

KENYA-

1934

No. 230/2

SUBJECT

C0533/440

SALE OF WHEAT ORDINANCE

Previous

3047/33

Subsequent

1. Lawrence Byrne 688 12 Dec 33
trans. copies of returns by Sale of Wheat Agency for one
month 1st March - 31st Aug 33 & Annual Report of Agency for
the year ending 31st Aug 33

This seems very satisfactory

Handly
missing
L.A.

1. A reference to the penultimate
para. of the Annual Report
might be made in the Feb
Report file.

2. Mr Stockdale to see
Jameson
9/11

The financial statement is not readily
intelligible. I note that the Agency (i.e. the
K.F.A.) is credited with £1630 as Commission on
imported wheat; in 1932 we were told that
the Agency received no commission for its
service in 1931, but in that year no
wheat was imported. Anyhow the point
is not worth taking up.

(para. 3 of end. to G
on 18.12.33)

Director
10/1

Lee
Stockdale
10/1

Put by
Ward
11-1 above

(M)

1. Governor Byrne 688 _____ 12 Dec 32
trans. copies of Return by Sale of Wheat Agency for six
months 1st March - 31st Aug 32 & Annual Report of Agency for
the year ending 31st Aug 32

This seems very satisfactory

Handly
necessary
L.A.

1. A reference to the penultimate
para. of the Annual Report
might be made in the Feb
Report file.

2. Mr Stockdale to be

J. Macdonald
9/11

The financial statement is not readily
intelligible. I note that the Agency (i.e. the
K.F.A.) is credited with £1600 as Commission on
imported wheat; in 1932 we were told that
the Agency received no commission for its
services in 1931; but in that year no
wheat was imported. Anyhow the point
is not worth taking up.

(para. 3 of end. to 6
on 18.12/32)

Lee
J. Macdonald
10/1

J. Macdonald
10/1

Put by
11-1 about

(M)

1. Copy to Library

2. Governor Bygone 10 _____ 3 Jan. 34
Trans. on dup. authenticated copy of the Sale of
Wheat (Amst) Ordinance No 69 of 1933.

3. Spouse to Library

3. Lt. Secretary of State _____ 9 Jan 34
Trans. 12 printed copies of Ordinance 69 of 1933.

The ~~provisional~~ Ordinance
flagged in the file below
There seems no reason to
take exception to the amendments
in S. 2 + 3 (c) which are
apparently necessary for the good
working of the scheme.

With regard to the ~~amendment~~
of S. 3 (c) Lord Passfield approved
the introduction of the ~~provisional~~
Ordinance (see No. 17 on X 16289/30)
on the understanding that the
export of local wheat should
remain unrestricted. "I should not
be inclined at any time to agree
to any such restriction
or otherwise", he said. "I think the
main reason why it was thought
wise to insist on no restriction on
exports was because the maintenance
of free exports was equivalent to
fixing a lower limit of price
variation

variation in Kenya ~~is not~~
of exports merely to the adjoining
Territories could perhaps from the
point of view not have great effect,
but ~~a general principle~~ it seems
to be ~~undesirable~~ The ~~U.A.~~ ^{U.A.} countries
themselves could not be seriously
affected so any material export, for
S. 11 provides that it shall be the first
duty of an agency to supply the
demands of the Kenya + the other
[African Territories].

To Sir John Campbell for Storrans
M.D. 1934 8 Feb.

Mr. K. J. J. J.

Am I right in thinking that
the combined effect of S. 5, S. 11, and S. 15 (a)
as amended, is that an agency can sell
wheat in any market, but that a grower
can sell it only to either (a) an agency
in Kenya or (b) a market outside Kenya
Uganda etc.?

[Signature]
8/2

Mr. Friction:

That, I agree, is the effect of the
section.

[Signature]
15/2

The Uganda - T.T. are prejudiced to their
extent, but if they want to import wheat
from Kenya they must pay the Agency
price for it. This would hardly have
pleased Sir S. Syme.

One cannot proceed too carefully
in these matters of inter-territorial trade;
and before signifying m.d.n. I wd.
ask for Kenya for an assurance that
the Govts of Uganda + T.T. have been
consulted and have raised no objection
to the proposed amendment of S. 3.

Director
15/2.

agree that Kenya would have amounted
as other territories. Owing to the
Customs Union, it would be difficult
to ascertain how much Kenya wheat
goes to Uganda, but I imagine that
actually the figure would be very
small - only the Congress, & perhaps
some Indians would eat it. Practically
nothing, the point is not of very great importance.

Colclough

15/2/34.

Tanganyika bought 27,009 cwt. of wheat
flour from Kenya in 1932, at a value of £16, 708.
the only serious competitor being India, with 10,966
cwt. at £6,694. There is a suspended duty of
Sh.1.50 per 100 lbs. in Tanganyika and Uganda on
wheat flour, and it is not unreasonable to suppose
that Kenya owes the dominant position it enjoys in
the Tanganyika market to this suspended duty. But,
as Mr. Freeston points out, Tanganyika has to pay
the K.F.A. price.

If, therefore, the charge were made (? by
the P.M.C.) that owing to the Customs Union
Tanganyika is being exploited in the interests of
the Kenya monopoly agency, what would be the reply?
Admission of the fact, and withdrawal of the suspended
duty in T.T.? I doubt whether this has been
considered.

I doubt whether Section 3 of the new Kenya
Ordinance itself affects the position, as it applies,
apparently, to wheat in the grain, which (in 1931 and
1932 at any rate) Tanganyika imported only in small
quantities from Kenya, the bulk coming from India.
(By an interesting coincidence there is no suspended
duty on wheat in the grain!) But it might well
serve to draw the attention of a suspicious P.M.C.
to the position under the main ordinance.

We should certainly ask as Mr. Freeston
suggests: and send copy of correspondence L.F. to
Tanganyika. One is tempted to arouse the Kenya
Government's interest by asking if they have
considered the possibility that Tanganyika may be
driven to withdrawing the suspended duty.

? As proposed by Mr. Freeston
7. Bell
16/2
16/2/34

It looks to me as if Kenya wants to control milling
in Uganda & T.T.

Under § 8 the agency (i.e. the K.P.A.) can only sell
to a registered miller or 'for export' (by virtue of § 15.)
As amended they can only sell to a registered miller in
Kenya Uganda or T.T. or for export outside the 3 territories.
It is open to question whether a miller in Uganda or T.T.
could register under the Kenya Ordinance, & if an inquiry were
no penalty could be enforced on him for breach of it.

As Mr Seal points out, there may be trouble when
the effects are realized. Probably neither Uganda nor T.T. has
ever heard of it.

? Ask a proposal

S.O. Hunt
19.2.

Yes - but in explaining I think
we should set out the problems
as we see them - the President's
problem of the former and his
floods of the registered millers.
We need not express any opinion -
yet.

W.S.H. 19.2.34
across

H To Kenya, 139 (2 unansd) cons 26 FEB 1934

5. Governor Bygone 221

14th Feb 34
Cf Nov. states that of T.T. & Uganda were consulted in
regard to legislation & they have raised no objection or explained
circumstances which have made it necessary to control importation
into Uganda & T.T. to buy agencies price for Kenya wheat.

It is a pity that a copy of 5.0.4 was
not sent LF, as Mr Seal proposed, to T.T.
and also to Uganda. But we have Sir
Joseph Bygone's assurance that, neither territory
has raised any objection, though the Ordinance
has been in force for over four months;
and we can now? ask sect. 4, 5,
note the explanation offered, and signpost
n.d. of the Ordinance in 2.

W.S.H.
23/2
Concise
24, Uganda

I perhaps we had better send 1.1.1.1.
info LF - copy of 4, 5 & our reply.
J.H. Alder
24.5

Yes I do not much like the restriction, but if the Agency
can in fact sell to a miller in Uganda or T.T. there is
no great harm, and we are assured this is the case.

11.6.34

16.3.

So proceed.
[The L/W. authority, if any,
arises out of the original Ordinance.]

W.S.H. 20.5.34

held
date
this

6 To Kenya 427 (5 Annua) 1 JUN 1934

Off action of To Uganda 276 (4/24.5+6) } A/I
 least 6 8 - To T 391 (- - -) } 6 JUN 1934

Libby & ...

9. Gov. Kenya. 54 22nd Jan. 35.

Trans. copies of Return by sale of wheat Agency for six months 1st April to 31st sept., 1934 and Annual report of Agency for year ending 31st Aug. 34.

There was very little variance from the 1932/33 total. A comparison of the stocks of 1932/33 & 1933/34 shows:-

Year ending 31.8.33.	Year ending 31.8.34
Sold to Auctions 47,561 bags.	86,577 bags.
Locality 4,297 "	6,254 "
Balance 886 "	42,749 "
<u>52,744 bags.</u>	<u>135,580 bags.</u>

Imported & sold to Auctions. 89,016 bags. 14,964 bags

Average price paid to producers.

Rate 1.	Sh. 1930	Sh. 1930
2	16/40	15/60
3	15/80	17/11
4	15/40	14/60
5	14/80	14/10
6	14/40	13/60

	£ 40, 206	£ 105, 425
Amount paid for Wheat.	468	866
Local expenses	1, 323	12, 12
Agency charges	1, 715	3, 324
<u>44, 212</u>	<u>121, 287</u>	

Year ending 2/1/33
 From sales of wheat 48, 655
 Stock of wheat in hand 657
44, 212

Year ending 2/1/34
 88, 033
 33, 704
121, 737

Imported Wheat £
 Cost: 60, 056
 Rebates 12, 588
 Agency Commission 1, 620
74, 264

£
 10, 244
 1, 876
 260
12, 380

Excess receipts from sales of imported wheat 74, 194

12, 380

What the large diminution in the figures for imported wheat

? Libby

C. J. Farnsworth 24/35

Printed 11/4

The views of the Econ Dept. on the Wheat Pool are well known

J. G. ... 124

draft of ... to the ...
 Dupl - 1500/2/36
 E. ...

124

KENYA
NO 511



GOVERNMENT HOUSE,
NAIROBI
KENYA

100
488334
101

JANUARY, 1936.

Sir,

With reference to your letter, numbered 11 of the 13th July, 1932, I have the honour to transmit copies of the return submitted by the Agency under rule 13 of the sale of wheat (Agency) rules 1930, as amended by rule 3 of the sale of wheat (Agency) (Amendment) rules 1931, for the six months period 1st April - 30th September 1934, and of the Annual report of the Agency for the year ending the 31st August 1934.

2. It was not found necessary during the period under review to import wheat under licence and the prospects of the 1935 crop are regarded as satisfactory. The acreage of wheat under cultivation in 1934 was 35,001 an increase of 4,827 acres over the 1933 acreage.

I have the honour to be,

Sir,

Your most obedient, humble servant,

UNDER-SECRETARY.

THE RIGHT HONOURABLE
MAJOR SIR PHILIP COMBES-BLISSETT, P.C., G.C.S.I., G.C.M.G., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON, S. W. 1.

REPORT OF THE AGENTS.

1. QUANTITIES OF WHEAT:-

(a) Overcarry of Wheat from 1952/53 Pool:-

Bags sold to Mills 878 bags.

(b) 1953/54 POOL:-

Bags sold to Mills 84,617 bags.

" " locally 6,864 "

Balance in hand 42,740 "

155,520 "

(c) Imported and Sold to Mills.

14,964 bags.

2. PRICE:-

The average price paid to the producer for each grade of wheat is as follows:-

Grade 1	Shs.	18/15.
"	"	18/00.
"	"	16/15.
"	"	14/00.
"	"	14/15.
"	"	12/00.
Undergrade	"	12/15.

3. REALISATION ACCOUNT:-

The Realisation Account of the over-carry of wheat from 1952/53 Pool shows a profit of £25. 12. 67. This amount has been transferred to the Wheat Equalisation Account.

4. 1953/54 Pool:-

DEBITS.

Amount paid for wheat		£106,494. 14. 27
<u>Local Expenses:-</u>		
Bridges etc.	£155. 5. 67	
Wheat Advisory Board Expenses	112. 5. 50	
Interest	<u>600. 5. 42</u>	865. 17. 65
Rebates		12,152. 10. 62
Agency Charges for Services		5,554. 1. 45

£121,767. 4. 10

CREDITS

Gross Sales of Wheat	88,085. 8.19
Stocks of Wheat in hand	38,705.19.00
	<hr/>
	£126,791. 4.19
	<hr/> <hr/>

5. IMPORTED WHEAT:-DEBITS

Cost of Imported Wheat	10,944. 4.11
Rebates	1,878. 0.00
Agency Commission	960.11.71
	<hr/>
	£12,783. 15.82
	<hr/> <hr/>

CREDITS

Gross receipts from Sales of Imported Wheat	£12,783. 15.82
	<hr/> <hr/>

6. WHEAT EQUALISATION ACCOUNT:-

Credit from termination 1952/53 Year	508. 1.01
Contribution to 1953/54 Pool	7.16.20
	<hr/>
BALANCE, to Wheat Realisation Account 1953/54.	£515. 0.21
	<hr/> <hr/>

The Pool ran smoothly during the year, and with the exception of a complaint from Mr. Lyons which subsequently was proved to be unjustified, there were no complaints or criticisms of the working of the agents during the year.

The overcarry of Wheat shown in the report above will all have been disposed of by the end of December.

(Sd.) G. E. Griffiths.

GENERAL MANAGER.

GOVERNMENT NOTICE NO.THE KENYA FARMERS' ASSOCIATION (CO-OPERATIVE) Limited.REPORT OF THE AGENCY UNDER THE SALE OF WHEAT
ORDINANCE 1930.FOR THE PERIOD OF 6 MONTHS FROM 1ST APRIL TO 30TH OF
SEPTEMBER, 1934.

Particulars.	Bags	lb.	Sh.	Cts.	Remarks.
Mills, Local Sales ..	69,691	162	1,155,649.	50.	(Average 16/50 per bag).
Export ..	-	-	-	-	Estimated balance of wheat on farms and in go- downs at 30th September 1934 = 36,723 bags.
Total ..	69,691	162	1,155,649	50.	

Nakuru,

17th December, 1934.

For The Kenya Farmers' Association
(Co-operative), Ltd.,G. W. G. GRIFFITHS,
General Manager.Agents under the Sale of Wheat
Ordinance, 1930.

C. O.

23012/101 C

Mr. Grossmith. 24/5/34.

Mr. *Thurston* 30/5/34

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Parlt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

Downing Street.



Sir,

DRAFT.

KENYA.

NO 4427

GOVERNOR.

Copy to Kenya & T.T. (5)

I have etc. to acknowledge receipt of your despatch No. 227 of the 30th April, and to ^{state} ~~acknowledge~~ ^{legit} ~~legit~~ ^{contained} ~~contained~~ ⁱⁿ ~~in~~ ^{them} ~~them~~ ^{do not propose} ~~do not propose~~ ^{(2) will not be advised} ~~to advise~~ His Majesty to exercise his power of disallowance in respect of Ordinance No. 49 of 1934 of the Legislature of Kenya entitled "An Ordinance to amend the Sale of Wheat Ordinance, 1930".

I have, etc.

100 041 011111111 1111

FURTHER ACTION.

Copy and copies of 4 and 5 to Tanganyika and Uganda for information lff.

KENYA

No 227



GOVERNMENT HOUSE
NAIROBI
KENYA

10th April 1934.

Sir,

I have the honour to refer to your despatch no. 139 of the 26th February, 1934 on the subject of the Sale of wheat (Amendment) Ordinance, 1933.

2. The Governments of the Tanganyika Territory and Uganda were not consulted in regard to this legislation, but they have raised no objection.

3. I agree that the combined effect of section 5, section 11 and section 15(a), as amended, is to compel importers in Uganda and Tanganyika to pay the agency's price for Kenya wheat. The circumstances in which such a provision has become necessary are explained in the following paragraphs.

4. The object of the Sale of Wheat Ordinance, 1930 is to spread the loss on exports over all wheat producers and, by pooling all wheat grown in the Colony and then dividing it between the local market and the export market, to enable the best possible price to be paid to the growers. Under section 15(a), as it stood, a grower could export his wheat to Uganda or Tanganyika and sell it at any price offered, even though the wheat might be required for use by mills in the Colony. Thus, in

the ...

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

revised (6)
New

10/4/34
L.S.
L.S.
L.S.

the event of there being an export surplus of wheat and the internal price being fixed at say Shs.17/50 per bag, while the export value might be only Shs.10/-, a mill situated in Uganda at the nearest point to the Uasin Gishu and Trans-Nzoia wheat-growing area could import wheat from Kenya growers at a lower price than that paid by Kenya millers and return the flour for sale in Kenya at a lower figure than Kenya flour. The price charged to Kenya millers by the agency is substantially higher than that received by growers from the pool, the difference being used to pay rebates to wholesale purchasers of flour at the coastal markets in order to meet overseas competition.

5. In 1933 there was a definite movement to erect a mill just over the Uganda border with the object of evading the provisions of the Sale of Wheat Ordinance. The erection of such a mill could not be an economically sound proposition under normal conditions, and could only be a profitable enterprise if it received wheat at a lower price than the mills in Kenya, which are already of more than sufficient capacity to meet East African requirements.

6. Kenya consumers are, of course, compelled to pay the agency's price similarly as importers in Uganda and Tanganyika, and the three territories are thus regarded as one local market for the agency. It is true that as the producer of wheat this Colony obtains benefit, but it cannot in this Government's view reasonably be contended that, because the Kenya wheat industry has organised itself on the recognised basis that growers supplying the local market must sell through a pool, instead of individually, any cause for complaint is thereby given to Uganda or Tanganyika.

Tanganyika. If either Uganda or Tanganyika were a wheat-growing country, with normally a surplus for export, there would have been a strong movement for a joint pool, as has happened in the case of the sugar industry. There is no mill at present in Uganda, and I am informed that the Tanganyika mill at Moshi (the other Tanganyika mill, at Iringa, being too distant to mill any but local wheat) did not, before the amending Ordinance was passed, even attempt to buy Kenya wheat except from the agency.

7. In paragraph 3 of your despatch you observe that under sections 8 and 15, as amended, the agency can sell only to a registered miller in Kenya, Uganda or Tanganyika or for export outside these three territories, though it appears to you to be open to question whether a miller in Uganda or Tanganyika could register under the Ordinance. I am advised that no miller outside Kenya could be a registered miller for the purposes of the Ordinance. The provisions regarding the compulsory registration of millers have reference only to millers in Kenya. These provisions, read in conjunction with the authority given by section 11 to the agency to sell in any market, leave no room for doubt, in the view of my legal advisers, that the limitation to sell only to registered millers is a limitation which can only apply to sales to mills in Kenya. In other words the position is that an agency can sell to any purchaser, subject to the condition that, where the purchaser is in Kenya, he must be a registered miller.

8. It may be that subsequent amendments have had the effect of obscuring in some degree the intention

of ...

of the Ordinance as originally drafted. I am advised that the position would be made clear if the words "in Kenya" were inserted before the words "other than a registered miller" in section 8, and if the words "subject to the provisions of this Ordinance" were inserted at the beginning of section 11. It is not proposed that a Bill should be introduced specially to effect these amendments, but consideration will be given to them when suitable opportunity occurs.

I have the honour to be,

Sir,

Your most obedient, humble servant,

BRIGADIER-GENERAL.
GOVERNOR.

L.P.

C.O.

Mr. Davies. 21 Feb

Mr. French 21

Mr. S. A. N. Calder 21.2

Mr. Parkinson. 21 Feb

Mr. Tomlinson.

Mr. C. Bottomley.

Mr. J. Shuckburgh

Permd. U.S. of S.

Parly. U.S. of S.

Secretary of State.

Amended by No. 5

Downing Street,
February, 1934.

O.D.
COPIES
A7

Sir,

I have etc. to acknowledge the receipt of your despatch No. 10 of the 5th of January forwarding two authenticated copies of the Sale of Wheat (Amendment) Ordinance, 1933.

(2)

DRAFT

KENYA,
NO. 139
GOVERNOR.

I am advised that the combined effect of Section 9, Section 11 and Section 15(a), as amended, is that an agency can sell wheat in any market but that a grower can sell it only to either an agency in Kenya or to a market situated outside Kenya,

copy to [unclear] (2) T.T. (2)

Uganda and the Tanganyika Territory. *4/10*
that is so, the effect of the legislation with the result of course, that to compel importers in Uganda and Tanganyika importers have to pay the agency's price for Kenya wheat. As to the agency, under Sections 8 and 15, as amended, it can

FURTHER ACTION.

[Handwritten scribble]

only sell to a registered miller in Kenya,
Uganda or Tanganyika or for export outside
these three Territories, ^{though} ~~but~~ it appears to
be open to question whether a miller in
Uganda or Tanganyika could register under
the Kenya Ordinance or, if this were possible,
whether penalties could be enforced on him
for breaches of it.

In view of the above considerations

~~I should be glad if~~, before any advice is

tendered to His Majesty in regard to the

~~Ordinance, an assurance could be given that~~

~~I shall be glad to learn whether~~
the Governor of Uganda and the ~~the~~ Governor

of the Tanganyika Territory ^{was} ~~have been consulted,~~

~~and whether they~~
~~and have raised any objections to the amendment~~

~~of Section 15(a).~~

I have, etc.

(Signed), PLYMOUTH

(for the Secretary of State)

only sell to a registered miller in Kenya,

Uganda or Tanganyika or for export outside

these three Territories, ^{though} but it appears to

be open to question whether a miller in

Uganda or Tanganyika could register under

the Kenya Ordinance or, if this were possible,

whether penalties could be enforced on him

for breaches of it.

4. In view of the above considerations

~~I should be glad if, before any advice is~~

tendered to His Majesty in regard to the

~~Ordinance, an assurance could be given that~~

~~I shall be glad to learn whether~~

the Governor of Uganda and the ~~Uganda~~ Governor

of the Tanganyika Territory ^{was} ~~have been consulted,~~

~~and whether they~~

~~and have raised ^{any} objections to the amendment~~

~~of Section 15(a).~~

I have, etc.

(Signed) PLYMOUTH

(for the Secretary of State)



THE SECRETARIAT,

NAIROBI,

KENYA.

3

WHEN REPLYING
PLEASE QUOTE
NO. & DATE. 1/17/3/32.

4th January, 1934.

C.O. RL

N02

The Colonial Secretary of the Colony and Protectorate of Kenya presents his compliments to the Under Secretary of State for the Colonies and with reference to Kenya despatch No. 10 of the 5th January, has the honour to transmit twelve printed copies of Ordinance No. XLIX of 1933 entitled "An Ordinance to Amend the Sale of Wheat Ordinance, 1930".

No. XLIX.

1933



Colony and Protectorate of Kenya.

IN THE TWENTY FOURTH YEAR OF THE REIGN OF

HIS MAJESTY KING GEORGE V.

JOSEPH ALOYSIUS BYRNE, K.G.M.G., K.B.E., C.B.,

Governor.

Assented to in His Majesty's
name this 21st day of
December, 1933.

J. A. BYRNE
Governor.

AN ORDINANCE TO AMEND THE SALE OF
WHEAT ORDINANCE, 1930

ORDINANCE No. XLIX of 1937

An Ordinance to Amend the Sale of Wheat Ordinance, 1930.

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

1. This Ordinance may be cited as "the Sale of Wheat (Amendment) Ordinance, 1937," and shall be read as one with the Sale of Wheat Ordinance, 1930, hereinafter referred to as "the Principal Ordinance."

Short title
No. 42 of 1930.

2. The following section is hereby inserted in the Principal Ordinance immediately after section 9:

9A. An agency shall have power to call upon any miller to produce such books, returns, accounts and documents, and to give such information as the agency may think necessary in order to satisfy itself as to the quantity of wheat delivered ~~to or~~ received by the miller, and the amount of flour milled by the miller. Any miller who refuses or neglects to produce any such book, return, account or document, or to give such information shall be guilty of an offence against this Ordinance.

Power to
agency to call
for books,
returns, etc.,
from millers.

3. Section 15 of the Principal Ordinance is hereby amended by deleting paragraphs (a) and (c) thereof, and substituting therefor the following:

Amendment of
section 15 of
the Principal
Ordinance.

(a) the sale of wheat for export from the Colony to a place outside Uganda or Tanganyika Territory;

(c) the sale of wheat for consumption by animals, provided that such sale is made with the permission of an agency.

No. XLIX

Sale of Wheat

1933

Passed in the Legislative Council the twenty-ninth day of November, in the year of Our Lord one thousand nine hundred and thirty-three.

This printed impression has been carefully compared by me with the Bill which passed the Legislative Council and is presented for authentication and assent as a true and correct copy of the said Bill.

H. E. BADER

Acting Clerk of the Legislative Council.

270



GOVERNMENT HOUSE.
NAIROBI.
KENYA

KENYA.
No. 10

14
January, 1934.

Sir,

With reference to your despatch No. 108 of the 9th February, 1932, I have the honour to transmit two authenticated copies of Ordinance No. LXXIX of 1933 entitled an Ordinance to Amend the Sale of Wheat Ordinance, 1930, which passed its third reading in the Legislative Council on the 29th November and received assent on the 21st December, 1933, together with the Legal Report, in duplicate, prepared by the Attorney General. Twelve printed copies of the Ordinance are being sent under separate cover.

2. The reasons for this measure are explained in the Legal Report.

I have the honour to be,

Sir,

Your most obedient, humble servant,

BRIGADIER GENERAL.
GOVERNOR.

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

unsub (4)

LEGAL REPORT

THE SALE OF WHEAT (AMENDMENT) BILL, 1933.

This Bill is introduced at the request of the Kenya Farmers' Association, who are the agency appointed under the Principal Ordinance.

Experience of the working of the Ordinance has shown that the degree of control which the agency exercises over growers and millers is inadequate owing to the fact that the agency cannot call upon millers for information or to produce their books, and because wheat may lawfully be sold for consumption by animals, though such wheat may afterwards be converted into flour.

Sections 2 and 3 (c) remedy this state of affairs.

Section 3 (a) is necessitated by the fact that under the law as it now stands it would be profitable to establish a mill outside the Colony but close to the border and thus undersell the miller in Kenya.

A Comparative Table is attached.

In my opinion, His Excellency the Governor may properly assent to this Bill in the name and on behalf of His Majesty.

Nairobi,
29th November, 1933.

W. Hanley
ACTING ATTORNEY GENERAL

COMPARATIVE TABLE

THE SALE OF WHEAT (AMENDMENT) BILL, 1933

Section.	Remarks.
1.	Short title.
2.	New.
3.	New.

KENYA.

No. 688



RECEIVED

- 8 JAN 1934

C. O. REGY

GOVERNMENT HOUSE

NAIROBI.

KENYA

12th December, 1933.

Sir,

No 1
3047/33

With reference to Kenya despatch No. 42 of the 13th January last, I have the honour to transmit copies of the Return submitted by the Agency under Rule 13 of the Sale of Wheat (Agency) Rules, 1930, as amended by Rule 3 of the Sale of Wheat (Agency) (Amendment) Rules, 1931, for the six months period 1st March - 31st August, 1933, and of the Annual Report of the Agency for the year ending the 31st August, 1933.

2. It will be observed that the Wheat Advisory Board believes that no further importation of Wheat will be necessary, and is hopeful of the future of wheat growing in Kenya.

I have the honour to be,

Sir,

Your most obedient, humble servant,

BRIGADIER GENERAL,
GOVERNOR.

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

THE KENYA FARMERS' ASSOCIATION (CO-OPERATIVE),
LIMITED.

Report of the Agency under "The Sale of Wheat
Ordinance, 1930".

For the period of 6 months from 1st March, 1933,
to 31st August, 1933.

PARTICULARS.	BAGS.	SHS: CTS.	REMARKS.
Local Sales, Mills, etc.	22,820	368,733 01	(Average 16/16 per bag).
Exported.	Nil		Estimated balance of wheat on farms and in godowns as at 31st August, 1933, = 886 bags.

During the period from 1st March, 1933, to 31st August, 1933, 72,986 bags of wheat were imported and sold to millers at an average price of Shs. 16/45 per bag f.o.r. Kilindini.

For The Kenya Farmers' Association
(Co-operative), Ltd.

G.W.C. GRIFFITHS, General Manager.

Agents under the Sale of Wheat Ordinance, 1930.

NAKURU.

9th October, 1933.

COPY/.

KENYA FARMERS' ASSOCIATION, LTD.

NAKURU, 25th November, 1958.

The Ag. Director of Agriculture,
P.O. Box 538,
NAIROBI.

Dear Sir,

SALE OF WHEAT ORDINANCE.

Apart from the Statutory Report which you publish in the "OFFICIAL GAZETTE", we beg to make the following report on the operations of the Sale of Wheat Ordinance during the past year for your information :-

1. QUANTITIES OF WHEAT:

(a) Overcarry of Wheat from 1951/52 Pool:-

Bags sold to Mills	2,988 bags
" " locally for other purposes.....	666 "
	<u>3,654 bags</u>

(b) 1952/53 Pool:-

Bags sold to Mills	67,541 bags
" " locally	4,897 "
Balance in hand	886 "
	<u>73,324 bags</u>

(c) Imported and sold to Mills 89,016 bags.

2. PRICE.

The average price paid to the producer for each grade of Wheat is as follows. (It is not possible to give the figures separately for millers, locally and exported, as they are not kept separate):-

Grade 1.	Shs. 16/90
" 2.	" 16/40
" 3.	" 15/90
" 4.	" 15/40
" 5.	" 14/90
" 6.	" 14/40

3. REALISATION ACCOUNT.

The Realisation Account of the over-carry of Wheat from 1951/1952 Pool shows a profit of Shs. 4,790/48. This amount has been transferred to the Wheat Equalisation Account.

STANDARD

-2-

4. 1952/53 POOL.DEBITS.

Amount paid for Wheat		240,806.10.20
Local Expenses:-		
Railage, etc.....	£10.9.52	
Wheat Advisory Board Expenses..	£ 20.3.50	
Interest	£237.6.04	£ 467.19.06
Rebates.....		£ 1,322.18.95
Agency Charges for Services....		£ 1,714.15.66
		<u>£44,512. 5.67</u>

CREDITS.

Gross Sales of Wheat		245,654.17.67
Stocks of Wheat in hand		£ 627. 6.00
		<u>£44,512. 5.67</u>

5. IMPORTED WHEAT.DEBITS.

Cost of Imported Wheat		£60,055.13.95
Rebates		£12,207.17.39
Agency Commission		£ 1,650. 2.19
		<u>£74,195.13.51</u>

CREDITS.

Gross Receipts from Sales of Imported Wheat		<u>£74,195.13.51</u>
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6. WHEAT EQUALISATION A/C.

Credit from termination 1951/52 Year £.	716.11.22	
Transfer from 1951/52 Realisation A/c £.	229.10.42	
		956. 1.80
Contribution to 1952/53 Pool	£. 647. 0.79	
BALANCE, to Wheat Realisation A/c...	£. 309. 1.01	
		<u>£. 956. 1.80</u>

In addition to the usual report giving details of the operations for the year supplied to Government by the Agents, we are directed by Resolution of the Wheat Advisory Board to add the following report from the Board themselves:-

The Board wishes to place on record its appreciation of the smooth and equitable working of the Ordinance by the Agents.

The Board also wishes to record its appreciation of the services rendered by Lt.Col. The Hon'ble Lord Francis Scott during his term of office as Chairman, as well as the services of W.P. Seiner, Esq., who retired from the Board on leaving the Company.

The Board records its appreciation of Government's consent to the importation of Wheat on their recommendation and is satisfied this action will be reflected with beneficial results to the Wheat industry. On the figures before it, the Board believes and hopes that no further importation will be necessary.

The published amendments to the Ordinances are very necessary in the interests of all parties and the Board trusts that Government will bring them into operation at the earliest possible moment.

The attendance of the Plant Breeder at meetings of the Wheat Advisory Board is helpful and it is hoped that the Agricultural Department will spare no effort to supply at as early a date as possible, further rust resistant wheats suitable to the Colony, especially with a view to replacing "Equator" Wheat.

Useful work was done by the Agents in circulating to growers valuable information regarding characteristics of, and altitudes at which various types of wheat should be planted. By retaining, in accordance with the recommendations of the Board, for seed purposes, wheat which might otherwise have been milled, sufficient supplies were made available for all applicants.

That portion of the Gibb Report dealing with "Country Produce Rates" greatly disturbed all sections of the industry. The producer, the miller and the consumer alike are all unanimous in their desire to see the "Country Produce Rates" retained.

The most difficult year in the history of wheat growing in the Colony is drawing to a close and the fact that the future is being faced cheerfully by the grower, speaks well for the eventual stability of this most important industry which we feel sure is a source of great potential wealth to the Colony which in time should be the granary providing Eastern and Central Africa with their increasing demands for wheaten bread.

Yours faithfully,
The Kenya Farmers' Association (Co-op.) Ltd.,
Agents under THE SALE OF WHEAT ORDINANCE, 1930.

Sd. G.C. Griffiths
GENERAL MANAGER.

COPY/.

KENYA FARMERS' ASSOCIATION, LTD.

NAKURU, 25th November, 1953.

The Ag. Director of Agriculture,
P.O.Box 556,
NAIROBI.

Dear Sir,

SALE OF WHEAT ORDINANCE.

Apart from the Statutory Report which you publish in the "OFFICIAL GAZETTE", we beg to make the following report on the operations of the Sale of Wheat Ordinance during the past year for your information :-

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" " locally for other purposes.....	655	"
	<u>3,643</u>	<u>bags.</u>

(b) 1952/53 Pool:-

Bags sold to Mills	67,541	bags
" " locally	4,297	"
Balance in hand	886	"
	<u>72,724</u>	<u>bags</u>

(c) Imported and sold to Mills 89,016 bags.

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4. 1952/53 POOL.

DEBITS.

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Local Expenses:-	
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Wheat Advisory Board Expenses.. £ 20.3.50	
Interest	£ 467.19.06
Rebates.....	£ 1,322.18.95
Agency Charges for Services....	£ 1,714.15.48
	<u>£44,512. 3.67</u>

CREDITS.

Gross Sales of Wheat	£43,854.17.67
Stocks of Wheat in hand	£ 657. 6.00
	<u>£44,512. 3.67</u>

5. IMPORTED WHEAT.

DEBITS.

Cost of Imported Wheat	£60,055.13.93
Rebates	£12,507.17.39
Agency Commission	£ 1,430. 2.19
	<u>£74,195.13.51</u>

CREDITS.

Gross Receipts from Sales of Imported Wheat	<u>£74,195.13.51</u>
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6. WHEAT EQUALISATION A/C.

Credit from termination 1951/52 Year £.	716.11.22
Transfer from 1951/52 Realisation A/c £.	<u>259.10.48</u>
	956. 1.80
Contribution to 1952/53 Pool	£. 647. 0.79
BALANCE, to Wheat Realisation A/c...	<u>£. 309. 1.02</u>
	<u>£. 956. 1.80</u>

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The Kenya Farmers' Association (Co-op.) Ltd.,
Agents under THE SALE OF WHEAT ORDINANCE, 1930.

Ed. S.C. Griffiths
GENERAL MANAGER.