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Telegram from the Governor of Refre to the Secretary of State for the Solonies.

Dated 10th January, 1922.

(Received Colonial Office 10.46.p.m.11th January, 1922)

63301/21

loth January. Your telegram 24th December In order to save Beadec from otherwise inevitable collapse have (you) proposed on unanimous recommendation of my Executive Council to ferego stand premium on new lease referred to in my telegram 30th June Ne.339 thus redering land negotiable asset without prior claim of Government. Propose to safeguard original object of establishment of colony by appointing trustees who will exercise general control over colonys main expenditure and its dealings with land also approve condition etc: under which loans etc. may be relied.

NORTHEY

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Tel Address SIG LLY, AVE, " LONDON. Telephone: 3240 LONDON WALL. Via Easterns Doubtful words should be Officially repeated. See Rule Book.

No requiry respecting this Telegram can be attended to without production of this Copy. See back of form for list of Company's Stations in London and Telephone Numbers GRADO RL - 8.55 a-05 . Time Received ELECTRA 7 JAN 22 HOUSE CENTRAL 81 10 Jan. Four tel 24 Dec.

Tel Andress -" SIGNALLY, AVE," LONDON Telephone 3240 LONDON WALL TELEGRAM 131 ISSUED FROM CHIEF CABLE STATION, ELECTRA HOUSE, FIRSBURY PAVEMENT. REPLIES SHOULD BE ORDERED Via Eastern Doubtful words should be OFFICIALLY repeated. See Rule Book. No inquiry respecting this Telegram can be attended to without production of this Copy. See back of form for list of Company's Stations in Fondon and Telephone Numbers Time Received 1 Hers Regne to 2 estatlidement.

BRITISH RASS AFRICA DISABILED OFFICERS COLONY.

This co-operative estilement, usually known as "Bendes", was formed in 1915, to employ as offices to make a start in ignimitural core in Kenya.

Everty-five thousand sores of good line of derions were provided by the Government of keeps on the terms, and a control of \$40,000 was put up by the members thousalves. The original number of members was 15, but this has been reduced by various sithdrawane.

The difficulties of the fociety have been due partly to but management in the initial etages but shiefly to the fall in the price of flax in this sountry. It was beyond that flax - an annual cross then commanding a high price - would give the society the necessary start towards microse, and the society the necessary start towards microse, and the society the been entirely changed by the fact that flax has become practically unmarketable.

A loan of 20,000 mm received from the Commons and account to the common and account to the reduction who have a few and on the transfer and account to the reduction of the broaden of 27 for account to 10%, and later by the premium paint valved altogether.

provided by the local bank, and the locatory about liabilities to the Bank and other creditors abount to 214,000 or 215,000, in addition to the local from the Officers's Association.

The Chairman of the Society came to this country in the spring of 1922, in order to arrange for a loan in the City, which would enable the Societ to pay its debts and afford a working balance for the future.

He was quisted by the Direct of Agriculture, Kenya, who was then on leave, but his efforts were unsuccessful. Since toda, the Director of Agriculture and the London Office of the Bank, in co-operation with the colonial Offi have used every endeavour, to find funds for the Society.

The late Parliamentary Under-Secretary of State for the Colonies took a keen interest in these effor and endeavoured to enlist the sympathies of friends who might be able to help, but it was eventually only possible to prepare a scheme of reconstruction of the Society under which the Bank would find the funds required under a Government guarantee. It was hoped that of the total sum of £30,000 to be guaranteed_£15,000 would be severed by a guarantes of the Government of Kenya and the remainder by a guarantee under the terms of the Empire Settlement Act. 1922. The question as to whether the powers give under the Act could be applied in this came gave rise to considerable discussion and was svertually referred to the Law Officers of the Grown who advis against it.

A fresh scheme was subsequently

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Governor of Kenya on the basis of a sum of £26,780 being guaranteed by that Edwerment, but the Governor has taken exception to the scheme on its general merits and has expressed the opinion that, even with this assistance "beader" could not be expected to attain permanent success. The Governor has made preposals with regard to the assets of the Society and the land with a view to the best interest the members and the creditors, but on the basis that the Society, which has already gone into voluntary liquidation, shall be would up.

It has to be borne in mind that, as the difficulties of the Society increase (its capacity finding work, members have taken every opportunity obtaining other employment in Kenya, while many of them have left the country permanently. It is most probable that anything like the whole of the member would when to return to Kenya, or that at the best would support them for a long time to come.

The Secretary of State has decided that, in view of the Governor's representations, the attempt to re-setablish "Beaded" as a sec-operative Secrety must be abandoned and correspondence by telegraph a to what should be done on the lines indicated by the Governor is still proceeding. bu Manuly

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BUCKINGHAM PALACE

30th. November, 1922.

Stanfordhaus

Dear Marsh,

about the Kericho Colony. It is a very sad look out for those who put their money into it. In the case of my relative it is £800, which could be badly spared.

Yours very truly,

E. Marsh Esq., #B., C.M.G., C.V.O., Colonial Office. for. 1943/22 Kenya

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Mr. Sul 18.1 22

Mr. Parkusa 18

Mr.

Mr. Grindle.

Sir H. Lambert.

Sir H. Read.

Sir J. Masterton Smith

Mr. Wood.

Mr Churchill

Proposes approved

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