Rhodes, Major Robertson-France, Capt. Schwartz, Mr. Scott, Major Sir Robert Shaw, Capt. Ward, Mr. Welby, Col. Wilkinson.

NAES: Mr. Deane, Capt. Gutter, Messrs. Hakim Singh, Conway Harvey, Montgomery, Sherif Abdulla bin Salam, Abdul Wali, Wright.

APPOINTMENT OF SELECT COMMITTEE.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move that the Architects and Quantity Surveyors Bill be referred to a Select Committee with the following personnel:—

The Hon. the Attorney General (Chairman),
 The Hon. the General Manager, Kenya and Uganda
 Railways and Harbours,
 The Hon. the Director of Public Works,
 The Hon. T. D. H. Bruce,
 The Hon. Member for Kikuyu,
 The Hon. Member for Nairobi North,
 The Hon. Member for Kenya,
 The Hon. Abdul Wahid.

THE HON. T. D. H. BRUCE: I beg to second, Sir.

The question was put and carried.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move that the Council resolve itself into a Committee of the whole Council to consider the Currency Loan Bill and the Age of Majority Bill clause by clause.

THE HON. T. D. H. BRUCE: Your Excellency, I beg to second.

The question was put and carried.

The Council went into Committee.

In Committee:

THE CURRENCY LOAN BILL.

The Bill was considered clause by clause.

THE AGE OF MAJORITY BILL.

The Bill was considered clause by clause.

THE HON. THE ATTORNEY GENERAL: I beg to move that the Currency Loan Bill and the Age of Majority Bill be reported to Council without amendment.

The question was put and carried.

The Council resumed its sitting.

On resuming.

HIS EXCELLENCY: I have to inform Council that the Currency Loan Bill and the Age of Majority Bill have been considered clause by clause in Committee of the whole Council and have been reported to Council without amendment.

THIRD READINGS.

THE CURRENCY LOAN BILL.

THE AGE OF MAJORITY BILL.

THE HON. THE ATTORNEY GENERAL: Your Excellency, I beg to move that the Currency Loan Bill and the Age of Majority Bill be each read a third time and passed.

THE HON. T. D. H. BRUCE: Your Excellency, I beg to second.

The question was put and carried.

The Bills were each read a third time and passed.

*The Council adjourned till 10 a.m. on Wednesday,
 the 12th April, 1953.*