

is no doubt aware, as one
 of the leading authorities
 on plague, is now on
 his way to the East Africa
 Protectorate ~~to look into~~
 not only to look into
 the question of plague at
 Mombasa but also to
 advise the local Govt.
 as to the steps to be
 taken to improve the
 general sanitary conditions
 in that town and
 throughout the Protectorate.



EAST AFR. PROT.

C. O.
22080

22080

30 JUN 15

African Protectorate
L.S.

Concession

1913

27 June

Last previous Paper.

ll 9

18461

Submit contentions resp. Co's rights in regard to
 proposed modifications of terms of lease. Sends
 memoranda setting forth (1) reasons for considering
 Co. terms unacceptable, & (2) modifications which
 Company desire, & those which they would be prepared
 to concede.

Copy sent for layd out
 Sa reminder Lay can 26 Nov

~~F. + Ferrygoat~~
~~his Recd~~
 Fr. G. Fiddes

The despatch of Nov. 18461, which has
 now become available today, asks for
 several views on the position & for exp. on
 some particular points. He has latter
 got this letter off to him in view that
 if possible he may consider the whole
 together.

The Company expressly say that they do
 not admit any default on their part -
 not really that any default there may have
 been is due to the abuse of survey or clear title
 In the account of the ^{first} decision of August 1
 1912 given in 2008/12 the Co did not
 admit that they had failed to comply
 with the expenditure conditions. What they
 said was that if their failure was disapproved

68131. W. 29 397-53
41,000. 11/12. A.A.E.W.

Next subsequent Paper.

M

26024

they would claim that it was due to the Govt
default. Nothing more has been done in
the way of proving their default, and
the Subsequent committee has announced that
they are prepared to give to a external revision
of the lease. I do not know how far there
has any admission at the subsequent
interviews of August 15 (see memo III in
CO/26224/p2).

Generally, the CO claim that there must be
no reduction of area, at any rate until
survey & notice claim have been settled, &
that their notices must be recognized.

Of their specific demands the most important
is that there should be only a nominal
rent ^(£50) until the survey question is settled.

On all these points our attitude must
depend on the strength or weakness of our
general position, & this must look for
further reply to deap. on 18/8/64.

The Company's proposed conclusions do not
amount to much.

As regards their comments on our letter of
9 Sept., I do not know whether the possible
inclusion of the Driefecker - Mackintan area
was proposed at the conference of 15/8/64 - certainly
Mr Tanshill on the same date proposed its
definite exclusion (Memo III in 26224/p2). We
have no wife to the position with regard to it.

Townships. We have not decided what
a town is from the land point of view, but
the Township Data (which gives the Govt
power to make regulations for good government
& for raising rates) applies to Wandoo & Gage.

See proposed
£12,500 can
be determined

See however the
Tanshill letter
IV in 26224

they would claim that it was due to the Govt's default. Nothing more has been done & the way of proving their default, and the subsequent compliance has assumed that they are prepared to give to a extensive revision of the law. I do not know how far there has any admission at the subsequent interview of August 15 (see memo III in CO/2624/12).

Generally, the Co claim that the market is a restriction of area, at any rate until survey & notice claim have been settled, & that their rights must be recognized.

Of their specific demands the most important is that there should be only a nominal ^(NES) ^{whole} rent until that survey question is settled.

Beforehand
£12,500 can
be returned

On all these points our attitude must depend on the strength or weakness of our general position, & this must lead to Govt's reply to deap. in 1846.

Of the Company's proposed concessions do not amount to much.

As regards their comments on our letter of 9 Sept., I do not know whether the possible inclusion of the Diefbacher - Mandelstein areas was proposed at the conference of 14/8/46 - certainly Mr Tanshill on the same date proposed its definite exclusion (Memo III in 2624/12). We have no wife as to the position with regard to it.

Townships. We have not defined what a town is from the land point of view, but the Township Order (which gives the Govt power to make regulations for good government & for raising rates) applies to Wandri & Gany.

See however the
Tanshill's memo
IV in 2624

alike and I don't see that one, more than
the other, can be said to be a township only
for public purposes.

199

Expenditure The Company are as doubt
right in saying that our demands have
gone up, and unless the strength of
our position can be established we may
have to reduce them, but it is very clear
that the C^o want to do as little cultivation
and as much sub-letting as they can.

Rent The B^c proposal for ultimate rent
is certainly an increase on the ~~present~~ rate
under the present lease (£1000 for 350,000
acres) which however I work out at 4.3c per
acre.

Mineral Oils & minerals of help the Limon
forest. Both points will I suppose have
to go if the existing lease is not revised.

of City to Gov. w. re. exp. on 1884
& look to his comments on the Company,
claims and generally for his own as to
the lines on which we should try to
compromise if he is not satisfied that
we have a free hand to revise the
lease - & act. rec. & say that we
are in communication with the Governor.

W.M.

7/7/13

T.O.

Shows us what line he is going
to take, so that we shall
be able to intervene if we
think he is taking an unwarranted
view of the position.

I think we should now
reply to the ^{fact} that
we are sending a copy
of their letter & memo
to the Gov. That it is
impossible for us to
decide the questions
of detail raised there
as this can only be done
by persons having special
knowledge of local
conditions, & that
we propose therefore ~~that~~
~~they agree to this view~~
to direct the Gov. to
address any observations
he may have to make
on their proposals to
the Gov's local representa-
tives. But that

meanwhile it must
be understood that
as far as the general
question of right is
concerned we adhere
to the views expressed
in our letter of Aug. 20
(1895).

Yes. They are
taking a very
high & imp
line.
A. J. H.

? And send copy low
to the for) C.S. 8/7/13

Saying that he will of course
consult the S. of S. before
finally concluding a new
arrangt. with the for^y.
Mr. Jemson deannied this with
me & I entirely agree in his
opinion.

H. J. H.

PA 8/21/13
9.7.13

at once
W 10.7.13

522080

CARLTON HOUSE,
REGENT STREET,
LONDON, S.W.

C.O.
~~22080~~
30-11-12



27th June 1913

200

Six

On behalf of my Board I have the honour to acknowledge the receipt of your letter of the 18th instant.*

In answer to the statement in paragraph 2 that no suggestions for the modification of the proposals in the letter of the Under Secretary of State for the Colonies of September 9th 1912 have yet been made on behalf of the Company, I am to remind you that the Board are advised that the Government have no power to cancel the Company's lease. The Board consequently feel that they cannot reasonably be called upon to suggest or to otherwise acquiesce in any modifications of the terms, the object of which is to deprive the Company of rights to which it is legally entitled, terms which, as has already been stated in my Board's letters of the 23rd December 1912 and the 31st ultimo† are impossible of acceptance.

While the Board regret that your letter makes no reference to the proposal to submit the matters in dispute to arbitration, they, however, bear in mind that in their letter of the 31st ultimo‡ they expressed their willingness to set forth categorically the modifications in the Lease which they wish made in favour of the Company. These are fully set out in a memorandum attached to this letter, together with the modifications which the Board would be willing to concede, and the reasons in detail why the Board consider the proposals of the Colonial Office contained in the letter of the Under Secretary of State of the 9th September 1912,§ to be unacceptable.

The Board do not forget that an important, if not the main object of the proposals suggested by the Colonial Office is to effect a reduction of the area of the land leased to the Company, and I am desirous of making it quite clear that, while the Board do not undertake that they will at any time consent to

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Nos. 40774 and 10461. F.N. 18461
F.N. 26221

any reduction of the area to which the Company is legally entitled under its lease, under no circumstances can negotiations for a reduction be entertained until the survey is completed.

The modifications of the Lease suggested above only, however, touch the fringe of the question at issue. Whatever the terms of the Lease, the development of the Estate is plainly impossible failing the survey promised by the Government nearly five years ago, unless indeed, pending such survey, permission is given to the Governor to grant interim titles to responsible people to land sublet by the Company as in the case of the Gazi Rubber & Fibre Estate Ltd. That undoubtedly would relieve the situation, which is now becoming every day more prejudicial to the Company.

It is to be understood that nothing in this letter or in the memorandum attached is to be taken as an admission of any liability or default on the part of the Company or as a relinquishment of the Company's rights.

On behalf of the Board of Directors I beg leave to repeat what I said in my previous letter that the last paragraph of your letter of the 18th instant ^{*} has no relevance to the subject matter of this correspondence. The Board, however, requests me to say that they, in common with the Secretary of State, attach great importance to the subject of their alleged neglect of their labour force and would have been ready to deal with the charges made against the Company had not the Colonial Office and the Governor withheld the information respecting these charges which has been pressed for both by my Board and their officials in East Africa.

I am requested to ask for a reply at as early a date as possible.

I am, ^{etc} Sir,

Your obedient servant

Cobham

* N. 18461

Chairman of the Board of Directors of the EAST AFRICAN ESTATES LTD.

To The Under Secretary of State for the Colonies.

MODIFICATIONS OF THE ORIGINAL LEASE WHICH THE COMPANY
DESIRE.

CLAUSE 3: To postpone the payment of full rent until native rights have been delimited and a survey made of the whole Concession. A nominal rent of say £50 to be charged meanwhile.

CLAUSE 10: EXPENDITURE ON COAST CONCESSION: The annual expenditure of £10,000 to be altered, not as to gross amount, but in the direction of spreading the expenditure over a larger number of years. This would not only be immediately economical, but also ultimately more remunerative, as the money could then be employed to the really best advantage of the land, which is not always or even generally attained until experiment has given place to experience.

Another amendment which the Company desire is that in case of shortage of labour or other unavoidable cause, a deficiency of expenditure in one year may be made good in the next, or as soon as possible afterwards.

CLAUSE 13: This is a needlessly inconvenient clause and the Company suggest that all reference to the consent of the Governor in writing in respect of the crops to be planted shall be deleted, and a clause substituted to the effect that the crops planted shall be suitable to the conditions which obtain in the locality.

BACON FACTORY: The granting of a separate lease for the Bacon Factory.

MODIFICATIONS BY WAY OF CONCESSION PROPOSED BY THE
COMPANY

(a) Land bordering Kilindini required by the Government for

Admiralty purposes.

- (b) All lands required for Government stations at Gazi, Shimoni, Vanga, and elsewhere, and also in connection with the Lombasa Waterworks on the Shimba Hills, subject to a proportionate reduction of rent and reimbursement of any development expenditure on such land.
- (c) All mangrove forests.

COMMENTS ON PROPOSALS FOR A NEW LEASE TO THE EAST
AFRICAN ESTATES LIMITED CONTAINED IN THE LETTER OF THE
9TH SEPTEMBER 1912 OF THE UNDER SECRETARY OF STATE
FOR THE COLONIES.) S. Cap
201

PARAGRAPH 1 (x): The proposal that the question of title shall await the adjudication of the Land Titles Board is too indefinite. It must be remembered that this proposed reduction in area does not in any way touch the primal difficulty. Whether the Company's property be nominally 120,000 or 350,000 acres the existing position is not altered until the native area is defined and the survey completed. The Land Titles Board has not yet attempted to move in this preliminary matter although nearly five years have expired since the contract was signed.

The Government propose to reduce the Company's Concession by 230,000 acres, while the boundaries indicated will place even the small property left to it in a position of great inferiority to that held now by the Company. In the first place the Company will be hemmed in on every side, with little or no access to the sea at any point. At the present time an extensive reach of seaboard and tidal rivers are included in the Company's concession, and form one of its most valuable assets. Within the boundaries indicated by the Colonial Office after the required deductions (native, private, Diespecker-Macallister, Government and forest) have been made, 120,000 acres do not remain, while if the company has to make up the area with a tract West of the Macallister Diespecker Concession, it will be accepting land greatly inferior to that which it at present holds. The inland western land is purely barren wilderness.

The Diespecker-Macallister Concession is an area of about 200 square miles (or 128,000 acres). At the Conference it was suggested by the Colonial Office that if this Concession fell through the Company might make up its area from it, which would give the Company a good square block, but the letter of the 9th September 1912

expressly withdraws this area, thus forcing the Company back to the unprofitable West.

PARAGRAPH 2 iii d.: The result of this proposal would have been the withdrawal of Gazi and other valuable areas from the Company. But as a matter of fact, the declaration of a Township area is purely a Police concern, as reference to the "Gazette" will show, and unconnected with the ownership of land.

PARAGRAPH 3: The new proposals as to expenditure are far more onerous than the provisions in the existing lease. Under the existing Lease the Company will at the end of this year have spent nearly £40,000 and the obligation is to spend £60,000 more during the next seven years. Instead of this, the new proposals are that the Company shall cultivate new land at the rate of 1000 acres per annum until three quarters of the total area of 120,000 acres, that is to say 90,000 acres, is cultivated. Allowing the cost of cultivation to be no more than £5 per acre, (a conservative estimate) we get a total obligation of no less than £450,000. It is of course obvious that the Company cannot saddle itself with such a responsibility.

A further point is worthy of note in this connection. The present lease stipulates that 3000 acres shall be brought into cultivation during the first five years, which gives an average of 600 acres per annum. The Company have exceeded the obligations of the lease in this respect. Having reduced the Company's Concession to one third of its original area the proposal of the Colonial office will increase by two thirds the acreage to be annually cultivated, and instead of freeing the Company from this obligation at the end of five years from the date of the present lease, the Colonial Office propose that the obligation should continue yearly for ninety years, or in other words that the Company should undertake

an obligation to develop 90,000 acres instead of 5000 acres.

PARAGRAPH 4: As to reduction of rent: With regard to the proposal of the Colonial Office, the Company will probably save for the first year or two £950, but after that the Company will lose progressively, for the rent works out to-day at just over 3 cents an acre instead of 6 cents per acre under the proposal of the Colonial Office.

PARAGRAPH 6 iii c. Mineral Oils are not reserved by Government under the present lease, and the Company are not prepared to surrender the same without due compensation.

PARAGRAPH 6 iv: BACON FACTORY: The Company are asked to renounce possession of 1000 acres without adequate offer on the other side, although the Company have already more than fulfilled the financial obligations imposed on it by the existing lease.

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14 JUL
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257

h. 1 / 22080 / Est

~~130~~



DRAFT.

The Chairman,
East African Estates, Ltd.

15 July 1913.

Sir,

- MINUTE.
- Mr. Deenyon 11/7/13
 - Mr. Bottomley 12
 - Mr. G. Fiches. 14
 - Sir H. Just
 - Sir J. Anderson.
 - Lord Emmott.
 - Mr. Harcourt.

see in 26029

I am directed by Mr. Sec. Harcourt
to ask the receipt of
your letter of the 27th of June *
further relating to the proposed
modification of the terms
of the lease of land
held by the East African
Estates Ltd in the Coast
strip of the East.

* No. 22080.

- Copies
2. A copy of your letter
& the memorandum which
accompanied it are being

Copy for East Africa

sent to the Gov. of the East,
for his consideration, &
as it is impossible for
the Gov. to decide
the question of detail
raised thereby for
which a special knowledge
of local conditions is essential,
he proposes to direct the
Governor to address any
objections which he may have
to make on the proposals
in your letter to the
local representative of
your Company in the ^{Provinciale} P.^o

3. In the meantime, however,
it must be understood
that as far as the
general question of
right is concerned, the Government
adheres to the views
expressed in the letter

letter from this Dept. of the
30th of April last *

253

I am etc

* No 12199

22080

W. J. F. G. P. 2007

259



for [unclear]

DRAFT. East Camp

~~H. J. G. P. 2007, Esq. Comd.~~

(Confidential)

15 July 43

Sir,

MINUTE.

- Mr. ~~Allen~~ 11/7/13
- Mr. ~~W. J. G. P.~~ 12
- Mr. ~~W. J. G. P.~~ 12
- Sir G. Fiddes. 14/11/43
- Sir H. Just.
- Sir J. Anderson.
- Lord Emmott
- Mr. Harcourt.

With ref. to my conf. ^{minutes} disp. of the
 14th of June, * I have the honour
 to transmit to you, for your
 consideration ~~and approval~~, a copy
 of further correspondence with the
 East African Estates Ltd.
 on the subject of the proposed
 modification of the terms of
 the lease of land wh. they
 hold in the least strip
 of the East African

2/15

~~Ann. East African Estates Ltd 27/1/43~~
~~22080~~

date
 17/7/43

- 1109-20 * No. 16461
 + Nos. 22080 and 22080. X

missions

2. I have to request that
you will not address
any stories wh. you
may have to open the
enclosed letter from the
Co. to their local
representative ~~of the~~
Co. in the ~~district~~
but before finally
concluding a new
arrangement with
the Co., you will
of course submit
your recommendation,
for my own
approval.

X I have etc

MA. 22080/1913
E.A.P.

26

210

Draft

21 NOV 1913

E.A.P.
Confidential
Gen. Belfield

Ans 12765/14

Sir,

With reference to
my conf^d despatch, ~~no.~~

J.M.B. 24/11/13
Dr Bottomley 24/11/13

(12002)

of the 15 of July &
the 1st of August,

I have the honour to

~~inform you that enquire~~
whether there have been any
what further

developments ^{has} have

been in the matter

of the proposed

modification of the

terms of the lease of

land held by the

East African Estates Limited

in the coast strip of
the E.A.P.

SECRET