

1921

KENYA

253

C. O.
21183
Rr
Rec. 30 of 21

FROM
FOREIGN

DATE
12TH APRIL 1921

FOR CIRCULATION :-
Mr.
Mr.
Mr.
Mr. Grindle.
Sir H. Lamborn.
Sir H. Pead.
Sir G. Fiddes.
Col. Amery.
Mr. Churchill.

SUBJECT
FRENCH TREATY RIGHTS
TRADERS' LICENSING ORDERS
INCOME TAX, LAND TAX ETC.

draft
Encloses copy of note to French Ambassador
for concurrence. Also encloses copy of Partial
Note from the Ambassador.

Previous Paper
70/19441

MINUTES
Mr. Bottomley
Draft herewith for conso.

Miss L. G. May
For and 28 March '22
70/100706
8/17

136
70. 21
38

Subsequent Paper
70
36432

21003

No. A 2002/200/CC

The Under Secretary of State,
Foreign Office,
London, E.C. 4.

Sir:-

Reference is made to the letter of the French Government of the 14th inst. regarding the proposed draft reply by the Kenya Government, as suggested by Lord Curzon, to Hadleston to transmit to you, herewith, a draft reply which, subject to Mr. Secretary Churchill's concurrence, Lord Curzon would propose to return to the French Ambassador in this connection.

21003
11/13/21

2. Copy of a further note which has been received from the French Ambassador on this subject is also enclosed.

I am,
Sir,
Very respectfully,
Yours obedient
humble servant,

W. H. Murray

The Under Secretary of State,
Colonial Office.

P.O.

1021.

Dept.

Most Excellency:-

M. le Comte de St. Armand,
French Ambassador.

By his note of the 8th January 1922 Monsieur de Fleuriau was good enough to draw the attention of His Majesty's Government to certain measures of the Kenya Government which, in the opinion of the French Government, violated certain provisions of the Treaty between France and Mombasa of the 17th November, 1894. The note under reference states that the measures in question are the Traders Licensing Ordinance August 1921, an income tax ordinance and a stamp tax and land transfer tax bill.

I have the honour to inform Your Excellency that, on making further enquiries on this matter, I find that the land tax and land transfer tax bills as originally framed have now been dropped, and that a modified land tax bill is under consideration, though it is impossible to say at present whether this Bill in its modified form will be passed or not.

3. As regards the Traders Licensing Ordinance, His Majesty's Government hold the view that Article 11 of the Treaty of 1894, to which reference is made in paragraph 3 of Monsieur de Fleuriau's note,

merely/

merely confers the right to buy and sell within the Sultan's Dominions such as is enjoyed by Bahar subjects unimpeded by "le privilege exclusif de vente ou d'achat" but that it does not prevent the passing of legislation regulating the manner in which that right should be exercised, provided that such legislation applies equally to all persons trading in

it is not imagined that the French Government would, on account of this provision, admit that such persons are exempt from any legislation in regard to these matters that may be generally imposed.

4. As regards the question of the Income Tax and the Land Tax (if it be finally decided to impose a tax of this nature) I have the honour to inform Your Excellency that His Majesty's Government are not able to admit that Article 13 of the Franco-Muscovite Treaty can properly be held to preclude the imposition of such taxes, since they regard that Article as clearly referring only to taxation upon commercial operations.

603/248/60).

Par une note en date du 8 Janvier dernier cette
Ambassade a eu l'honneur de signaler à l'attention du
Gouvernement britannique l'atteinte portée au traité de
Mascate du 17 Novembre 1844 par certaines mesures prises
par le Gouvernement de l'Afrique Orientale anglaise.

Le Gouvernement français insistait pour obtenir une

réponse à ce sujet. Le Gouvernement de France serait

Le Secrétaire

Le Seigneur de la Compagnie d'Inde
de sa très haute

AMBASSADE DE FRANCE A LONDRES

Le 10 Janvier 1900

21

Downing Street.

23 May, 1921.

[Handwritten signature]

DRAFT.

THE UNDER SECRETARY OF STATE
FOREIGN OFFICE.

MINUTE.

Sir,

I am etc. to acknowledge the receipt of your letter (No.A/2603/248/60) of the 29th April, relative to a complaint of the French Government as to the alleged violation of French treaty rights by the Kenya Government, and to state, for the information of Earl Curzon of Kedleston, that Mr. Churchill concurs in the terms of the reply which Lord Curzon proposes to return to the French Ambassador.

Mr. Batterbee 20/5/21.

Mr.

Mr. *Bottomley* 20/5

V. Cradock.

Sir H. Lambert.

Sir H. Read.

Sir G. Fiddes.

Col. Amery.

Mr. Churchill.

2. The observation contained in paragraph 3 of the Draft Note was not intended for communication to the French Government, but Mr. Churchill sees no objection to its inclusion in the Note if Lord Curzon sees ~~no objection~~ *no objection of principle*.
I am, etc.

(Signed) H. J. READ