

DOMESTIC.

EAST AFR. PROT.



C.O.

0981

309 81

7 SEP 1950

or Individual

Holman James' bonus

909

5 Sept

Previous Paper

1950

Gives history of case. Thinks transfer asked to be allowed without any condition being placed in the deed of lease. If rent is in arrears it may be insisted on immediately.

W. Butler

W. Butler called again this morning → planned to meet Mr. Cox. Owing to absence of info at the office of the conciliator in question, Mr. Montgomery was asked to treat direct with Mr. Geddes. He is acting for Mr. Holman James who is in America.

I think Mr. Geddes was prepared to follow Mr. Montgomery's recommendations pretty closely, provided they were reasonable. They appear to be so. Col. Montgomery before that the 2 conciliators shall be transferred to Mr. Holman James without any costs beyond those in the costs of preparation i.e. presumably £ 3 per £ 1000 in development + depreciation in each case. - When the bills were originally in 1905 + the reports were returned to this office made no further reports by the Rent Officer - Mr. Geddes will advise this morning that Mr. Holman James is in America, and today or to night he will

34045

one payment could be settled, but
that Mr Holman James was anxious to
pay the rest due - (he said £200).

as we have no instruction in the papers of
the rest due -

2 Feb. to D.A.G., and will to M. Giddes
in time. In M. Montgomery's recommendation
(as marked in green), saying that the
Co. will receive the rest due, &
as soon as the actual sum has
been ascertained from the P.C.
copy S.O.S. etc.

Recd 20/2

W. Fiddes

I think we are bound to try and
secure some guarantee that development
will go on, and that these large areas
will not become the sport of the mere
company promoters. It is only fair to take
into account the fact that the present
holders have fulfilled the conditions as
to expenditure imposed on them, and
therefore should not be unduly
handicapped in disposing of their
holdings. We might stipulate for half
of the original requirement, i.e.
further deposit of £1000 returnable after 6 months

£5000 has been spent
years, for the purpose of
working of the area
area. And
of course



There is some force in this argument
on the other hand it does not tally
against the D.A.G.'s advice in such a case, and
(as in the example he gave) it is clear that
we ought to have guarantees for the expenditure
of further capital.

On the whole I incline to the
compromised suggestion of Mr. Giddes. His
suggestion might be made if he were ample this
a bill of exchange, & of £1000. I
let it run over to the D.A.G. Giffen.

Feb. 21/9

W. Fiddes.

Sir J. H. Ford asked me to find
out from Colonel Montgomery precisely
what the right of the Co. to control
transfers is. He appears from the

attached letter that it is an absolute
right (though we could hardly be safe
in assuming this as a basis of action
without reference to the pl^t). Sir F.
Hopwood's idea was that if the rights
of the Govt were absolute enough
to cover the present holders who sur-
rendered these unwillingly concessions
to the Govt. But in view of what Col.
Montgomery says as to the prevailing
practice when development has taken
place I fear that it would be difficult
to take his course. The issue would
be upon us of justifying this order seventh
to insist on a guarantee of further
development is more desirable

In spite of what Col Montgomery says I think it would be wise to require a deposit in conjunction with a period of 5 years for the expenditure of \$18000 in the first instance. We can free the debt and substitute the bonded sum for the expenditure if

we are hard pressed. But a deposit
is a better guarantee of good intentions
than an unmatured liability which
may ultimately devolve on someone
else, e.g. anyone who can be induced
to purchase the concession. 199

283

Sept 24.

Sir J. Hopwood

3

yes, this is a class
of conception upon which
I do not look with
favour & I should
have the better prospect
from the liquid air as
a technical friend
comes in useful

John
20-9

J. ayres

三

yes C 29. 1x

P.S. Colours.

Inoville

Lindberg.

15th September, 1909.

0981

DEC

17 SEP 09

Sir

Immediately on receipt of your
No. 29850/1909, relating to the transfer
of certain fibre concern in the East
Africa Protectorate, I placed myself
in communication with Mr. Gilder,
who has given me information on
certain points.

I have the honour now to place the
facts before His Lordship the Earl of
Cromer.

2. Some time in 1905 two fibres concern
of 100 square miles each were granted
respectively to Mr. Holman James
and Captain Currie. The covenants in
each case were to deposit £1000, and
to spend £5000 in development, the
deposit being returnable when
substantial development had
taken place.

In 1906 the transfer of both concern
was sanctioned to the South African
South African agency, the respective
sums were deposited, and development
began. Machinery was imported,
building, fuel works & the work started
vigorously.

In 1908 the local manager, Mr. Gilder,
applied for a refund of the deposit
as follows.

An official was deputed to inspect the work & examine the accounts. The report being favourable the debts were refunded.

Shortly afterwards the company failed & the business was closed.

3. Sandton is now asked to the transfer of the combined grants to Mr. Holman James, one of the original concessionaries.

The acting Governor, in his telegrams of the 6th inst. gives no objection to the proposed transfer provided that financial ability can be shown, and ~~that~~ the deficit of £1000 in each case, returnable after the expenditure of £5000 in 8 years.

Int. Jelde informs me that he has reason to believe that the total amount spent in the venture amounts to from £15000 to £14000, a portion of which is still in the land in the shape of permanent improvements, as per detail given in Int. Jelde's letter dated 19th August to the Colonial Office.

4. I regret that I don't remember the exact sum which was stated by the official examiner to have been spent on development, but I think it may safely be assumed that the total expenditure has been not less than £7000 - 8000. Applied some £1500 towards the cost of permanent improvements.

Int. Jelde says that seeing that a sum

of money has already been expended in this connection, that the required representations were made & have been reported, so far the demand should not be made against the transfer.

5. I think there would be no objection in what Int. Jelde says. The policy in East Africa is to limit an sufficient initial expenditure & then to allow free transfer without further conditions. If this were a new concern the proposal of the acting Governor would be quite reasonable. However the revenue expenditure has been practically fulfilled.

The inquiry that will be made to the concern failed in account of defective machinery, difficulties in obtaining labour, and a fall in the price of fibre. At any rate it will be best my opinion is that the transfer asked for should be allowed following any condition beyond those entered in the deed of lease. If the contractor fails to pay rent immediately demanded a notice of attorney & equity will be issued & the debt will be recovered in the usual way.

The fibre industry is also interested in the present time. If the tea-estate is able to make the venture pay it will be beneficial to the country, & this ought to be feasible, this was thought to be the main object for

should refer for further advice to
the Colonial Office.

I have the honour to be, Sir,
Your obedient servant,
J. A. S. MacQuerry,
Commissioner of Land
Surveyor & Settlements
(as above)

The Under Secretary of State
Colonial Office

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Mr. J. S. Columbo,
Monteville.
Lindley,
22 Sept. 09.

Dear Mr. Bulwer

I cannot speak
with absolute certainty
of the ending of the
measures in the file
now in my possession.

It may simply
be that a member
of the place without
recourse of government,
or even hardly that
the government has the

absolute right & so you have any hesitation.
But the practice has ~~been~~ opening of the transfer.
We therefore went all the way to Holman June 20th 1888
to transfer these lands. We made a condition that I
would spend say one month
and then we would go to the property in
the District to see if we could not get
the concession cancelled.
I am enclosing a copy of the
order of the court.

Yours sincerely
Frank G. Rogers

I think it would be
best to wait another
month.

294

E.A.P.
30981.

DRAFT

GEDDES, ESQ.

Bowing Street,

2

October, 1909.

Sir,

MINUTE.

Mr. Butler. Oct. 1

Mr.

Mr. Just.

Mr. Antopus.

Mr. Cox.

Sir C. Lucas.

Sir F. Hopwood.

Col. Seely.

The Earl of Crewe.

I am directed by the Earl of Crewe to inform you that his Lordship has had under his consideration our letter of the 19th of August relating to the proposed transfer of the two ~~final~~ ^{affidative} concessions in the East Africa Protectorate now held by the London and South African Agency, Limited.

2. I am to inform you that his

Lordship is prepared to approve of the transfer of the said concessions.

condition, that any arrears of rent are
first paid up, and that the person to
~~whom they are transferred~~ ^{Mr. James} consents to
deposit, a sum of £1,000, and undertakes
to expend on the two areas together not
less than £5,000 within five years from
the date of transfer, the deposit of
£1,000 being returned to him when this
expenditure has taken place.

I am, &c.