



LEAST AFR. PROT.
213

C. O.
213
REC?
PAGE 3 JAN 12

Africa Synops
H.P.

Concession

1913

2 Jan.

Shows figures rel. to capture by Synops to 31 March 1912
of losses of stock from deaths, theft & destruction
by wild animals to 30 Sept. 1912.

Last previous Paper.

M. S.
41047

Copy to the fm^l, with refer^{ce} to
previous concess^{ion}, for infoⁿ D.F.

at mee.
H. J. R.

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Copy to 19 Jan

68,131, W.S.
41,000, 1102 A&P

Next subsequent paper

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TELEGRAMS, HERBERT
STATION, YALDING, S.E. 2

ROYDON HALL,
TONBRIDGE.

Jan. 2. 13.

Dear Mr. Read.

I am so sorry you a copy
of my speech to the East African
Syndicate Shareholders.

As it is supposed in some
quarters that the East African
Synd. is a small syndicate
composed of rich people in
the West End of London.

and I have heard that people in
 the East Africa have that idea
 I think I ought to point out
 that it is of course quite incorrect
 The syndicate is really a
 Company with a large body
 of Shareholders. 400 to 500
 at least.

composed of people scattered all
 over the British Isles. who
 bought the shares as an investment.
 The Booril Co. has been
 formed (11,000) eleven
 thousand shareholders.

Yrs
 V. Smith
 Chamber & Williams

Lieut. Colonel C. H. Villiers: Before accepting the resolution, I wish to add a few words to what Lord Verulam has already told you, and particularly with regard to the Magadi Soda Company, as I am on the board of that company, and as the annual meeting of that company is not due to take place until about next May, probably some of you will be glad to have a few details as to the progress which is being made. First of all, I must remind you that the Soda Company has in East Africa a very large deposit of soda, a deposit which extends for many square miles, and it is probably not too much to say that this deposit is inexhaustible, because it is continually forming, and only those who have visited Magadi can realise the enormous possibilities of the industry which we are about to establish there. This deposit of natural carbonate of soda is again unique in that it is formed in a different manner from all other deposits of soda, and it is owing to the way in which it is formed that it owes its great purity, and this latter point gives it a value out of all proportion to the value of other less pure deposits. This Magadi deposit, by the way, Magadi is the native name for soda, when calcined at a low temperature becomes soda-ash of the finest and purest quality, and equal to any soda-ash manufactured by the ammonia-soda process or the Le Blanc process. I am not now quoting my own opinion, but the opinion of many chemists who have examined this soda. These has, I am told, been a good deal of what I may call crabbing going on of this natural soda by some of those connected with the present method of manufacturing soda from salt, and perhaps with an object. I have heard all sorts of wild statements made: That the soda is the wrong colour; that it is impure; that the climate is so bad that no one can live at Magadi; that the mortality in the building of the line has been enormous; and that the water supply is scarce and bad. People making these statements are perhaps ignorant of the fact that Magadi lies 2,500 ft. above the sea level; that it is perfectly healthy, and situated within 60 miles of Nairobi, which now has an English population approaching 2,000, and is looked upon as a health resort. These stories are, of course, quite untrue, and would be hardly worth contradicting if it were not for the fact that they may be the cause of some of the consumers looking upon this undertaking as a non-serious proposition, and were it not also for the fact that it has come to my knowledge that some of the manufacturers of soda have been sounding their customers as to whether, in return for an offer of reduction in the price, these consumers would be willing to bind themselves to them for a long term of years; but I may as well at once say that these tactics cannot succeed if they are aimed at the Magadi soda deposit; for they can place this soda-ash on the Thames cheaper than it can be manufactured.

Having said so much you will want to know

when the Magadi Soda Company will start producing. I will therefore read to you a letter which I have received from the contractors who are building the line, and from which you will see that the line should be through to Magadi in March next, after which the plant for dealing with the soda will have to be erected. The exact date as to when this will be completed I am unable to give you. I will tell you this: I am not alone in holding the opinion that this pure natural soda must eventually supersede the manufactured article in the markets of the world, and the well-known firms who have taken this business up are not only a tower of strength in themselves, but they have set about the organisation of this business in a way which must lead to success. The letter I received from the contractors reads:—

"Dear Colonel Villiers, The latest information I have concerning the Magadi Railway enables me to state that the earthworks are practically completed for a distance of 75 miles. Rail head has reached 57 1/2 miles at the end of November, and, if material has been duly delivered in the port to the junction,

I have no doubt that the rail head will now be about 70 miles, or about 20 miles from the end of the contract, and I have every confidence that within our contract time we shall have the rails through so as to be able to convey any traffic that may be required to be sent by the Magadi Soda Company to the Lake. This, of course, does not mean that the railway will be fully completed, but such completion will be carried out without in any way interfering with our conveying traffic, should it be so desired. It would like to say that in comparison with railways which we are building in other parts of the world the health on the Magadi Railway compares very favourably, the death rate among the natives having only been about 20 per 1,000 per annum, and I consider that when the Magadi Soda Company gets to work, and the natives can be permanently provided for as to their accommodation and food, you will have very little trouble from sickness.

The health of our white employees has been good, and when the permanent accommodation and food mentioned above is provided I consider the Magadi Soda Company's white employees will suffer as little from sickness as those living in any other part of the colony."

Now I will say a few words with reference to your 500 square mile area. As you are all aware, this syndicate was the first to import the Australian merino sheep into East Africa. It was a bold step, but it has answered, and in the face of the greatest difficulties, which must, of course, be always encountered in a new country; and we have now proved that not only will the Australian merino sheep live and multiply and produce wool which will fetch a high price in the London market, but we have also proved that you can cross these Australian merino sheep with the native ones and breed a hardy woolled sheep from that alliance. We have now some half-dozen farms started in East Africa, and have, in addition, tested many forms of agriculture, and no doubt some of our land will turn out to be agricultural land of excellent quality. But you cannot run sheep in that country without cattle, and 320,000 acres is a large property to stock. You must have cattle to cut off the long grass; and in a new country like East Africa there are so many difficulties that you must run a business of this sort on the most expert lines possible and in a large way, if you desire to make substantial profits. For this reason I think we have been most fortunate in obtaining an offer from a very important group to join hands with us and form a new ranching company, which will be solely under their guidance and expert management. We are unable to go into details at the moment, owing to the negotiations we are carrying on with the Colonial Office. As we naturally wish to act in accordance with the wishes of the Government in this matter, and we feel certain, after the enormous amount of work we have done for the colony—firstly, in connection with local information obtained of the country by means of the expeditions under Major Burnham; secondly, the time, money, and labour which have been expended in connection with the development of Magadi; and, thirdly, our work in connection with our land grant, where we not only were the first to introduce the Australian merinos into East Africa, but in which we have spent a very large sum in the development of the property—we shall receive every consideration from the Government. Some time ago (two years) we were approached by the Government, as they wished to see part of our area divided up into separate farms, and, after a great deal of negotiation, the basis of an agreement on this subject was agreed at. But arriving at the completion of an agreement is a different matter from completing an agreement, particularly when that agreement involves the co-operation of a third person—namely, the farmer—to be placed on the land. My opinion is that cattle-farming in East Africa to-day is not the small man's game, but that it requires a large organisation and strong financial backing to make it a success. I trust therefore that before long we shall be able to announce to you that the Government concur with us in the view which we take after our work and lengthy experience—namely, that it is better for the syndicate and East Africa that a strong group should be taken into partnership. With these few words I will now second the resolution.

19, ST SWITHIN'S LANE,
LONDON, E.C.

C. O.
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EAST AFRICA SYNDICATE LIMITED.

2nd January, 1913.

Sir,

Lt. Col. G. H. Villiers desires me to inform you that the total expenditure by the Syndicate down to the 31st March 1912, (the date to which the last Accounts were made up) upon livestock, carts, waggons, harness, buildings, tools, plant & equipment, farm improvements, wages, general expenses, and a proportion of London expenses relative to the Land Grant, amounts to over £71,000. Sales of stock amounting to £16,660, the proceeds of which have been re-invested in the business, have not been included in this total.

The sheep losses from deaths, theft, depredation of wild animals, etc., have totalled to the 30th September 1912, 31,935 head. The stock returns do not show for the whole period the percentage of losses by theft and destruction by wild animals, but where the information is available, the percentage of the whole losses from these two causes is shown to be 11.16.

I have the honour to be, Sir,

Your obedient Servant,

For, EAST AFRICA SYNDICATE LIMITED.

H. J. ...

Secretary.

The Under Secretary of State,
Colonial Office,
Whitehall Gardens, S.W.

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