

# EAST AFRICA AND RHODESIA

Thursday, December 8, 1955  
Vol. 32, No. 1626

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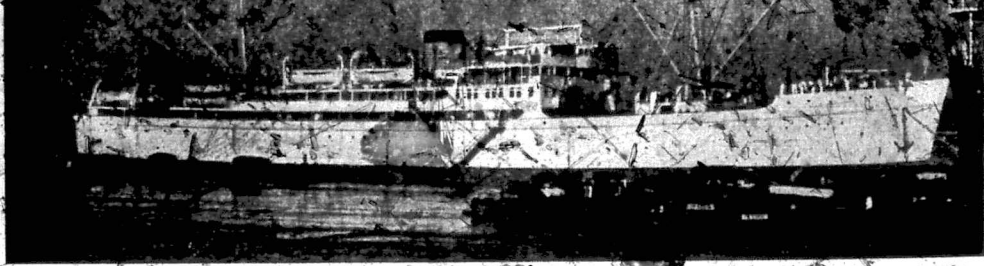
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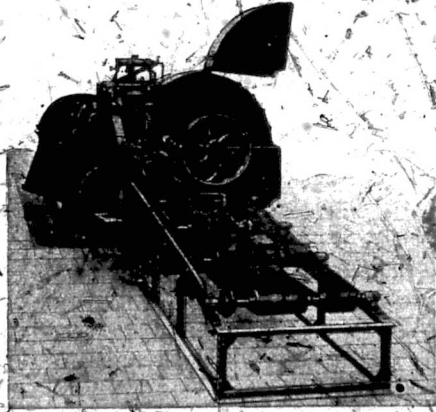
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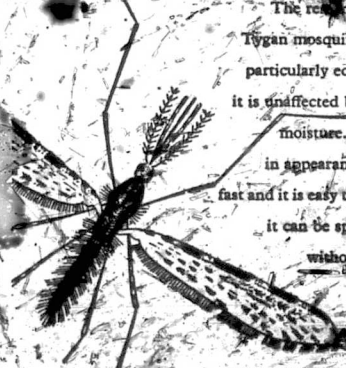


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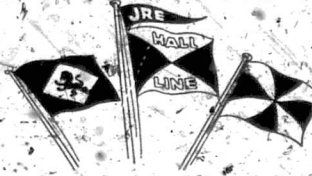


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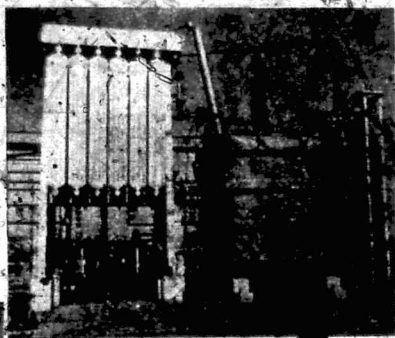
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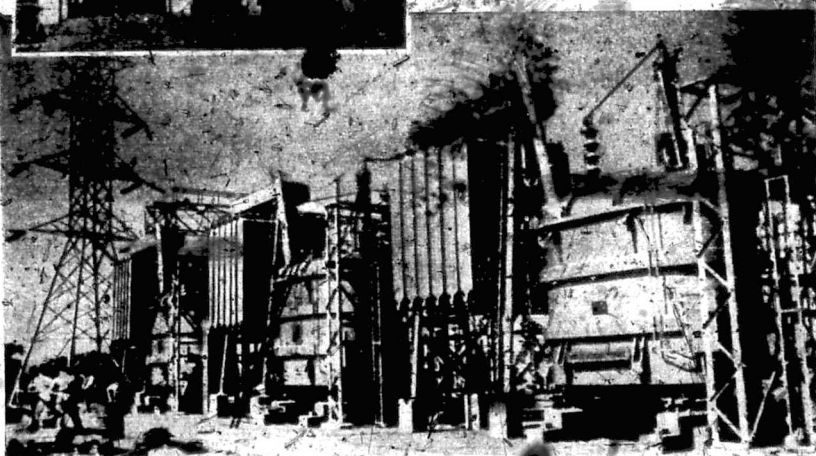


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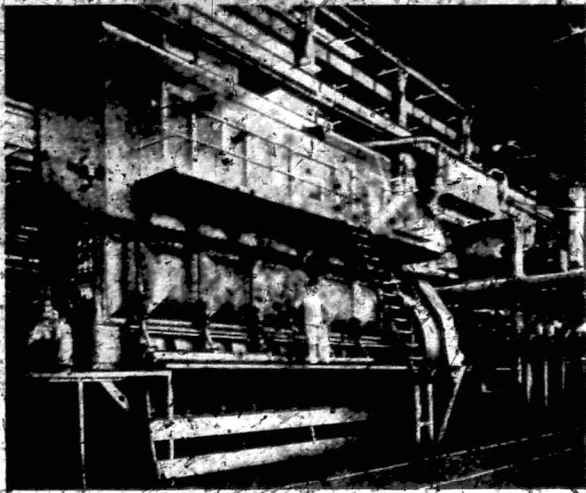
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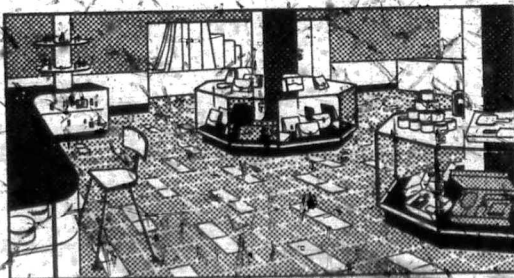
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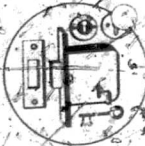


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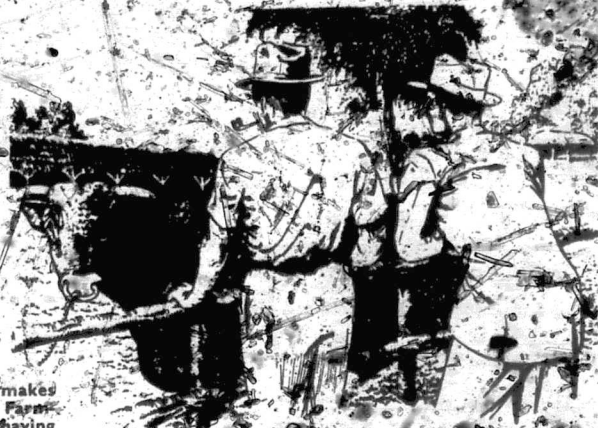
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Editor and Editor-in-Chief

THURSDAY, DECEMBER 8, 1955

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## MATTERS OF MOMENT

**THE CAMPAIGN OF HOSTILITY** towards those Baganda chiefs who proved themselves faithful servants of the State during the exile of the Kabaka is still being organized in a flagrant disregard of Law and Order. The Secretary of State for the Colonies, the Governor of the Protectorate, the Uganda and Buganda Governments in a joint appeal, and the Kabaka himself in a much belated statement. The Buganda Government, we repeat, could scarcely have done less to support its chiefs against those who have deliberately conspired to undermine their authority. The Kampala correspondent of the *Manchester Guardian* has this week implied that tolerance of the easy acts of violence and intimidation is not disapproved by the Kabaka. Having reported that three senior chiefs have been asked to resign by the new Buganda Appointments Board, and explained that the appointment and disciplinary control of the chiefs is now vested in that body, which is appointed by the Kabaka on the advice of his Ministers, the correspondent continues: "This provision of the new agreement was intended to remove the civil service from political considerations, but where the Ministry presents Palace policy as at present the Kabaka probably has more power over appointments, and therefore over the whole Government, than at any time since the end of the nineteenth century. His uncle is chairman of the board for the next seven years, and neither one of the three board members can be removed without an motion by a committee appointed by the Kabaka. New appointments now seem to be based largely on loyalty to the family, and the Kabaka's deposition, and one councillor who has recently insisted has been dismissed by the Protectorate Government for non-cooperation during that period. The chiefs appear to be anxious over their future, and the

attitudes expressed by them resembled those of earlier days rather than those envisaged by the Hancock Committee.

There is abundant reason for their anxiety for outrage and provocation have been allowed to continue for weeks. What we ask again, must be thought by those chiefs, headmen, peasants and others in Uganda who, having trusted the word of the British administrative officers whom they knew, now find themselves deceived. Just as this placed, but that since the return of the Kabaka adequate measures have not been taken to prevent the victimization of those who had been loyal to the Queen's Government? Only a few days ago rioters beat a leading chief and his family in the presence of a British administrative officer, and there have been dozens of cases of physical assault on crowds which have sometimes numbered several thousands, crowds incited by agitators whose names must be known but who go untraced, from one crime to another. For many weeks vernacular newspapers have openly instigated breaches of law and order, but only one of the journalists concerned has appeared in court, and he was bound over not to publish a list of enemies of Buganda, in so trifling a surety (£100) that the paper continues to list so-called "patrons" to the Kabaka.

When the Kabaka's return was manifest that stability in the administration of Buganda was essential, but there is instability largely the product of the British National Congress. Appeals have reached the Secretary of State, which threatens to defeat the expectations of those who assured themselves and others that a new and better era would dawn with the signing of the new Buganda Agreement.



East Africa and Rhodesia took a much less roseate view. Everything that has since happened has, unhappily, justified the warnings given by this newspaper, and falsified the optimistic prognostications of those who were of the opposite opinion. Effervescence could be excused in the days immediately following the Kabaka's return, but it ought certainly not to be regarded with equanimity now. Mutesa II has been back in his kingdom for more than seven weeks, and it is past high time for the authorities, British and Baganda, to assert themselves. Appearances or failure to arrest and prosecute some of the worst Baganda elements merely encourage

subversion — which is being deliberately fostered by some extremists because they consider it to be the most fertile soil in which to force the plant of "self-government now". The terrorism which stalks Buganda demonstrates its incapacity for such responsibilities, but the organizers of outrage are publicly recalling that those who instigated disturbances in India and the Gold Coast were taken from gaol to head the onward march of "democracy". That, evidently, is the pattern which they visualize for Uganda, and particularly the province of Buganda. It is a sorry prospect.

## Notes By The Way

### Stockholders

MR. JEREMY CAHOON'S annual statements as chairman of Barclays Bank D.C.O. are always topical and forthright, and those who welcome plain speaking from the country's commercial leaders will be grateful for his candid comments on the "work" and the Welfare State (to mention merely two points which are most likely to provoke widespread discussion). The idea of "effortless prosperity" seems to him nonsense — as it certainly does in private to many of the Socialists who in public support that manifest contradiction. Mr. Cahoon's analysis of profit-sharing ought to be read by the politicians. Ministers among them who have been talking so glibly about it. They will find in his address the very necessary reminder that catchwords are no cure for the country's dilemmas, and that we face an up-to-date political philosophy — understandable by the masses, who must work hard and believe in the present general state of prosperity — to be maintained. Industrial disputes, absenteeism, strikes, and suspicion of our weapons which point at the heart of this new-found security of living, those who have a low minimum level for a high minimum wage are parasites on the body of the Welfare State, imperiling their own security as well as that of others. As befits a banker, he has an interesting statement with a plea that the State should bring home to its citizens the truth that they are all stockholders in it.

### Mysterious Precedent

THE ANNUAL REPORT of the bank contains 15 excellent columns of suggestions, the first being a full-page picture of the "Daguerre-Salaam" brand which was opened in this year. Among the photographs is a candid photograph of the office in Government Road, Nairobi, and the house of the branch manager. The fact that the Barclays Bank D.C.O. is one of the major instruments in the stimulation of British overseas investment, as is evident from the fact that it has over 152 branches in 42 countries, some of which are outside the Empire. Within the past year alone, new offices have been opened in an immense number of countries. This is guided by a chairman who has a pretty sharp wit. Recently he presided at a Conference when Lord Malvern was co-chairman. Lord Malvern, he said, needed no introduction. He was well known to that audience, though perhaps he did not know the chairman's predecessor. He paused for a moment to give the audience a chance to wonder whether he had dropped the name of the first time in his adult life or was

but were such thoughts had time to frame themselves he went on to a murmur of mirth, "his illustrious predecessor, Sir Geoffrey Huggins" — who clearly enjoyed the little trick.

### East Africa's Sugar Quota

CONDITIONS HAVE CHANGED SO COMPLETELY since the post-war Commonwealth Sugar Agreement was signed that the East African territories should congratulate themselves — and Mr. V. G. Mathias, their representative at the recent discussions in London — on the retention of their export quotas of 10,000 tons annually. When the United Kingdom and Canada originally agreed to make between them from Commonwealth growers a total pool above 2m tons of sugar a year, they promised to pay a mutually agreed figure for part of their purchase and to make the balance at the ruling world price. It is generally assumed — though I do not recall any official statement on the point — that under the agreement Empire producers can count on selling about half of their shipments on a basis which assures them of reasonable remuneration whatever the world price. There was a world shortage of the commodity when the bargain was first made, but producers in some countries now find difficulty in selling their surplus at what they deem a fair price. The supply and demand situation having become so elastic that they naturally want their quotas to be raised or the withdrawal or reduction of the quotas granted to those signatories who have not been able to fulfil their obligations further.

### Shelter from the Storm

EAST AFRICA is in that category never having been in a position in recent years to ship anything like 10,000 tons in any one year. Indeed, the territories have had to import quantities of sugar. Kenya, Uganda and Tanganyika having together bought abroad about 70,000 tons last year, possibly as much as they were able to produce themselves. The indications are that almost half of the requirements for the current year have already to be purchased externally, and that may continue to be the position in 1956. It is an open question whether there is for more than one year to come. The issue has been discussed in East Africa, and the time has come to fruition the whole outlook would change. In the meantime, of course, the maintenance of the export quota is an inducement to those who contemplate an investment which could run into millions of pounds, for it offers some shelter from the economic storm if world prices were to drop heavily, and if the internal market were to become saturated.

# Sir Roy Welensky on Industrial Relations in Central Africa

## 'Under Partnership Any Man Can Have What He Can Earn'

ONE OF THE LESSONS OF COLONIZATION which those who live in Colonies or former Colonies have learnt the hard way is that the institutions and practices of democracy as they are known and valued in the United Kingdom may have to be adapted and sometimes radically altered to suit the habits and conditions of primitive peoples.

Sometimes the system which has been developed in a young country seems to fall short of democracy in perfection, but it is important to have in mind these factors which are to be found in young and undeveloped countries — and I have in mind particularly those with multi-racial populations — but which do not handicap the practice of democracy in Great Britain.

Chief among them are the vast differences in the standards of civilization and behaviour set by the various sections of the populations, the fact that many of the indigenous peoples have inherited ways of life which are anything but democratic, and the speed at which industrialization is being carried on in a great many of these countries.

As a young country — and I now refer specifically to the Federation of Rhodesia and Nyasaland, which has a multi-racial population — and as the demands upon its resources of skill and materials increase, so the existing differences between its civilized and uncivilized communities tend to become accentuated. The industrialization and social progress which the white man has brought to Central Africa inevitably shows the indigenous African what can be achieved. He sees what the white man has and wants it.

### Skills Must Be Acquired

The problem is to convince the African, as a race and as an individual, that to expect something is not enough. He must earn it by acquiring the skill which will enable him to do that.

If in the older countries of Western Europe the acquisition of these skills and the adoption of civilized standards of behaviour took many, many years. In the younger countries, we have to teach the primitive population.

We have to contend with a further factor in the phenomenon of nationalism (for want of a better word). I mean a consciousness of race and a sense of subjugation which may or may not be justified, but which seems inevitably to be directed towards establishing communities in which race and race alone determines who shall govern. In these nationalistic movements standards of skill and quality standards of civilization seem to take second place, and, at the risk of being accused of oversimplification, I would say that that, briefly is why we who have to contend with these movements are firmly determined to oppose them.

It has always been my belief that problems of colour are secondary to problems of class. In the Federation we have a large, poor population. It is only since the coming of the white man that wealth in any form is known in Western Europe. It is the white man that brings us the means of bringing wealth out of the continent and to provide the means of bringing wealth into the continent of Africa — white and black. Secondly we have to grapple with the task of bridging the gap between white and black. We are now all aware that it is quite a possible thing to have a land in which one section of the

community is prosperous and progressive while the other has no opportunity to go forward and is consequently subjected and poverty-ridden.

Still, we realize that the word 'advancement' means nothing unless the advancement is earned. You can't be a steady engine-driver, responsible in all circumstances for the lives of many passengers or a tramload of valuable cargo unless you are skilled and fully skilled. Just to know how to manipulate the brake, operate the whistle, or start and stop the locomotive is not enough. To be a good, self-servant and administrator or a useful Member of Parliament needs great skill and very wide knowledge.

All that may seem very elementary, but what is forgotten is that almost 99% of the claims made by the Africans of the Federation that they are able to do all these things — that is, that they are able to operate a complex economy and govern a complex State — cannot be substantiated. The vast majority of the African population have not reached a stage of development at which they can even appreciate the problems of governing a modern State.

### No Justification for Autonomy

There is neither the skill nor the ability to justify the claims for autonomy that are made by a small section, and that is a small, small, element, claims autonomy — autonomy. They wish to be left alone to govern themselves.

We Europeans are well aware of what would happen if they were left alone. Civilization would go. Furthermore, we have a large European population, and the Federation is the home of civilized people who have a very well-justified stake in Central Africa.

Therefore, after rejecting the domination of any one section of the community by another and after rejecting all claims to advancement based on unsubstantial grounds, what we are left with is the way we wish to follow in the Federation of Rhodesia and Nyasaland — the way we have called partnership. Under partnership any man can have what he can earn.

This means that we must do all we can to ensure not only that the economy of our country will provide opportunity for all but that our laws and social customs will not through prejudice deprive any man of his opportunity to go forward. In return, we rightly demand that claims to advancement be based on real ability; and, because real skill is sometimes only acquired in time, the African may go forward rather more slowly than those who do not know all the implications of our problems would like, and certainly more slowly than some of our more irresponsible leaders would wish. But we are still determined to go forward only on a substantial basis.

### Trade Union Dangers

Trade unionism will, of course, play an ever-increasing part in the development, and I for one realize just how valuable it can be. The lessons of unity and co-operation, once applied to social and economic conditions and to the rights of the individual — lessons which can be of the utmost value to the African — apply to both races.

But a very real danger against which we must be on our guard at all times has already become apparent in the Federation. I refer to the ease with which the best objects of trade unionism can be forgotten and the most detested by irresponsible leaders for irresponsible ends. It is a danger that is more marked in the mass of the rank and file of the union have no sense of feeling for the common good when they have the sense that common characteristics of primitive people — preference for the flesh rather than the essential — are present in a system of trade unionism. The danger is that they play a great part in the development of the Federation on the basis of the population which we have. It is a danger which is more acute if they do not realize that the interests of their members, and this is one of the things that is true of the trade union movement, is in the long run, to be it is nonetheless true that, however sincere the intentions, a union may be, how sympathetic it is, and how well it is run, a claim, hard to see the fact that it is that a worker is worth only what he can earn. It is a danger that I am far from convinced that our trade union leaders have learned.

The general prosperity of the Federation, with its expanding industry, has placed some of our labour and competition for this commodity has tended to be in the hands of the white man. The net result has been a widening of the gap between the Federation, the copper belt industry of Northern Rhodesia, is faced with further expansion, and the increase and

Sir Roy Welensky, Deputy Prime Minister of the Federation of Rhodesia and Nyasaland, spoke on 'A Stake in the Country' in the General Overseas Service of the B.B.C. on Monday, 10th December, 1951, in the country of the B.B.C. and the Editor of 'London Calling' we are able to publish this slightly abbreviated report.



other benefits. The high price of this metal today is also a contributory factor.

Thousands of men of the African trade unionists the whole purpose of the trade union is to obtain more pay for the same amount of work. This must be broken down, and, in the main, by the trade union movement itself. What the African should and must do is to improve his skill and increase his sense of responsibility, so that he can take on employment which is more skilled and carries greater responsibility. This would in turn enhance his earnings, and at the same time constitute the enhanced earnings of a much more solid foundation than that of being a commodity in short supply, a situation that can change very rapidly in certain circumstances.

### Major Problems

I sum up I place the utmost importance on the tackling of the problem of poverty by Governments and the trade union movement in full recognition that there is no short-cut in advancing the status of the mass of the population, and in recognition also that this can be done only by imparting skill to the workers, which means education in both the academic

and technical sense, and by the provision of opportunity to use one's skill without limitation.

It would be tragic indeed if the idea were to become firmly entrenched in the United Kingdom that the mere act of creating trade unions among the African peoples is the answer to most of our problems.

Remember the history of this movement in the United Kingdom, steady out of circumstances which do not exist in the Federation. The African population have special protection, ranging from modern labour laws governing minimum wages to workmen's compensation, and even to special health and hospitalization laws. The purposes that underlay the growth of trade unionism in 19th Century England are lacking in the Federation today. Our problem is the problem of poverty, and we can beat it through education and by imparting skill to the mass of our people, and in no other way.

The sooner African trade unionists, both leaders and rank and file, appreciate that, the sooner we will master our difficulties in producing a happy and contented multi-racial society in Central Africa. This will call for a high degree of leadership and courage on the part of African trade union leaders as well as patience and tolerance from Governments and employers. The task is difficult, but not insurmountable if tackled with these objectives in mind.

## Sixty Thousand Mau Mau Still in Custody

### Sir Frederick Crawford's Review of the Present State of Kenya

SIR FREDERICK CRAWFORD, Deputy Governor of Kenya, reviewed many aspects of the Mau Mau problem when he spoke at a Galathea Dinner in Nairobi. He said, *in part* :—

"As a result of redirected military operations a very large number of Mau Mau have been accounted for, and, as important, those that are still at large have been so reduced and disorganized that they are now no more than small splinter groups operating independently without any form of central control, — whose chief object is to obtain food in order to survive.

It astonishes me, and displays a rather fanaticism of the Mau Mau remnants, that, with no hope whatever of victory, with a steady and rapidly declining nuisance value, with nothing facing them but extinction, they all do not pack up and come in. Many have done so, there having been just over 350 surrenders since we reverted to the present 'green branch' terms on July 11.

### Six Thousand Terrorists Eliminated in Past Year

Over 6,000 terrorists have been eliminated since October, 1954 almost as many as in the first two years of the emergency. Total surrenders since October, 1954, have been over 1,700 — four times as many as in the previous two years.

"This represents solid and hard-won progress, and we can look forward with some optimism to the end of the troubles that have afflicted us for the last three years — or at any rate their reduction to a scale where they represent no more than a minor local nuisance value and do not interfere with the progress and development of Kenya.

"We have learned the lesson of decentralization, and to be caught napping again. We shall have to remain vigilant and forever on looking, well aided through our central administration, through our police, particularly its Special Branch, and through our own personal interest and contact with events to interpret trends and anticipate possible trouble before it is allowed to break out.

"We have also learned that the best to deal locally with whatever trouble may arise; and that the no-good shunting the problems elsewhere or chucking them over the fence wall into one's neighbour's backyard. To deal with these problems on the spot is a challenge to our administrative skill. One of our most important problems is the rehabilitation and reabsorption of the Kikuyu who were sent to Mau Mau camps into the life and economy of the country. Those at liberty — the comparative and controlled freedom that exists in the reserves today — are rapidly turning towards the

Government and giving it their allegiance. They respect the wise and firm administration of their areas (that has now been established — and is likely to remain for a long time). They are beginning to assimilate themselves to the life in the villages. They are no longer intimidated by Mau Mau gangs, or forced out of fear from their homes.

### The Double Task

"But there are still some 45,000 Mau Mau detainees, and 15,000 Mau Mau are still present in the country with a double task — to ensure that they can once more take their place in the normal life of the Colony as useful citizens; and, secondly, to ensure that by the development of new schemes, such as irrigation and forestry, by creating new openings in industry, by providing employment again in the European farming areas, or by making it possible to absorb more in the Kikuyu Land Unit, they can all be provided with a job and a livelihood.

"Detainees are reclassified at the Manyani Reception Centre, then transferred to work camps in their own districts; then if they make good, moved to a transit camp at their district headquarters; then to a similar camp at their own divisions; and, finally, to open camps where they are on probation until their ultimate release to their own village to the firm and authoritarian regime that exists in its neighbourhood in the reserves today. About 1,000 are being dealt with in this way every month, and so far over 10,000 detainees have been so dealt.

"Magnificent work is being done by the missions of the various denominations and other voluntary organizations and agencies. I would pay a sincere tribute to the work of all the missions, and emphasize that they have the full support of the Government in their efforts. Arrangements have been made for the heads of the missions to see the Governor or me regularly to discuss our mutual problems and difficulties; and these regular meetings have proved most friendly and informative on both sides. We are pursuing the same objective — that of bringing a better way of life, and thinking.

### Return of Kikuyu to European Farms

"I shall be particularly concerned with Government plans to the return of Kikuyu to the white areas, particularly to the farms in the Rift Valley Province. Three separate pilot schemes have been put into operation. These are the return from the Kikuyu Detention Camps to the ward of 60 families to the Laikipia ward and the transfer of 100 families to the Makutano detention camp to the Subukia ward. Unfortunately, the Solai and Subukia schemes have not started owing to inadequate supervision.

"But these early failures have taught us a lesson. We have learned the need for the most careful screening, under European supervision, of their districts of origin, with a district officer in charge, before they are presented; the need also for those that pass that test to be screened again in the Rift Valley before being allocated to farms; and the need to ensure that those who pass this double test go to a farm where the farmer himself is prepared to give them the extra measure of supervision required.



...of the... they are... the local Production Sub-Committee of the area will advise to which farm the... Kikuyu labour, but those who are prepared to take... individuals such as former employees... for... to pass the duties screening test.

**Races in Kenya**

"I very much hope that this way will be possible during the next few months not only to complete the three schemes pilot schemes but also to bring new schemes into operation, thereby gradually and under strict control increasing the flow of properly screened labour out of the... Unit based on the Rift Valley farms. This... operation can be... can succeed only with the full cooperation of the employers concerned. From what I have heard I have no doubt that the Government will receive the full support of the European farming community in carrying out this plan."

"The three races must live in peace, friendship, and mutual toleration... in the country who do not... of government and believe that their particular race or community

should have dominance — on account of their claim to a higher standard of intelligence or cultural attainment, or by preponderance in the economic or commercial sphere, or by sheer preponderance of numbers. To think like this in my opinion is to think and live in another age — an age that never really was."

**All Races in Kenya to Stay**

"I believe that all the races that make up Kenya are here to stay, have something to give, a service to perform, and that nobody is going to be talked out, frightened out, or chucked out. If that is recognized — and the realities compel us to recognize it — then let us get on with it, and in the only acceptable way, which is that of friendship and mutual respect."

"I believe completely that Kenya is nearly over its troubles, that the effort of overcoming them has taught us many things, and that us right now, that of all the territories in Africa this one, Kenya, is now destined for a programme of peace and prosperity, and which each one of us can, if he will, in his own way and by his personal example contribute to fully."

**Mr. John Gunther's Misconceptions about Rhodesia**

THE LONG REVIEW of Mr. John Gunther's "Inside Africa" (Hamish Hamilton, 30s.) which appeared in this newspaper last week could deal only with the East African chapters. Something must now be said of the Rhodesian section, for in it the author passes some unjustifiably harsh judgments.

The impartiality which characterizes most of the book is unfortunately in abeyance when this able American author discusses Rhodesians and their problems. Abandoning his customary urbanity, he bars his criticisms and indulges in wounding generalizations which are not supported by adequate evidence.

**Umballa, Mashona and the mine**

It is, for instance, unfair to make the wholesale condemnation that "African housing in Southern Rhodesia is abominable — almost as bad as in the Union". That assertion ought to be corrected in the next edition of the book. A few days ago a pioneer, man of wide experience in many parts of the world told me that the housing scheme for Africans in Umballa, Southern Rhodesia, seemed to him a model worthy of general emulation — not, he emphasized, because it is the most ambitious and expensive work of the kind, but because he knows no other which gives Africans either so much value for the money available or so large a share of participation in the actual construction, with the consequence that they have an unusual sense of pride in the results. My friend has inspected many modern housing schemes in East, Central, and South Africa, and his verdict, it will be seen, is in flat contradiction to that of Mr. Gunther, who also fails to mention that Salisbury and Bulawayo are engaged in great building schemes for Africans.

The book went to press before details were announced of the plan to erect 5,000 houses in those two cities, but the Prime Minister, Mr. Garfield Todd, has said repeatedly that the provision of urban homes for Africans would be limited only by the amount of money which could be borrowed. These practical points, that the authorities are alive to the importance of better urban housing surely deserve recognition. Rural housing is, of course, still little affected by modern ideas, but there is promise of better things, and progress will come with higher earning power, cheaper credit, and the inclination to emulate the white man's practices.

One of the main items in Southern Rhodesia's development plan is the transformation of the life of

rural Africans, so whom individual land titles are now being granted. Re-settlement of the peasant population in this way, an immense undertaking, coupled with instruction on the spot in better methods of agriculture and animal husbandry. Nowhere else in Africa is there so ambitious a programme of the kind, and so good is the beginning that in some areas productivity has more than doubled in two years. Mr. Gunther ignores this highly creditable work, and writes "Africans may in certain circumstances be persuaded to move off their land into... whether they want to go or not, if mineral wealth is discovered on their property. Hundreds of families have been moved, sometimes to unhealthy areas where they do not even know the language, no injustice in contemporary Africa is more flagrant."

If mineral wealth is discovered, Europeans no less than Africans may suffer serious inconvenience; indeed, a prospector may pursue his activities on the farm of a European for a trivial monthly payment whether the landowner sanctions his dig or not. That this general principle operates in other countries also will not be understood by many readers of the above passage. They will derive the false impression that Africans are under a special disability, whereas in fact optimum development of the underground resources of the country is put above the wishes of the farmer or rancher.

**Africans on the Land**

Africans who are moved are fairly compensated, placed on land which is almost always more fertile and provided with soil and other services. For every African displaced for purposes of prospecting or mining, scores, possibly hundreds, have been moved for their own benefit when they have ruined the soil by bad methods of agriculture and stubborn insistence on keeping far more stock than the pasture can feed, thus transferring to new areas for the dual purpose of allowing the eroded ground to recover and giving them a new chance of feeding themselves and their families and producing surpluses for a market.

Such a settlement is generally a thing to be desired, but even when their new neighbours speak the same dialect or language, the circumstances differ entirely from the picture which Mr. Gunther's words will produce. An English reader might think that they imply the equivalent of providing his family and setting it down in France or Poland. In fact, it would be more

like moving a Lancaster to Somerset or a man of Kent to Cornwall. Africans have a wonderful linguistic faculty, and where the language of the area is not known it will very quickly be acquired.

To suggest that the land situation of Africans in Southern Rhodesia constitutes as great an injustice as contemporary Africa at present is to misinterpret the entire position. I would say that no other Government in East or Central Africa is so active in the resettlement of Africans in the land in conditions which offer them good prospects of success, or has so good a record of agricultural demonstration to Africans in Africa, under the European guidance and supervision.

Writing of his "most painful single experience in Africa," the author thus describes a visit to a Native purchase area near Salisbury:

"Here we visited, among other things, a native school. The poverty, the squalor, the pitiable lack of discipline, the sheer inhuman primitiveness, was beyond words. But what really hurt was that our white Government's Government official, refused ostentatiously to acknowledge the perfectly decent, perfectly respectable, and perfectly modern black schoolmaster."

Why use an abnormally bad official to build up prejudice? There is no suggestion in the book that Mr. Gunther found other schools in the Colony similarly squalid or that other European civil servants were seen to lack common decency in their human contacts. Parallels for such conditions and such behaviour could easily be found in the Deep South of the United States, but to recite them would not fairly depict the country as a whole.

**Unfair to Sir Roy Welensky**

Sir Roy Welensky, the author declares, "has small love for the African, and has been the passive, vigorous supporter of colour-bar; he certainly stands for partnership on what seemed to be ambiguous terms".

Knowing Sir Roy Welensky well, I unhesitatingly reject the declaration that he dislikes Africans and the innuendo that he was insipid in accepting the policy of inter-racial partnership in the very foundation of the Federation. Rhodesia's three outstanding political leaders, Lord Malvern, Sir Roy Welensky, and Mr. Garfield Todd, are, I am convinced, completely sincere in accepting the doctrine and genuinely determined to make it the foundation of their policy.

What neither they nor their followers accepted was the fluff-minded expectation of sentimentalists knowing nothing of Africa that equality could come by a wave of the federal wand; their perfectly open and perfectly valid conception was that the Europeans must be the senior partners for the calculable future, but that Africans will have increasing responsibilities in the partnership as and when they demonstrate their capacity to discharge them effectively. There has been nothing ambiguous about the terms. No man in or out of Africa could have said more bluntly over the years precisely what he meant in this regard than did Sir Godfrey Huggins (now Lord Malvern); and it was because the United Kingdom Government accepted his definition and trusted him and his associates to fulfil it in practice that the three States were allowed to enter upon their federation.

**Errors about Federation**

Not is Mr. Gunther correct in suggesting that Sir Andrew Cohen was "the father of the federation concept". While Sir Andrew was in charge of the African department of the Colonial Office he helped to work out the detailed plan which was ultimately adopted, but he was still a schoolboy when the concept first began to be advocated by this newspaper more than 30 years ago, and no other publication then preached union of the Rhodesias. Indeed, for many years the cause was supported by no other newspaper anywhere; and by only a few public men, chief among them Messrs L. S. Amery in England and D. Huggins (now Viscount Malvern) in Africa.

Mr. Gunther declares that he did not meet one African who favoured federation. When he was in Salisbury or Bulawayo he had only to ask and he would have been put in touch with respected Africans who had the courage to endorse the idea of federation during the years of controversy and who are now more convinced than ever that the right decision was made. They were, naturally, a tiny minority, but the great mass of Africans had not, and could not be expected to have, any real idea of the meaning of federation; so always suspicious of change, they opposed what they did not understand.

**Colour Bar**

With many of Mr. Gunther's strictures on the colour-bar in Southern Rhodesia every man of good will must sympathize; it is regrettable, however, that he does not report that among those who have striven most valiantly against unchristianistic colour-bar customs are leading European farmers and merchants, no less than missionaries and officials. He also omits the explanation that customs which he rightly condemns are the result of a great influx of often poor-type whites from the Union of South Africa and that the education of public opinion cannot be rushed. It has taken Lord Malvern half a lifetime to change the outlook of the European community of Southern Rhodesia, but he has influenced his people in the way more than any other man anywhere in Africa. Liberalism is spreading much more generally than most Rhodesians would have thought possible a decade ago. Apparently Mr. Gunther met too many of those who dislike what is happening and too few of those who regard it as essential to the general well-being of the three territories.

I have spotted one paragraph in the Northern Rhodesian section which has three misstatements of fact and there are many other assertions about the federal area which are equally erroneous or disputable.

**Reckless Charge**

One of them may do considerable harm. Take this exactly: "I asked if Roy Welensky, who is scheduled to be the successor Prime Minister of the Federation, had ever had a meal with an African. Answer: 'Doubtful'."

Whom did he ask? Certainly not Sir Roy Welensky, or anybody who knows much about him, for the answer is that he has had many a meal with Africans. Accusations of this kind, amazing in face, relations and to the individuals mentioned, ought not to appear unless the writer has taken due care to establish the facts.

"Inside Rhodesia" is not a reliable guide to the Federation.

F.S.I.

**Quick March to Self Government**

**Unfair Criticism of British Policy**

SIR ROGER MAKIN, British Ambassador in Washington, said last week when addressing Chatham College in Pittsburgh, Pennsylvania, that Great Britain was granting independence to her Colonial possessions "as soon as they are ready to stand on their own feet". William Pitt, first Earl of Chatham, had stood strongly against the Colonial policy of his day and because he was not heeded the American Colonies had been lost. But Britain had been freed from the shackles of the 1770s.

"Indeed, now as you might almost say that we have erred too far in the other direction and allowed our territories to proceed on the road to self-government faster than prudent statesmen might suggest, in an age when the economic and domestic self-interests are so hard to reconcile. But I believe that, as on the right side, for there is not much in the way of foolish restraint that a mother country can do, once a territory has entered the last lap of its journey to independence."

Little service has been done by the democratic cause by indulgence in the wilder and less responsible criticism of the so-called Colonial Powers, as we have seen recently in the United Nations.



# Strong Opposition to Merger of Clan and Union-Castle Line

"No Case Made Out for Destroying Independent Existence of Union-Castle"

**STRONG RECOMMENDATION** that holders of ordinary stock of the Union-Castle Steamship Co., Ltd., should not accept the offer made to them for the merging of that company with Clan Line Steamers Ltd., has been made by the Union-Castle Ordinary Stockholders' Committee recently established under the chairmanship of Lord Curzon.

The comments of the committee run to four printed foolscap pages. The document states:

"The opening paragraph of the document accompanying the offer by The British and Commonwealth Shipping Co., Ltd., to the members of the Union-Castle and the Clan Line (referred to hereinafter as the 'particulars') states: 'The suggested merger is not a proposal whereunder the members of either company are being asked to surrender their stock or shares for cash, in which event an entirely different set of considerations would have to be taken into account. Under the present proposal the members of both companies are being asked to place the assets of their respective companies in a common pool through the medium of a holding company.'"

## Valuation of Assets

"If the assets of the two companies are to be put into a common pool it is considered that the starting point for consideration of the terms of the merger should be an independent valuation of those assets. No such valuation has been disclosed in the particulars, nor do the terms of the merger appear in any way to have been related to asset values."

"In general the market value of an asset is a figure at which a purchaser would be prepared to buy the asset, and must be decided on the basis of the potential earning capacity of that asset in the hands of the purchaser. In any particular case, however, there may be special circumstances to be taken into account. For example, it may be that certain assets are employed and have to be employed, in fulfilling long-term contracts or obligations, under which the full potential earning capacity of the assets cannot for the time being be obtained. In such circumstances the value of the asset will have to have to take account of the reduced potential earning capacity during the period of the contract obligation. In the case of particularly beneficial contracts the converse would apply. When considering the effect on the market value of an asset of reduced potential earning capacity, account should be taken of the maintainability or otherwise of that earning capacity."

## Future Earnings

"The terms of a merger should take into account not only past results but also future potential earning capacity under a new joint management. Thus the allocation of the equity in the new undertaking between the parties to the merger should be based on asset valuations arrived at in accordance with the principles set out above, that is to say in the proportions in which the parties will be contributing to the common pool."

"It is pointed out in the particulars how the proposed division of the equity of the new company between the ordinary stockholders of the Union-Castle and the Clan Line has been arrived at; but it seems clear that it has been based on profits after depreciation."

"It is admitted in the particulars that present and probable future profits are to be related to asset values, and that the figures are compared in varying degrees to both companies. It is clear, therefore, that no goodwill exists in either group. Not assets, excluding the two fleets but after deducting debenture stock,

minority interests, and preference capital, on the basis disclosed in the auditors' report, are in the proportions of approximately 46% Union-Castle and 54% Clan Line. In these circumstances the division of the equity of the new company in the proportions of 42.6% to the Union-Castle and 57.4% to the Clan Line can only reflect the respective values attributable to the two fleets."

## Profit Ratios

"These latter percentages are in approximately the same ratios as the average profits after depreciation for the four years 1951 to 1954 and of the recalculated estimated profits after depreciation for 1955. It is evident, therefore, that the terms of the merger have been arrived at primarily by reference to these past profit ratios."

"The committee do not regard the past profits after depreciation given as a true basis for arriving at the terms of the merger. Even, however, if the basis were correct, it is not considered that, in arriving at the profits after depreciation, which represents a very large charge, should have been adjusted to a figure based on the original cost of the fleets which has otherwise been disregarded in arriving at the terms of the merger."

"The depreciation chargeable against the profits of the two groups for the purposes of the merger should be related to the value of the respective fleets adopted for the merger, bearing in mind their expected operational life."

"As a result of computing the depreciation charge on original cost the Union-Castle profits shown in the particulars have been charged with approximately 20% of the total depreciation attributable to the two fleets, although the value attributed to the Union-Castle fleet in the merger is only about 40% of the total."

"Appendix III of the particulars sets out a calculation based on replacement costs and on what has been depreciated at 2% p.a. from the year in which vessels were actually completed. This arbitrary calculation would in no circumstances other than by a coincidence result in figures related to current values. It is, therefore, particularly unsuitable in the case of a comparison between the assets of the Union-Castle and the Clan for the following reasons:

## Lives of Liners

"(a) It does not take account of the fact that in general a passenger liner has a considerably longer life than a cargo vessel.  
 (b) A number of the liners of the Union-Castle fleet were completed during the 1939-45 war on Admiralty service and before these vessels were handed back to the company they were extensively refitted. An example is provided by the *Strathgalloway Castle*, which was completed in 1936 and was therefore 19 years old at December 31, 1954, the date at which the calculations in Appendix III have been made; 90% (i.e. 18 years) at 5% and the replacement cost of this liner is £2,300,000, which may be estimated at about £1,000,000, has therefore been written off in the calculation, leaving a residual value included in Appendix III for this ship of £600,000. In fact, due to the refitting which took place after the war, the life of the *Strathgalloway Castle* is very much longer than 20 years, and her present value has been estimated at about £2,300,000.  
 (c) Three of the main ships of the Union-Castle fleet, namely the *London Castle*, the *Cassiarvon Castle*, and the *Winchester Castle*, are over 20 years old, and on the basis adopted for Appendix III are therefore included at scrap value only, whereas it is known that they have a considerably higher value. None of the ships of the Clan group is over 20 years old."

"(d) It is considered that a current valuation of properties, plant, and fixed investments should be provided."

"(e) The Union-Castle fleet includes 13 large passenger liners between 18,000 and 29,000 tons of which six vessels have been delivered since 1948, and 12 medium-sized passenger liners whereas the Clan fleet includes only two passenger liners of high proportion of the remainder being vessels built during the war."

"The equipment of passenger liners such as those operated by the Union-Castle includes large quantities of valuable stores, such as linen, cutlery, crockery, and consumable stores. It is considered that the figures made available to members should have included an independent current valuation of ships' stores and an comparison of such valuation with the figures at which they are included in the companies' balance sheets."



(b) No provision has been made for any commitments which the Clan might have in connection with its holding in Huntingdon Air Holdings Ltd. for the purchase of additional aircraft or for other purposes.

(c) Although, as stated above, it is appreciated that market values have to be adjusted to most particular circumstances, the following valuation of the fleets of the two groups made by a well-known firm of ship valuers is significant: Union-Castle group £600m. Clan group £100m.

The profits statement accompanying the offer shows the adjusted profits of the two groups before U.K. taxation for the four years ended December 31, 1954. It is stated in the particulars that "profits earned from tramp shipping tend to fluctuate more than profits earned from the operation of regular services". In these circumstances it is inappropriate to compare the earnings of the Union-Castle with the earnings of the Clan on level terms, since the Clan's earnings are not influenced by the open cargo market than those of the Union-Castle. It is also inappropriate to do so over such a short period as four years, during which four years freight has consistently been high and cargo ships have benefited accordingly.

**Clan Reorganization**

It is considered, therefore, that the profits of the two groups for the last 10 years should not have been shown, and that in comparing those profits consideration should have been given to the different classes of business which they generated. It is appreciated that the Clan group was reorganized in March, 1951, but it is considered that the figures before that date could have been adjusted so as to bring them on to a basis as nearly as possible comparable with the position which has existed since the reorganization. This is regarded as a matter of importance since an examination of the published figures which are set out below appears to indicate a relationship very much more in favour of the Union-Castle than is shown by the two years 1951-54.

The unpublished profits attributable to the ordinary stockholders of the two companies for the years 1948, 1949 and 1950 before charging taxation were approximately as follows:

	CLAN GROUP	UNION-CASTLE GROUP
1948	£1310,000	£499,000
1949	1,336,000	3,560,000
1950	1,106,000	2,347,000

In arriving at the above figures preference dividends have been deducted on the basis of the amounts now payable together with provisions for contingencies at the rate of 2% on income tax thereon.

It is appreciated that the above figures are not comparable with the adjusted profits for the years 1951 to 1954 as set out in the directors' reports for convenience of reference these latter figures are set out below:

	CLAN GROUP	UNION-CASTLE GROUP
1951	£2,637,138	£3,439,766
1952	3,651,702	2,767,042
1953	3,115,752	3,012,344
1954	2,778,078	

The estimated profits of the two groups for 1955 are stated in the particulars to be as follows: Clan £1,425,000, Union-Castle group £800,000. It is further stated that "a calculation has been made of these estimated results for 1955 on the hypothetical basis that the increases of freight rates and passenger fares arranged during the year in respect of the South African and other trades and certain of the known increases in costs, principally fuel and crew wages had applied to all liner voyages expected to be completed in 1955."

**Theoretical Calculation**

It is emphasized in the particulars that this is only a theoretical calculation based on one year's adjusted estimates and can in no way be taken as a forecast of profits for 1956. It is, however, stated that the recalculation shows a substantial addition to the losses for each group and a relationship of approximately Clan 58% and Union-Castle 42%.

From the above information it can be deduced that the adjusted estimates show a profit for Union-Castle of only £500,000, as 2/58ths of the estimated Clan profit for 1955 of £2,425,000 amounts to £280,000. It is considered that the actual recalculated figure should be disclosed, since although it cannot be taken as a forecast of profits for 1956, it must give an indication of the level of profits which may be expected in the future, and is of great importance in considering the implications of the replacement programme.

"In this paragraph in the particulars headed 'Net Assets' the following sentence appears which refers to the figures

given in paragraph 11. While the figures set out are comparable, they do not in other cases take into account the relative future prospects of each company for replacement of vessels and the resources available therefor."

As stated above, it is not considered that in the different circumstances of the fleets of the two companies the figures are in fact comparable. Quite apart, however, from this point, there is no justification for suggesting that the necessity for replacement of vessels in the future in any way alters the current valuation of the assets of the two groups.

It is stated in the particulars that the total estimated cost of replacing each ship in the two fleets with an identical ship at current prices would be about £61m. in the case of Clan and about £100m. in the case of the Union-Castle. It is further stated: "The proportion of these figures represented by ships which would be attained the age of 25 years or more would be approximately £30,000 in the case of Clan and approximately £51m. in the case of Union-Castle."

**Replacement Programme**

Although this statement should, presumably, not be taken to mean that the Union-Castle will spend £51m. on new ships during the next nine years, it should be noted that such a programme would imply that by value of the Union-Castle's existing fleet whereas the Clan programme would only replace about 45% by value of its fleet in a later period. Furthermore, no account is taken of the fact that maintenance charges increase with the age of a ship. Thus whereas the maintenance charges of the Union-Castle would be reduced over the period as a result of the replacement of old ships by new ones, those of the Clan would still be on the increase as their ships neared the end of their useful lives.

It is not always fully appreciated that the provision of funds for the replacement of a fleet, which in general takes place regularly over a period of years, depends on provisions for appreciation and on retained profits. The Union-Castle has aggravated its replacement problem by delaying the employment of some £10m. of surplus current assets in the purchase of ships. In the first instance the cost of new ships would have been very much lower during the past three years than they will be during the next three years. In the second place (assuming that the Union-Castle does not invest in new ships) depreciation cannot take a proper depreciation would already have been accumulating on these new ships and would have been available as a contribution towards future replacements.

**Information Withheld**

An calculation has been made based on the following assumptions and in the knowledge that certain essential information is not available to the committee. The assumptions which have been made are as follows:

(a) That the Union-Castle group will invest a sum of £5m. per annum for the next 10 years in new ships.

(b) That the Union-Castle group is currently making profits at the rate of £21m. p.a. after charging depreciation on original cost at 5% and that this rate of profits can on average be maintained over the next 40 years. This is regarded as not an unreasonable assumption since (1) it is below the adjusted estimate for 1955, (2) it is below the average of the profits for the last eight years set out above, (3) it is contended that certain of the ships of the Union-Castle and particularly the King Line are at present doing (4) as old ships are replaced maintenance charges may be expected to fall, (5) it has been stated by the chairman of the Union-Castle that while the South African Government accepted the recent negotiations on the principle that freight rates should have relation to the cost of replacing vessels at current high costs of building, the fact remains that profit margins in this trade have diminished in recent years. This should mean that new ships built at current prices should be able to earn their depreciation charges with a margin on the ordinary stock at the rate of 8% the equivalent of a dividend forecast by the new company on its ordinary stock.

(c) That rates of profits taxed and income tax remain as at present and that no change will be made in the legislation regarding investment allowances.

The calculation shows that over the period ending December 31, 1965, the Union-Castle group would have a surplus for investment in shipping of £1m. depreciation and retained profits a sum of over £20m. in addition to the surplus current resources at December 31, 1954, of approximately £10m.

"In considering the replacement programme of the two groups, the directors refer only to the period ending Decem-

# Agreement Between Religious Leaders in the Sudan

Settlement of Differences Might Lead to Overthrow of the Military Government

A NATIONAL ARAB GOVERNMENT in the Sudan may result from a settlement reached in Khartoum last Monday by Sayed Ahmad Hamza, El Mahdi and Sayed Ali El Mirghani, the two religious leaders, who have hitherto been open rivals in supporting the Umma (People's) Party and the Ashigga (Blood-Brothers) Party.

The two religious leaders are expected for a National Government, and the Sudanese to work unselfishly for the welfare and aspirations of the Sudan and the achievement of its independence. Their statement followed four days of meetings between the two who differed. It said that both parties were anxious that the critical issue of self-determination should pass peacefully. The rival leaders had for the first time discussed public affairs for nine years.

## New Premier?

Sayid Ismail El Azhari, the Prime Minister, is expected to announce the agreement of the religious leaders and the business to the Sudan. The settlement of differences, however, may lead to the displacement of the Azhari Government, possibly in a Parliament meets today. If and when such a change be made, the new Prime Minister may be Sayed Mirghani Hamza, probably with El Mahdi, Sayed Siddik, as deputy.

Sayed Ali El Mirghani, head of the Ikhathmia sect of Muslims, is a member of the Ashigga Party, which strongly advocated union with Egypt, but he became increasingly dissatisfied with Egyptian pressure. El Mahdi, leader of the Ansar sect, and the rest force behind the Umma Party, has always insisted on complete independence for the Sudan. That policy has now been adopted by the Ashigga. Egypt must abandon all hope of achieving her aims in the Sudan.

## International Commission

Britain and Egypt have just signed documents amending their 1953 agreement on the Sudan in order to permit the future status of that country to be decided by the national plebiscite requested by the Sudanese Parliament, instead of by a constituent assembly. Shortly afterwards Great Britain and Egypt issued invitations to Czechoslovakia, India, Norway, Pakistan, Sweden, Switzerland and Yugoslavia to constitute the international commission which is to supervise the process of self-determination in the Sudan.

It has been agreed to hold simultaneously a plebiscite and elections for a constituent assembly, which would be entrusted with the task of drafting a constitution and an electoral law for a permanent Parliament.

The international commission is enjoined to ensure a free and neutral atmosphere for self-determination and to consider the activities of any non-Sudanese "and any forms of pressure or inducement exerted within the Sudan or from without." It will have the power to postpone the whole process of self-determination if it considers that conditions exist which make impossible a free expression of opinion by the electorate or the impartiality of plebiscite or elections. It is hoped that the commission will begin work at the end of this month.

## Justice is Being Done

A special correspondent of *The Times* telegraphed from Juba a few days ago that justice is being done in the courts of the Equatoria Province, but that it is not apparent to many Southerners that justice is being done. "If exceptional steps had been taken for all major cases to be tried by judges, not administrators, and if the Government had enlisted a team of lawyers to act as defence counsel, fear and suspicion might not linger in the minds of the Southerners, as it does at present — and will for many, many years."

He was impressed by the fairness of the military and civil trials which he attended. Though obstinate prosecutors were beaten during investigations, he found no evidence that witnesses had been intimidated before they gave testimony.

Local politicians are being tried in the civil courts on charges of "murderous" acts against the Government, illegal opposition, hatred, and so on, against the Government, or inciting hatred or violence against any class of persons in the Sudan. Several have already been acquitted, including the president of the local liberal Party.

Thirty Sudanese politicians are due for their part in the months in the Southern Sudan has been put to rest, has been executed. Eight-four of the 106 death sentences passed last spring in the same connexion have been so far confirmed by the Governor-General.

# Settling Scores in Buganda

## Inability to Forget the Past

"Reprisals in Buganda" was the heading given by the *Economist* to the following editorial note:

"Five section chiefs in Buganda, who between them are responsible for collecting two-thirds of the province's revenue, are to go before the new Buganda Appointments Board, which have already resigned in the face of public demonstrations and newspaper attacks. This shows a period of stigmatization of lesser folk who supported or are alleged to have supported the British authorities during the Kabaka's absence."

The Kabaka has asked the people to forget the past, and a similar extraordinary plea has been made by the Government in Buganda and the Uganda Protectorate in the names of the Matikoro and Chief Secretary respectively, for the maintenance of law and order. Evidently the average African's idea of the Hancock agreement is simply that the king has come in his own again.

## African Diplomats

In an editorial note, *The Economist* involves settling scores with those on the losing side — chiefs and others, who, having an official position, were bound to carry out the Protectorate Government's wishes, and who had trusted to the British authorities to protect them.

It remains to be seen whether these reprisals indicate a settled policy of restoring the Kabaka to his former position or a power struggle in the papers of the new constitution. The waza chiefs are now civil servants, and cannot be removed at the Kabaka's pleasure; but the behaviour of the Appointments Board will show the lines along which the king's friends are thinking.

The Kabaka informally but unwisely asserts his power in Buganda on the one hand, while on the other, the new legislature serves as a forcing house of political personalities, new and ugly strains could quickly be imposed on the relations between the province and the Protectorate.

# Quakers in Kenya

THE FRIENDS SERVICE COUNCIL has published a pamphlet from which the following is taken: "Four Quaker workers have been engaged to assist in the formidable task of rehabilitation of some of the camps in the Embu area since the early 1950s, and it is hoped that the experience they are gaining there will enable them later to continue their service in the new villages which are being set up in connexion with the Government's reforestation and land improvement schemes. In Nairobi too, we are trying to give the African the opportunity to begin life afresh. Ten thousand Africans, most of them unused to urban life, are being housed on a new estate at Ofala, and since November we have been running a temporary community centre until such time as our new centre is opened on the estate at the end of 1955 or early 1956. It will be staffed by Africans and Europeans, and will thus provide a meeting ground for members of both races, as well as a focal point for social life among the African community."



# No Republican Influence in Federation, Says Lord Malvern

## Federal Minister on His Prospects of Attending Meetings of the House of Lords

SCOTT MALVERN, Prime Minister of the Federation of Rhodesia and Nyasaland, left London by air on Tuesday for Salisbury, which he had left on October 13 for visits to Great Britain, Switzerland, Portugal, France, and Germany.

He was the guest of the British Government during visits to Paris and Grehoble, and of the Portuguese Government in Lisbon. He went to Geneva for a meeting of the Inter-Governmental Committee on European Migration, and to the Hague for an agreement on migration with the Netherlands Government.

He took his seat in the House of Lords for the first time on October 20, and on November 24 received an honorary degree of Doctor of Laws of the University of London from Her Majesty Queen Elizabeth the Queen Mother on the occasion of her installation as Chancellor.

Before leaving London Lord Malvern told journalists that he had had talks with British Ministers on general questions. While he readily accepted some of the provisions of the federal constitution, he did not accept the proposals made in some quarters for early revision. It had been agreed that there should be no major changes for seven years, and the existing scheme ought to be given a thorough trial before there could be any question of amendments.

### All Quiet

"Have you heard cries of dismay since you announced that you were not going to retire?" asked a questioner. "I think I have gone dead quiet," replied the Prime Minister with a laugh.

Invited to summarize reports that the Federal Party was less than pleased with the proposals, he said he would have been very surprised if he had not heard that there were many controversial things to do, if only because our people would be a sub-human. We should be much more unpopular than the new 22 millions. "I hope we shall be able to do it."

Imparting to a reporter the impossibility of finding flights to Salisbury for some months, the authorities had therefore had to charter aircraft. It was hoped to recruit Comenians through the Inter-Governmental Committee on European Migration. A good mixture of rates with British predominating, would suit Rhodesia, for that would prevent minority problems. Rhodesia certainly wanted to retain its British character, but if there were many natives it would still be fine.

He confirmed that the Prime Minister of Southern Rhodesia had recently said that it would be best to avoid minority problems. Lord Malvern said: "But that is much younger than I in politics. I like to see of minority problems, for they cancel out one another."

### True Statement

Referring to a statement in the *British Weekly* that he had opposed the appointment of Mr. Todd as Prime Minister of Southern Rhodesia, Lord Malvern said that it was he who had brought Mr. Todd into politics, that he was very pleased when he became Prime Minister, that that view had not changed in the slightest, and that the whole of the statement in the *British Weekly* was untrue.

After he had said that he had accepted an invitation to attend the conference of Commonwealth Prime Ministers in London next Sunday, Lord Malvern was asked about the prospects of his taking part in the proceedings of the House of Lords. He replied:

"I missed a chance last week when Empire matters were discussed, but I was away from London. Whether I should take part will depend on the Minister who would depend on the subject. Afterward it will depend on whether I can afford to take cover, you do not give the Lords any allowances. I certainly have no objection on my treatment. My country attracted me very much, and I intend to remain there. The same objection of salary being the capital both in the Federation and in Southern Rhodesia, and disliked. I do not mind being asked for my views about when the whole area was under British finance for colonial development."

Lord MALVERN was outspoken about the Empire when he addressed the Empire League in London last week. He said:

"As to the preservation of the Commonwealth and Empire, I am old-fashioned enough to regard ourselves and other Colonial folk as part of the Empire, and I see no object in going away with the name 'Empire,' which we cherished very much when I was a young man."

### Listening to Appeasers

"I do not see why we should pander to the appeasers and those who try to do a great work. The United Kingdom has done an awful lot of civilization and advanced things to so many backward parts of the world. I do not see any reason why, because Russia and the United States do not like the word 'colonialism' — and they are both colonial nations — and because they chose to condemn colonialism, we should go back on it."

"Why should we surrender everything we have done for these backward peoples? Take India — the most ungrateful part of the whole show. We stalked into India when they were fighting each other and cutting one another's throats, and we gave them peace, good order, and good government. We hoped they might take over without bloodshed, but that hope was not realized. Why these people talk about colonialism as a bad policy I do not know."

"I do not see why we are going to be dictated to by the counting of the votes. The States have a bigger population than we have, Russia has a bigger population than the States, and China has a bigger population than India. Let us carry on our good work for those who are not so numerous but are of much better quality."

Replying to his speech the Prime Minister of the Federation of Rhodesia and Nyasaland said:

"It is comforting to me coming from the Overseas Empire to find the League still going strong, and I do hope that the League will see to it that they get some young recruits. The League has now become one of the few stabilizing influences in the world. Its aims are the maintenance of the peace and the constitution of the realm and the preservation and welfare of the British Commonwealth and Empire. These are the same aims and objects of all the people who have been associated with me on politics in Rhodesia."

### Too Many Missions

"We do not spend so much time fighting one another that the question of maintaining religion and carrying it to the heathens made so much more difficult than it should be. I do not know how many different denominations are fighting for the souls of the Africans in the Federation, but there are too many in Rhodesia alone. That may be a great handicap to these unfortunate people, because the tendency of the Natives is to go where the privileges are greatest, and the singing is best."

"We try to apply British justice to the heathen, and of course they do not understand it a bit. Hardship must be polygamous. When they become Christians they find they can have only one wife, whereas all their relations can inherit in the luxury, if it is a luxury, of more than one wife. A Christian Native marries more than one wife, he is allowed bigamy. That is typical of many things that happen when we try to give British justice without modifications into these semi-barbarous countries."

"The Government is anxious to aid and abet the missionaries inasmuch as possible, but missionaries are not from the same section of the population. Some are good, but many are bad, and they are bad when they are a public nuisance."

"With regard to the preservation of the Constitution of the realm, no part of the Empire is more determined than the Federation to keep the Crown firmly where they are and owe allegiance to the Crown. I do not see practically no republic in the Empire. I am pleased to say in the part of the world from which I came, the British monarchy was the most stabilizing influence that any Government possesses today."



## Case for East African Co-operation

### Points for Uganda to Consider

SPECIAL UGANDA NUMBER has been published by *The Times-British Colonies Review*. The cover is occupied by a photograph of the signing of the Buganda agreement in October, and there are a number of special articles about Uganda.

The Kampala correspondent of the paper writes on "The Long Road to Self-Government". Mr. A. S. Lubwama on "The Chiefs of Buganda". Dr. Audrey Richards on "The Tribal Kingdoms of Uganda". Dr. P. K. Washburn on the curator of the Uganda Museum. Mr. R. C. Pratt of Makerere on "The Evolution of Local Government". Mr. H. B. Thomas on "Growth of the Towns". Mr. J. Simpson on industrial expansion. Mr. Y. Wason on agricultural progress. Mr. R. M. Bond on the national parks; the Rev. J. V. Taylor on the work of the Christian missions; Mr. I. C. M. Maxwell of Makerere College; Mr. Y. K. Male on "Africans in Exile"; and an anonymous contributor on the road to be taken into western Uganda.

The issue is illustrated with a photograph of Uganda and page 6 contains a quiz in a photographic competition. Five out of the six are East African, two from Kenya, two from Uganda, and one from Tanganyika.

### Uncertain Years Ahead

A leading article on the future of Uganda says (in part):

"Although the Protectorate and people of Uganda have come through a period of trial to a happy conclusion, the still have difficult years ahead. Their future has to be viewed in the context of all Africa. They are a border State, the most northern of East Africa, with the Middle East and all its troubles pressing down from them, and the various unsolved problems of East Africa involving them from the east and south.

"In the midst of this turmoil Uganda has to work out her own salvation. This means, first and foremost, working out a formula by which Uganda can become a unitary State and at the same time preserve flexibility in the relationships between its component parts. Uganda's people are in varied stages of development, and it is essential that, when the time comes for it, to achieve independence, it should not suffer the disaster that has now befallen its neighbours to the north, Sudanese.

This is a problem common to all Africa. The need is to try to educate the less advanced tribes so that some sort of homogeneity can be achieved between them and the Baganda. But even so it must be recognized that tribal differences will for a long time be great enough to necessitate a loose linkage, as is consonant with economic efficiency.

Uganda has not only to work out the relationship of tribes with tribe and region with region, she also has to find a satisfactory and workable place within the community for the 40,000 Asians who are settled in the country and want to make it their home. Today they enjoy communal representation. This arrangement is evidently only an interim phase. Sometime their economic and social status has to be established on a more equitable satisfactory to the Africans and yet providing security for the Asians in a narrow sense task."

### Internal Relations

Finally, in the field of internal relations, Uganda has to suggest the social changes that will come with industrialization, the Jinja scheme and other projects are already promoting the movement of population from primitive areas to urban life. Here Uganda has the advantage of being able to study the experience and the mistakes of other African countries that have trodden this path before.

But, perhaps the adjustment of her relations with her neighbours will in the end tax the statecraft of Uganda leaders more than all. With the removal of British influence, the Sudan will become exposed to the tumultuous influences of the Middle East. She is an obvious gateway for those who wish to spread the confusions of the Arab world into the heart of Africa. Uganda leaders must learn to wage such efforts at the future, worth and not be misguided into the pursuit of short-term advantages.

"Equally difficult will be the regulation of relationships with the rest of East Africa. The future of the East African territories is still less settled and more obscure than the future

of any other part of Africa. All economic arrangements depend on the political framework. But the political developments in the territories tend to change them apart. Each of these may be envisaged a greater degree of self-government, but it is envisaged by each country than that of domination by one by the other may result in a closer and wider co-operation to work up. It is an issue that ought to be kept in mind.

The immediate problems of Uganda are, at any rate, to make the best constitution work and to get on with economic and social development. These are concrete, easily understandable objectives, but it can be envisaged even mutual trust between Africans and African, African and non-African, official and non-official, in the Protectorate, is so much will have been achieved since the Hancock Committee first met at Kampala, less than a year ago.

## Meru Tribe Hunt Terrorists

### New Regulations for Emergency

SOME 30,000 MEN AND WOMEN of the Meru tribe, reinforced by arms, police and armed Meru guards, have taken part in a sweep of the Mount Kenya forest in search of Mau Mau gangsters. Some of the loyal tribesfolk remained in the forest for a week and reached the outside at 11,000 ft.

During the operation, which was organized by Mr. John Cumber, the district commissioner, seven terrorists were killed, 11 captured and five surrendered.

A terrorist is defined to include a person who leads, organizes, or takes part in armed or violent resistance to the forces of law, or an illegally armed person. A new regulation creates the offence of acting as a terrorist or furthering the objects of terrorism.

Another amendment to emergency regulations allows a captured terrorist to be used, when he so wishes, to assist the security forces on operations immediately after his arrest. Any person used in this way may be detained in police custody for 14 days, although a magistrate may authorize his detention for a further 15 days. This amendment applies to the whole Colony provisions which were previously applicable to scheduled emergency zones only. The police may now detain a person for up to five hours in order to satisfy themselves as to his credentials.

Any offence against the emergency regulations punishable with 10 years imprisonment or more will be liable by court of emergency assize. The Commissioner of Police and provincial commissioners may now make curfew orders, not only in face of imminent trouble, but also as a precaution to secure public safety or maintain order.

## Colony Research Schemes

### £1.3m. Allotted in 15 Years

NEARLY £1.3m. had been allotted since 1947 to Colonial Development and Welfare research schemes: 32.5% for agricultural, animal health and forestry schemes; 15% for medical research; 11.8% for biological research; 4.7% for pests and myriapod research; 9% for social, economic and economic research; 6% for pest research; 5% for research sponsored by the Colonial Products Research Council; 3% for agricultural research; and 5.5% for miscellaneous schemes including building and road research.

About 69% of the total allocation has been for research of the East African territories and 1.6% for Central Africa. These figures are disclosed in *Colony Research 1954-55*, published at 9s. by H.M. Stationery Office (Cmd. 9,262).

Grants totalling £25,448 were approved for research schemes and 50 supplementary schemes which included under the head of East Africa research for desert locust survey, £42,500 for supplementary provision for an East African medical survey and £104,024 for the establishment and maintenance of the E.A. Scientific and Industrial Research Organization.

Among the major territorial grants were £31,397 to Kenya for the purchase of buildings at Nairobi for the Veterinary Research Organization and £10,000 to Nyasaland for silviculture research.







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*Letter to the Editor*

**Research into East Africa's Past**

**Mr. E. F. Wayland's Comments**

The Editor of EAST AFRICA AND RHODESIA  
SIR: With reference to the correspondence under the  
above heading in your issue for November 1955. The fol-  
lowing facts with regard to Uganda may be of interest.

Part from a few more or less sporadic discoveries  
of obvious stone tools and a bone or two which showed  
that the man once existed in the territory now  
called Kenya Colony, the first approximation to a  
systematic study of early artifacts from East Africa  
seems to have been that made before the 1914-18 war  
by the late Charles Hartley, then head of the Royal  
College in Colombo, Ceylon.

Hartley was interested in what at that time were  
called pigmy implements on account of their small size,  
but which are known today as microliths. Many such  
artifacts were sent to him from the Nakuru-Nyasha  
area, at one time part of the Eastern Province, of  
Uganda, and Hartley collected a great many in Ceylon,  
chiefly from below the shallow buff soils at and near  
Baddarawella, which town was then railroad on the  
line that now crosses Colombo with Battulay on the  
south east coast of the island. The microliths from  
these two widely separated areas, one in Ceylon and  
the other in East Africa, proved to be remarkably well  
typologically. Hartley published his researches in the  
pages of "Spolia Zeylon".

After the said war the present writer started in 1919  
some Stone Age researches in Uganda proper, and  
continued them at intervals for 20 years, at the end of

which time Professor Gevaert Riet Lowe, of the Univer-  
sity of the Witwatersrand, was invited by the Uganda  
Government to collaborate with the writer in the pro-  
duction of a memoir on "The Pleistocene Geology and  
Prehistory of Uganda," but before the ge archaeological  
researches necessary for the completion of this work  
could be fully undertaken World War II broke out and  
our Stone Age investigations were brought to a sudden  
stop.

Van Riet Lowe and the writer returned to their  
respective countries to rejoin the colours, in spite of  
which the project was fortunately able to produce his  
contribution ("Part II of Memoir V, Geological Survey  
of Uganda—Prehistory," while Part I, "Pleistocene  
Geology," had to await further field work. It has now  
been completed.

Some three years ago an archaologist was appointed  
to the staff of the Uganda Geological Survey (the only  
British Colonial institution of the kind to create such a  
post, as yet), and during his term of office he  
prepared, among other things, under the present direc-  
torship, an Ancient Monuments Ordinance equivalent to  
that of the Sudan, Kenya and the Rhodesias, etc., for  
the protection of prehistoric and historic sites, and now  
that he has left at the end of a contract another officer  
is to be appointed in his stead.

It should be noted, too, that in addition to very wel-  
come aid provided by the administrators of the Glaxo  
Fund (Geological Society of London), the Sudan  
Trustees (Linnean Society), and the Uganda Govern-  
ment before the 1945-46 war, and to the Geological  
Survey (Uganda) after it, the same survey and the  
Wenner-Gren Foundation for Anthropological Research,  
New York, have generously supported a proposed  
expedition by the writer, with specialist assistance on  
the spot to the Bunyoro side of Lake  
Albert, where it is proposed to continue the study of the  
bone beds found by the writer in 1924.

These deposits are of Lower Middle or Lower  
Pleistocene age. They have already produced a number  
of hitherto unknown animal, biological, species, and it  
is proposed to continue the study of this ancient fauna,  
the Tertiary succession and the past climatic history  
of the area. It is hoped to discover some remains of  
prehellenic man and his stone implements.

Meanwhile protohistory is in the competent hands of  
others of the Uganda Museum in Kampala, an under-  
standing of the writer's opinion counts for anything  
in this regard in an under-financed institution.

In this connection it may be out of place to  
record that some highly remarkable and seemingly  
important pottery-bearing beds found by the writer  
more than 30 years ago at Kibera, an African settlement  
getting settlement of considerable antiquity between  
Kaiso and Bunyoro on the shores of Lake Albert, have  
yet to be studied.

Kampala, Uganda  
Yours faithfully,  
E. F. WAYLAND

**Livingstone's Map**

A MAP OF BAROTSILAND drawn by David Livingstone  
in 1853 has been presented to the House of Commons  
by the chairman of the London Missionary Society,  
Rev. Cecil Northcott. In 1851 Livingstone was accom-  
panied by Colton Oswell, wrecked by Schenke, in North  
Rhodesia, and by Geely on a journey about 600  
miles long, and Geely pieced together information  
from the missionary explorers on the map. It  
proved to be remarkably accurate, the position of the  
Victoria Falls is given, although not until four years  
later did the explorers discover them.

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JAMISH HAMILTON

### Notable Achievement at Turi

WING COMMANDER L. H. CRYSTALL, a New Zealander, who eight years ago freed over 200 acres of virgin bush near Turi, 32 miles from Nairobi, was recently visited by the Governor, Sir Evelyn Baring and Lady Mary Baring, who saw that the land now produces excellent crops and carries fine sheep and cattle, and were told that the farm has attained an annual turnover of about £15,000. After 11 years in the Royal Air Force Wing Commander Crystall went to Kenya in 1947, spent a year at the Egerton School of Agriculture, and then, with a capital of £500, leased an entirely undeveloped holding from the European Agricultural Settlement Board on a tenant-purchase basis, and obtained loans of £3,000 to buy stock and make permanent improvements. Now the whole property has been developed. There are pedigree Guernsey cattle, Romney Marsh and Oxford crossbred sheep, pigs, pyrethrum, barley, oats, maize, and peas (for canning and export). Wing Commander Crystall is chairman of the local branch of the Kenya National Farmers' Union and of the Turi Farmers' Association.

### Africa's Share in Christmas Programme

THE CHRISTMAS DAY PROGRAMME which precedes the Queen's speech to her people in this year to be called "The Star We Follow." A South African specialist in tropical diseases will speak of his endeavours to defeat bilharzia, a Scottish ophthalmologist on the Gold Coast will tell of the search for a remedy for "river blindness," and there, there, will be a description of the Copperbelt of Northern Rhodesia of the way in which Africans accustomed to the conditions of primitive life have settled into a modern urban community.

### Little Men and Little Parties

THE DANGERS of "little men setting up little parties without coherent policy or programmes" were stressed by Sir Roy Welensky, Acting Federal Prime Minister, when recently addressing the Sons of England in Batavia, He said: "If we in the Federation to little parties based on pique, selfishness, fear, or hatred, we run the grave risk of completely undermining the democratic methods which we have inherited from England." He referred to a person of responsibility who ought to know better, having said things in public "which seem to indicate that they do not approve of attempts to solve our problems in Central Africa by the easy method of every man for himself. Any new party should not only have an objective political programme but should be fit to form a Government and to serve as a school of citizenship." "If any body which offers itself cannot satisfy these conditions it is dangerous and frivolous to give it support," said Sir Roy.

### Legislative Councillor Murdered

SHEIKH SULTAN AHMED EL MUEHEIBI, a Zanzibari, non-official member of the Legislative Council of Zanzibar, was fatally stabbed outside his house last night. On the previous day he had attended a meeting of the Council from which all Arab members will be suspended for a year after disagreements between the Government and the Arab Association of Zanzibar. Sheikh Mueheibi has expressed regret at conjuncture of the boycott.

LORNI RATLAN has been elected president of the Royal Anthropological Institute.

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# PERSONALIA

DR. HENRY SANSON now edits the *Kenya Church Review*.

LORD and LADY SILVERTON have returned from their visit to London.

MRS. HORACE WHITE has returned to Uganda from his visit to London.

THE REV. P. B. A. MRS. RIDSDALE are about to return to Uganda.

SIR ARTHUR EVANS was last week re-elected Master of the Glaziers' Company.

MRS. C. K. PATER has been elected president of the Indian Association in Jmra.

Seven priests and two deacons were ordained by the Bishop of MASASI last Sunday.

THE REV. K. G. KNIGHT addressed the Bystary Club of London last week on "Mau Mau".

MRS. and MRS. J. W. PARKIS have arrived back from their visit to South Africa and Rhodesia.

MRS. C. V. BRAINBRIDGE, senior surgeon specialist to the Kenya Government, will retire shortly.

MRS. ANDREW STRACHAN has been elected a member of the Rhodesia board of Barclays Bank D.C.O.

BALOGUN O. S. H. LONGRIGG presided at a reunion dinner in London on Monday of Eritrea C.E.F.A.

MRS. MICHAEL BRIDDELL, Minister for Agriculture in Kenya, has completed a 15-day tour of the Nyanza Province.

MRS. W. G. WATSON, formerly a district officer, is now Acting Commissioner for Co-operative Development in Nyasaland.

MRS. HENRY MACLEAN, M.P., Parliamentary Under-Secretary of State for War, is paying a short visit to East Africa.

DR. J. M. LEA, of Kaimi Leptosy Centre, has been ordained deacon by BISHOP OSHER WILSON, Bishop in the Upper Nile.

On Sunday the REV. D. G. HOWES was instituted the first vicar of the Parish of the Western Abidares by the BISHOP OF UMBASA.

MRS. MARY COWIE, director of the Royal National Parks of Kenya, left for Nairobi last Thursday after a lecture tour in the United Kingdom.

SENIOR CAPTAIN HOLLAND, of the Salvation Army, is in charge of the first school in Kenya for African farmers, started in the Nyanza Province.

PRESIDENT TITO has left Belgrade to visit Ethiopia. MR. W. T. DENYER, publicity manager of Central African Airways Corporation, flew back to Salisbury last week from a brief visit to London.

MR. HUMPHREY BINGHAM, "father" of the co-operative movement in Nyasaland, is on leave in this country pending retirement from the Colonial Service.

DR. & MRS. C. B. WRIGHT, from the Upper Nile Diocese, and the REV. & MRS. J. I. PARRY, from the Southern Sudan, are shortly due in England.

MR. PETER HOWSON, a well-known Kenyan airman, will act as honorary attache to the Kenya team competing at next year's Olympic Games in Melbourne.

THE REV. NEVILLE LONGFORTH SMITH has been appointed Archdeacon of Nairobi. He will have oversight over the rural deaneries of Fort Hall and Embu.

DR. W. J. M. EBANI, who has been appointed Deputy Director of Medical Services in Tanganyika, went to the Territory in 1957, and was recently stationed in Mbeya.

MR. G. A. DAVENPORT, the Southern Rhodesia Minister of Mines, whose resignation was reported last week, has announced that he will continue to sit in Parliament as member for Que Que.

MR. WILLIAM M. SMILE, for the past 30 years director of Messrs. Low & Bonar, Ltd., a company with subsidiaries in East Africa and Rhodesia, has resigned from the board on medical advice.

MR. J. P. FORD, lately managing director of the export companies of the Bush group and chairman of the Institute of Export, has been appointed managing director of Sir Charles Colston, Ltd.

THE REV. & MRS. J. C. BIDDLEDELL, DR. & MRS. D. THOMSON, MR. & MRS. M. M. LAPAGE, and MR. & MRS. A. W. MAYOR are among C.M.S. workers due in this country.

COLONEL C. R. ALSTON, managing director of Manica Trading Co., Ltd., arrived back in this country on Friday in the ATHENE CASTLE from his visit to the Federation of Rhodesia and Nyasaland.

MR. A. T. PEACOCK, Reader in Public Finance in the University of London, and MR. J. M. DOSSER, who is shortly to visit Tanganyika in connexion with the inquiry into the national income of the Territory.

MR. E. A. VASEY, Finance Minister in Kenya, will arrive in London at the beginning of January on his way to Jamaica to attend a meeting of the General Council of the Commonwealth Parliamentary Association.

MR. STEFAN WASSERBERGER, who has been granted a barristers and solicitor to the High Court of Northern Rhodesia, is the first Lusaka resident to do his articles and take his intermediate and final law examinations there.

MR. W. L. STEINMAN has arrived in Rhodesia to take up his duties as sales manager of Central African Airways Corporation, of which MR. A. B. GYNS, lately manager in London, is now also sales manager in the Federation.

MR. J. H. RINACRES has been elected chairman of the East African Shippers' Association, of which MR. G. ARBASTER is deputy chairman. The other members of the committee are COLONEL P. P. BAYEISS and MESSRS. G. I. DEACON, S. R. ELLIS, and I. WIN.

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... of ... has been visiting ...

... of ... and ... who has ...

... of ... will ...

... of ... has received the ...

... of ... and ...

Rhodesian Culture

- List of names: Mr. D. G. ... Mr. E. ... Mr. F. ...

... of ...

Red-Cross Field Officers

Miss Allison Greenleaf, a field officer of the British Red Cross Society, returned to this country last week from a two-year tour of duty in Uganda, Northern Rhodesia, and Nyasaland.

African Policeman Decorated

JOHNSA SIAMONGWE, a policeman in the Tanganyika Police, has been awarded the Order of Commendation for Brave Conduct during a tribal dispute in the Keveta district, August 1954.

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# Obituary

## Lord Altrincham

### Former Governor of Kenya

LORD ALTRINCHAM, who died at his home, Tomarion Court, Badminton, Gloucestershire, last Thursday after a long illness, was Governor of Kenya from 1925 to 1930, from Parliamentary Under-Secretary of State for War from 1930 to 1932, and Minister Resident in the Middle East from 1944-45. He was then raised to the peerage, and three years later succeeded Lady Milner as editor of the *National Review*, in which duties he has been assisted by the Hon. John Grigg, his elder son, who succeeded to the title.

The Right Hon. Sir Edward William Macleay Grigg, K.C.M.G., C.V.O., D.S.O., M.C., first Baron Altrincham, was born in 1879, the only son of Henry Bidwell Grigg of the Indian Civil Service, and his wife Alice, eldest daughter of Sir Edward Deas-Thompson, Colonel (Secretary of New South Wales). Grigg was born in India and was a keen imperialist from his youth upwards.

He was educated at Winchester and New College, Oxford, where he won the Gaisford prize for Greek verse in 1902. In the following year he was appointed private secretary to the editor of *The Times*, which he soon left to become assistant editor of the *Outlook*, then under the direction of J. L. Garvin. In 1906 Grigg left England to spend two years travelling in Canada, the United States, Australia, New Zealand and India, and on his return he joined the Colonial department of *The Times*, from which he resigned in 1913 to become joint editor of the *Rivonia Times*.

He was commissioned in the Grenadier Guards in 1914, served with the second battalion at the front in France for about a year, and was then transferred to the staff of the Guards Division where he was brigade major during the Battle of the Somme, and during the great German attack of March 1918, was G.O.C. of the division.

### Secretary to Prince of Wales

Soon after the cessation of hostilities Grigg, by this time a lieutenant-colonel, became military secretary to the Prince of Wales, whom he accompanied on his visits to Canada, Australia, and the West Indies. He was private secretary to Mr. Lloyd George at the time of the Imperial Conference of 1921 and secretary of the Rhodes Trust from 1922 to 1925. Having meantime entered the House of Commons in 1925 as a National Liberal member for Oldham.

His appointment as Governor of Kenya surprised him, as he always said, it staggered the European community in Kenya, which, on the initiative of Lord Desmores, had raised the salary attached to the post on the understanding that it would then be accepted by Lord Lloyd, a man who knew Kenya and was convinced of the importance of unifying it with the neighbouring territories of Uganda and Tanganyika. In his private discussions with Ministers, Lord Lloyd had been led to believe that the accepted policy of unification would be declared in that sense and that the territories would go out and carry it through and become the first Governor-General. Then, on April 15, the Government had second thoughts, and Lord Lloyd was told that the present policy would be made final that he might initiate consultations on the spot and seek general agreement. He declined to accept the governorship under such changed conditions, and the vacancy was then offered to Sir Edward Grigg.

As he confesses in a book published only a few days before his death he felt on the morning he returned five years later a sadly disappointed man. He grew devoted to Kenya; he provided the country with excellent Government Houses in Nairobi and Mombasa, and some good schools, thus establishing an entirely new

standard for public buildings, and was criticised by leading commercial enterprises. With the non-official communities were in accord he obeyed the wishes of Queen Mary that divorced persons should not be invited to the home of the Sovereign's representative. Since the Prince of Wales visited Kenya as the guest of Sir Edward and Lady Grigg, to increasing world interest in the colony, His Governorship was marked by much controversy, and he was under constant criticism from commercial bodies as well as politicians.

In 1932 Grigg was elected Conservative M.P. for Altrincham, and thereafter he wrote and spoke much on Imperial themes and on the dangers threatened from Germany. Among his books and pamphlets were "Three Parties of Peace," "The Faith of an Englishman," "Britain Looks at Germany," and "The British Commonwealth."

He was made Parliamentary Secretary to the Ministry of Information on the outbreak of war in September, 1939, but some months later went to the War Office as Financial Secretary, becoming soon afterwards Joint Parliamentary Under-Secretary and holding the post until 1942. At the end of 1944 he went to Cairo as Minister Resident in the Middle East in succession to Mr. R. C. Casey, and was sworn of the Privy Council. In 1945 the post lapsed and he was raised to the peerage.

He married the Hon. Joan Dickson-Poynder, only daughter of Lord Kington. There were two sons and one daughter of the marriage.

## Mr. John McCulloch

MR. JOHN McCULLOCH, D.F.C., who died in a hospital a few days ago, at the age of 58, had only recently retired from the post of Chief Press Officer of the War Reliefs Commissions, Department of which he had been appointed. He was a journalist until 1919, when he began publicity work for various Government departments, and at the time he edited a newspaper in his native place. He had for many years been keenly interested in East and Central African affairs, and was the father of Mr. Peter McCulloch, who for the past few years has been in Northern Rhodesia.

COUNCILLOR F. W. MAHON, mayor of Gatooma, has died after a short illness, at Gatooma. He went to Southern Rhodesia in 1926 and after farming for a period established his own accountancy practice in Gatooma in 1930. Two years later he was elected to the Town Council, becoming mayor in 1954, and being re-elected for a second term. He was vice-president of the Municipal Association of Southern Rhodesia and secretary of the Rhodesian Smallfarms Association. He leaves a widow and two daughters.

DR. DONALD EDWARD POWELL CLEVELAND has died in British Columbia, was a brother of Alderman R. M. Cleveland, of Salisbury, and a son of the late Mr. M. E. Cleveland, several times Mayor of Salisbury. He went to Rhodesia with his parents in 1890, and was educated at the Salisbury Boys' High School. On returning to Canada, he graduated at McGill University. During the 1914-18 war he served as a medical officer in France and the Near East.

ALEXANDER A. COWAN, who died in Birkenhead, at the age of 88, was for some years a partner of the United Africa Company. He was one of the commercial pioneers of Nigeria.

MRS. ROBERT GUSSMAN, who died last week in Bad Mergentheim, Germany, at the age of 75, was the mother of Mr. BORIS GUSSMAN, the anthropologist.

MR. GEORGE MATTHEWS LAUWER, South African Consul-General in the Belgian Congo, died from a heart attack on Saturday.

**Obituary**

**Sir William Hurbury  
Empire Cotton Growing**

SIR WILLIAM HURBURY, who only a few weeks ago resigned the office of chairman of the council of the British Cotton Growing Association, with which he had served since its creation, died in hospital in Southport, Lancashire, last week at the age of 77. He was in the cotton trade all his life, and for more than half a century had devoted himself to the study and stimulation of cotton growing within the Empire.

He was the first managing director of B.C.G.A., and for many years he travelled widely on its business, especially in India, the Sudan, East and West Africa, Iraq, and the United States. His proudest claim was that he had been one of the pioneers of Commonwealth cotton growing; certainly no man in Lancashire did more for that cause.

In 1912 he was appointed a member of an Empire Cotton Growing Committee set up by the President of the Board of Trade, and in the following year Lord Milner, then Secretary of State for the Colonies, asked him to serve on a committee which was to consider the desirability of establishing a tropical agricultural college in the West Indies. On the establishment of the Imperial College of Tropical Agriculture, which resulted from the work of that committee, Hurbury became a member of the governing body, and so remained until shortly before his death. He was a councillor of the Royal Geographical Society. He was knighted in 1926.

MR. HENRY GEORGE BELL, a New Zealander who settled in Rhodesia 45 years ago and from New Zealand he died in Salisbury, aged 77. He was for many years chairman of the Mashonaland Cricket and Boxing Association, president of the Southern Rhodesia Senior Golfers Association, and captain of the Rhodesia Senior Golf Club. He was also a keen member of the Australian and New Zealand Association of Rhodesia.

MR. CHULAMALIK MBEROY, M.B.E., who died recently in Zanzibar at the age of 65, was for some years a non-official member of the Legislative Council, president of the Indian National Association and of the Muslim Association, and active in other political, social, and business organizations. He was one of Zanzibar's leading barristers.

DR. R. A. VAN SOMEREN, who has died in Nairobi at the age of 75, joined the Uganda Medical Service in 1905. Twenty years later he went to Edinburgh where he practised until 1938, when he returned to East Africa to farm in the Nyeri district of Kenya.

DR. JOHN CALDWELL, since last year Assistant Director of Medical Services in Uganda, who has died in Kampala at the age of 47, went to the Protectorate in 1939. He served with the E.A.M.S. in the Ethiopian campaign.

MR. GEORGE NICHOLAS LOGGIN, C.M.G., for 10 years Director of Public Works in the Sudan, who has died in Tunbridge Wells at the age of 73, held the same office in Uganda from 1922 to 1926.

MR. W. DERRICK GRAHAM, last surviving son of the late Sir John and Lady Graham, has died in Bulawayo. He had played cricket and rugby football for Mashonaland.

MRS. LOUISA COELYER, wife of Mr. John Collyer, for many years resident in Southern Rhodesia, has died in Stratley, Wiltshire, Berkshire.

MR. MATHEW DAWSON WATSON, who died recently in Bourne-mouth, was the father of Mrs. A. W. HEMPHILL of Mau Summit, Kenya.

MR. H. H. TOZER, a sub-inspector in the Northern Rhodesia Police, has died in this country.

**Rural Local Government in Nyasaland and Racial Membership in District Councils**

TWO YEARS AGO Nyasaland embarked on a new phase in the development of rural local government, chiefly by the constitution of district councils. In a broadcast by Sir Geoffrey Colby, the Governor, has been stated that the introduction of an elected element has had a simplifying effect, and that a greater understanding of the difficulties, needs and problems of the various racial communities has resulted from the participation of non-Africans in the work of the councils.

During the 40 years prior to 1953 local administration followed the familiar pattern of direct administration, and the policy of Indirect Rule. It had become apparent that there was need to introduce a new vitality into local government and give it more definite and definite form in accordance with the accepted policy of the B.M. Government and the Nyasaland Local Government (District Councils) Ordinance of 1953, which was the first enacted.

The unit selected was the district, and this was the local point to which attention was directed by the financial necessities of the Government, and the demand for a more efficient local services and employ a larger staff of executive staffs. The councils were multi-racial, they were under the chairmanship of the district commissioner, and there were a number of elected African members and some European and Asian nominated members.

**Population Patterns**

The pattern varied with the population content of the district. Some lacked non-African elements, such as Karonga and Mlinda Bay, while others, such as Cholo, had considerable non-African interest.

The councils have taken over the revenue and treasury balances of the Native authorities, and were responsible for health services, roads, and the maintenance of law and order, and were also vested in the Native authorities, who operated the Native Courts and regulated the day-to-day life of their African communities.

Councils were functioning in the Cholo, Ncheu, Dzida, Rampi, Mlinda Bay, and Karonga districts, and others were in process of formation in the Mlanje, Zomba, and Lilongwe districts. The constitution of a district council for Blantyre had recently been approved.

The Governor concluded: "A lesson which has emerged has been the importance of concentrating on the executive rather than the deliberating and debating functions of the councils, and to this end the appointment of trained senior executives, and to a greater degree of importance. We have made a start in this direction with the establishment of a local government school near Zomba, but we are still faced with the problem of attracting men of the right calibre. It is particularly so for Africans to turn to this important new field of employment when making a new start."

**Mission's Power Scheme**

ROMAN CATHOLIC PRIESTS without any previous engineering experience have just completed a hydro-electric power scheme at their mission on the banks of the Likangala River two miles from Zomba, capital of Nyasaland. The work has taken 10 years. Assisted by African labour from the mission the priests have, in their spare time, built a power station, a canal three-quarters of a mile long, a six-foot barrage across the river, and a seven-arch aqueduct 25 ft. high, a remarkable feat for amateurs. The mission should have its own power as first suggested in 1944 by Bishop Aumeau, Fathers Bayliss and Boswand, and latterly Fathers Herrick, Marchant and Loughran, under the leadership of the late Father G. J. O'Connell.

The Mayor of Umtali, a medical man, expressed to me recently a theory of his that most political problems and most policies and actions of politicians have a biological or psychological basis. — Mr. H. D. Wentwick, M.P. for Umtali.



### African Education in N. Rhodesia

#### Year Development Plan Ahead of Schedule

NORTHERN RHODESIA'S annual expenditure on African schools has risen from £8,600 in 1937 to £1,162,723 last year, and the numbers of pupils were 30,023 and 178,207. These figures are given in the annual report for 1954 of the Protectorate's Department of African Education (Government Printer, Lusaka, Zs).

The outstanding feature of the year, writes the director, Mr. J. A. Cottrell, was the completion ahead of schedule of the ten-year development plan (1947-56) in all its more important aspects. It was planned, for instance, to provide 140,000 elementary school places by 1956; but this target has already been exceeded by more than 100,000.

The report stresses the improvement in the quality of education. Three out of four of those admitted to the elementary schools were complete in the normal four years. At the top, 96% of the candidates sent by Mambili Senior Secondary School, Cambridge School Certificate, were successful.

Warm tribute is paid to the immense services rendered by the missionary societies. Moral and religious instruction form an important part of the syllabus in all schools.

#### Christianity and Polygamy

The problem arising from the conflict between the Christian ideal of monogamy and a society which is still largely pagan, with a tradition of polygamy and laxity in relations between the sexes, is one which frequently confronts provincial teaching committees.

It was estimated that there were about 360,000 African children of school age (8-18) in 1954, of 20% of a total estimated population of 1,800,000. About 40% of the 360,000 were enrolled in aided or maintained schools. Of 460,000 children of elementary school age (8 and 12), 95% were enrolled for 98% of those in unaided schools. The gratifying feature was the increase in girls' enrolment from 10,000 since May, 1953, when there were 23,700 attending courses.

Average attendance throughout the year was high, 91% for aided and maintained schools, compared with 88.5% in 1953.

The recurrent expenditure per head in Government and assisted schools was estimated at £14.15s. compared with £4.2s. 0d. in the previous year.

There are about 4,500 African teachers. For the first time for many years it was possible to select the right sort of person for teaching, with the introduction of increased rates of pay and "hook-money" allowances for student teachers having stimulated recruitment and permitted a much more careful selection of candidates.

#### Teaching Efficiency

Referring to teaching efficiency, the report quotes a provincial education officer as having written: "The introduction of the unified African teaching service has made clear to the teaching staff the high standards of efficiency and conduct expected from them. Although several teachers whose conduct was not really in teaching have found the code of conduct too binding for their own ideas of personal comfort, and their services, being compulsory, have been terminated."

The report emphasizes that the whole system of school management is presently in need of a thorough overhaul, but this action has been deferred for lack of staff to carry out the professional and clerical duties involved. It has been agreed that school managers shall have responsibility for not more than 12 schools, and may now as many as 10.

The latest public opinion canvassing the department is an annual count of the population. In September 24,558 children were enrolled for an estimated 30,800; in the central province the enrolment was 5,148 out of 6,450, this being chiefly due to shortage of staff and accommodation.

The Federal Government has assumed responsibility for the other 19 provinces.

Within 10 years Nakuru is expected to be free of all African squatters, which are to be replaced by permanent housing as quickly as possible. Councillor G. Kramer, mayor of the town.

### Statements Worth Noting

"It has taken hundreds of years to build up a satisfactory form of local government in the United Kingdom. Do not think you know all about it, but rather be determined to learn from those who have experience in local government irrespective of race, until the time comes when you can take over full management of your affairs." — Mr. C. H. Williams, Provincial Commissioner, Nyanza, Kenya.

"I was most favourably impressed with the agricultural possibilities of the Zambezi Valley in the Salavale district. The people I met seemed very much brighter and more energetic than in some parts of the territory."

— Mr. M. H. Snow, Deputy Director of Agriculture of Northern Rhodesia, who recently toured the North-Western Province.

"The potentially productive areas of Africa which remain virtually unexplored between the North and South will never be developed until adequate communications are provided, supported by a sensible system of roads." — Mr. A. F. Kirby, Director of East African Railways and Harbours.

"The next eight years the Sudan will require at least £110m. for development purposes." — The Finance Minister, addressing the House of Representatives.

"I am confident that we shall exceed last year's immigration numbers by about 20%." — Mr. Felix Owen, Federal Minister of Home Affairs.

"Among the mining community of Witwe, on the Copperbelt of Northern Rhodesia, there are 25 private airplanes."

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## Union-Castle Line Merger

(Continued from Page 500)

the 31, 1964. No reason is given for the selection of this arbitrary date, and it is considered that any commission of the kind to investigate the two groups would be made only over a 12- to 18-month period, say, 1964-65, and not for a particular restricted period.

After careful consideration of all the information at their disposal, the committee is strongly of the opinion that holders of ordinary stock in The Union-Castle Mail Steamship Co., Ltd., should disregard the offer made to them by the British and Commonwealth Shipping Co., Ltd.

No case has been made out for destroying the independent existence of the Union-Castle, which the committee believe is strong enough under improved direction to stand on its own and become a more profitable enterprise.

The matter arises in the original.

Union-Castle stockholders have since received another circular proposing the proposed merger. Signed by Messrs. J. C. Drayton, J. A. Billmeir, and R. P. W. Adams, members of the Stockholders' Committee, it criticizes the past management of the line and proposes changes in the board and a capital reorganization scheme which would benefit holders of the preference stock.

### Proposed Directorate Changes

At a meeting which has been reconvened it is proposed to remove from the board Sir George Crispin, chairman and managing director; Sir George Erskine, Sir James Stuart, Lord MacLachlan, and Messrs. F. C. Howard, J. W. Turnbull, and to appoint in their stead Sir James Stewart, Sir John Gibson Graham and Messrs. Drayton, Billmeir, and Adams. The only two members of the existing board who would be retained would be Mr. S. Barr and Mr. J. S. Bevan (deputy managing director). Other appointments from persons prominent in the shipping world would be made when the controversy had ended.

The circular alleges that the Union-Castle Line has not been run economically or efficiently; that the new mail contract for the higher freight charges must produce bigger profits next year; and that the financial requirements of the company could be met without a merger.

In the Chancery Division of the High Court an action brought by Government Stock and other Securities Investment Co., Ltd., to restrain the directors of the Union-Castle company from carrying out mergers into effect is being heard before Mr. Justice Wynn Parry.

Clan Line Steamers, Ltd., denied a newspaper report that Clan has given up hope of getting the deal done.

## Employment in Kenya

PRIVATE INDUSTRY IN KENYA last year employed 10,867 Europeans, 30,425 Africans, and 22,749 others against 9,914, 334,964 and 18,946 respectively in the previous year. In public services 7,889 (6,991) Europeans, 130,490 (117,956) Africans, and 80,610 (93,737) others were employed. Agriculture and forestry accounted for 2,200 non-Africans and 218,844 Africans; manufacture and repairs respectively 9,300 and 27,700; commerce, 13,947 and 22,080; building and construction, 1,181 and 19,441; transport and communications, 2,008 and 2,574; and mining and quarrying, 2,000 and 5,688. The East African Railway and Harbours Administration employed in Kenya 2,681 Africans and 4,874 non-Africans. On European farms 1,000 African men, 2,718 women, and 26,699 juveniles were employed on monthly tickets, 5,263, 5,844 and 4,834 respectively on daily casual labour, and 23,490, 41,146, and 8,250 as resident labourers including domestics.

A million acres of the Francistown area of Bechuanaland have been bought at 25s. per acre for cattle grazing by Glazer Brothers, a finance company in the Union of South Africa.

## Livestock Importance of Meat

"FOOT AND MOUTH DISEASE is a more important economic problem than any other disease of stock," today writes Mr. R. A. Hammond, director of Veterinary Services in his annual report for 1954. It is therefore given pride of place in the report, a position held by and for 40 years.

In regard to Government policy on African stock raising the Director says:

"It remains the policy of the department to look to productive Zebu stock rather than to exotic European grade cattle as the basis of a sound livestock industry in African areas. This policy has been challenged by those who feel that results will be too slow but so much remains to be done in the field of improved management of the existing cattle that short cuts can only be considered as dangerous.

"Within the department, now that disease control in most of the African areas is reasonably efficient, the emphasis is being increasingly laid on the need for better husbandry, but attempts to influence the genetic make-up of the stock must be resisted until that better husbandry is something more than an optimistic dream.

## Training African Agriculturists

THE REV. H. JESSE LAWRENCE, chairman and general superintendent of the Methodist Church in Southern Rhodesia, has announced a plan for the first full-scale agricultural college in the Colony for Africans. At Clifivero, near Norton, it will train African farm managers and demonstrators. The proposal is the result of a report by the Rev. Wesley McKelvey, principal of the Gurteen Agricultural College in Ireland, who has just visited the Colony, where the Methodist Church owns some 70,000 acres in 10 farms and a number of small holdings.



### Service for Visitors

The East Africa Tourist Travel Association is a public service organisation, supported by local private enterprise, transportation companies, and the Governments of Kenya, Tanganyika, Uganda, and Zanzibar. The Association exists to assist visitors to these territories, and to give advice. It maintains "Visitors' Information Bureaux" in Dar es Salaam, Kampala, Mombasa, and Nairobi. Their addresses are:

<p><b>DAR ES SALAAM</b> Mafurika House, 101-102, Market Street</p> <p><b>MOMBASA</b> Kilindi House (Entrance to Clock Tower)</p>	<p><b>KAMPALA</b> Shimoni Rd. (opposite Imperial Hotel)</p> <p><b>NAIROBI</b> Hardinge St. (opposite Bus Terminal)</p>
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Write enquiries should be addressed to:

**THE INFORMATION OFFICER, E.A.T.T.A.**  
P.O. Box 2073, NAIROBI, KENYA.

In LONDON, the Association's new branch situated on the ground floor of the Empire State, Grand Buildings, 1, Langar Square, E.C.4, W.C.

In SOUTH AFRICA, enquiries can be sent to our representative at East African Airways Corporation, Salisbury House, 96-97, Smith Street, Durban.

In RHODESIA, information is obtainable from East African Airways Corporation, 317 Park House, Baker Avenue, Salisbury, S. Rhodesia.









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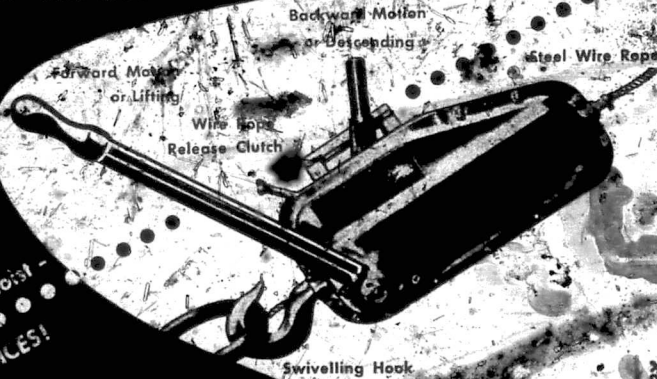
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## The Outlook for Copper

### Mr. Prain's Informative Survey

MR. R. L. PRAIN, president of the Rhodesian Selection Trust, group of companies, has contributed to the *Financial Times* two long and informative articles on the outlook for copper.

World production of primary copper (excluding Russia) amounted to 2 1/2m. short tons last year, 42% being mined in North America, 21% in Africa, 19% in Central and South America, 5.5% in Europe, 5% in Asia and 1.5% in Australia.

Mines from which copper is produced as a by-product from complex ores represents about 10% of world production, those, chiefly in Europe and Asia, of which the costs cannot be ascertained because they operate under nationalistic economies, account for another 12%; and the group of small mines with costs of £240 per long ton represent another 6%. Thus the 80% of copper producers may be taken as producing about 72% of the world's copper.

Their costs of production range at present from about 10 cents of a dollar per lb. (£80 per long ton) to 30 cents (£240), the largest group producing at between 15 and 17 1/2 cents (£120 to £140 per long ton). Properties in this group account for approximately a quarter of the world supply.

Mr. Prain makes the generalization that half the world's copper is produced at below 15 cents per lb. (£120 per long ton), that three-quarters is produced below 17 1/2 cents (£140), and 90% below 25 cents (£200).

It is clear, therefore, that the price of copper could fall by at least £150 a ton without causing more than, say, 10% of the world's copper to be produced at a loss.

### The Rhodesian Price

For the good of the industry, the copper price should be somewhere between 30 cents and 35 cents a lb. (£240 to £280 per long ton). At this level the danger of substitution would be greatly diminished, the price factor in copper would be maintained, and it would require the opening of more mines as time goes on, and this price would provide an incentive for increased production from existing mines and the opening of new mines.

The Rhodesian mines enjoy a somewhat unique position in having their costs variable to a large extent according to the price of copper, since their mineral royalties and cash bonus to employees are related to the price. The figures given above include the Rhodesian mines at their 1954 costs, not at what such costs might be at a lower copper price.

Summarizing the views of the copper mining industry, Mr. Prain wrote:

"The market in the foreseeable future is unlikely to go below a price which might be nearer 30 cents a lb. (£240 per long ton) than the earlier estimates of 24 1/2 cents (or, say, £200 per long ton). An ideal price, if such a thing were obtainable, might be around 30 to 35 cents (£240 to £280) if and when the supply position eases. The market will in fact, continue to depend on the laws of supply and demand, and up to now the main factor in this equation has been the prevalence of strikes. If the new production coming on to the market can create an apparent surplus, it is less likely that strikes will have the inflationary effect they have had, and it may be possible to look forward to a more orderly market at levels somewhat below the present."

### Progress Reports for November

**Coronation.**—1,213 oz. gold were recovered at the Tebek mine from the milling of 3,910 tons of ore for a working profit of £7,254, compared with £3,940 in October. The corresponding figures for the Muriel mine were 862 oz., £3,445 tons, £10,219 (£10,237), and for the Arcadius mine 1,067 oz., 3,050 tons, £5,201 and £5,201.

**Cain & Moter.**—724,000 tons of ore were treated for 7,996 oz. gold and a working profit of £41,270, against £41,393 for October.

## Tanganyika Concession Report

### Consolidated Profit after Tax

TANGANYIKA CONCESSIENS, Ltd., is providing £10,000 for Federal and Southern Rhodesia taxation, and a consolidated profit of £3,000,830 in the year ended July 31 last, compared with £2,519,782 in the previous year.

Interest on 4% income debentures in respect of previous years amounts to £579,302. A provision of £100,000 for loss in Tanganyika Holdings, Ltd., is no longer admitted. Issue expenses of unsecured loan stock totalled £51,317 and £279,511 is provided for taxation in respect of income received from previous years. Interest on the preference shares requires £147,870 and dividends totalling 70% of £2,681,988, leaving a carry-forward of £1,903,230, against £1,383,544 brought in.

The issued capital of the parent company consists of £1,844,624 in 8% cumulative redeemable preference shares of 16s., of £3,314,142 in ordinary Rock units of 10s. Capital reserve stands at £1,332,870, reserve reserves at £2,297,104, taxation reserve at £175,000, loan at £2m., and current liabilities at £2,486,390.

### Fixed Assets

Total fixed assets, including subsidiary companies, are valued at £10,542,212 and current assets at £3,225,293, including £230,669 in cash. The company holds £4,338,518 in ordinary shares and £41,674 in preference shares in Union Miniere du Haut Katanga, and investments of £507,500 in Tanganyika Holdings, Ltd., £4,732,990 in Benguela Railway Co., Ltd., and £897,583 in Tanganyika Properties (Rhodesia) Ltd.

The directors are Sir J. U. F. C. Alexander, (chairman), Sir Alfred L. Beit, Sir R. J. Hudson, Sir E. Oppenheimer, Colonel Sir Z. Ellis Robins, the Earl of Selborne, the Hon. A. O. Crichton, Dr. A. Pinto Basto, and Messrs. T. B. M. Cobham, F. J. Guillaume, K. C. Hutchinson, H. B. Lutz, H. I. Robitson, A. de Spirito, and E. P. Van Der Straeten. Messrs. W. Marshall, Clark and Lieut.-Colonel F. B. Pollett are alternate directors. Mr. R. S. Dickinson.

The annual general meeting will be held in Salisbury, Southern Rhodesia, on January 15.

## Turner and Newall Report

TURNER AND NEWALL, LTD., report net profit for the year ended September 30 last, £2,753,879, after providing £1,740,938 for taxation, the net figure for the previous year being £1,300,880 after tax of £6,743,671. After setting aside £500,000 to reserve against stock-in-trade, £2m. to the reserve for the replacement of fixed assets, £36,177 to minority shareholders of subsidiary companies, and adding £50,000 for shareholdings in future taxation, the balance is £4,728,079, of which £526,997 is carried forward by subsidiaries, £8,500 applied to writing down the value of investments in subsidiaries, £900,000 as an additional grant to the pension fund, and £2.4m. to general reserve. Interest on the preference shares requires £58,124 and dividends totalling 25% on the ordinary stock, £1,574,303, leaving a carry-forward of £2,166,743 against £2,042,295 brought in.

## New Montealeo

NEW MONTEALEO, Ltd., a company with interests in Southern Rhodesian mining, incurred a net loss of £1,157 in the year ended June 30, compared with a loss of £2,365 in the previous year. The carry-forward is £106,333, against £107,535 brought in. The issued capital is £1,103,532 in shares of 5s. Share premium account stands at £80,000, unsecured loan at £147,600, provision for taxation at £7,832, and current liabilities at £201. Fixed assets appear at £78,446, share investments in and amount owing by subsidiaries at £1,209,306, quoted investments at £151,876 (market value £66,410), loan portion of taxation refundable at £759, and current assets including £277 in cash.

## Institution of Mining and Metallurgy

MR. C. W. DANFORTH has been unanimously elected president of the Institution of Mining and Metallurgy, in succession to Mr. STANLEY ROBINSON, MR. DANFORTH has been re-elected honorary treasurer, and the following vice-presidents were elected or re-elected: MR. C. KEITH GREEN, DR. N. B. JAMES, DR. J. H. WATSON, and PROFESSOR DAVID WILLIAMS.



## Company Report

## Barclays Bank D.C.O.

## Growth of Earnings Offsets Higher Overhead Costs

## Increase of Commercial Loans and Advances

## Welfare State the Greater Profit-Sharing Scheme

## MR. JULIAN S. CROSSLEY ON LIQUIDITY AND HUMANITY ABOUT PROFITS

THE THIRTIETH ORDINARY GENERAL MEETING OF BARCLAYS BANK D.C.O. will be held on December 29 at 29, Gracechurch Street, London, E.C.

The following is the statement by the chairman, MR. JULIAN S. CROSSLEY, circulated with the report and accounts for the year to September 30, 1955:

The proposal in my letter to stockholders in June that £2,155,375 should be capitalized from the reserve fund and issued as fully-paid ordinary shares to stockholders in the proportion of one new £1 share for every £5 of stock held was passed unanimously at an extraordinary general meeting held in July. These shares have now been allotted, but do not represent a dividend in the period covered by this year's accounts.

The result of this operation is to increase the capital to £12,932,240 and to reduce the reserve fund correspondingly to the figure of £7,894,625. We have added to the reserve fund £605,375 by appropriation, as shown in the report of the directors, bringing the figure to £8,500,000.

## New Directors

During the year we have appointed to the board three new directors: Mr. G. N. M. Law, C.B.E., the chairman of our Egyptian board, Mr. E. V. Whitcombe, the senior local director in Nairobi in charge of our East African business, and Mr. G. G. Money, who holds a similar position at Barbados in the office controlling our business in the West Indies. You will be asked to confirm these appointments at the annual meeting, but I should like to say a word about them now.

The three new directors are members of the staff who have spent most of their working lives with this Bank, which they have served with distinction in different parts of the world. They are now the senior local directors in the controlling offices for their respective areas, and the intention is that they should continue to hold their present offices.

Although this must mean that their attendances at meetings of the central board can only be infrequent, the appointments will increase the stature of the Bank's representation overseas and will be seen as a further extension of our policy of decentralization.

## Opportunities for Staff

In all these territories, our business has grown rapidly in recent years. The degree of responsibility carried by our senior representatives on the spot, therefore, is sufficient alone, in our opinion, to justify this move. It is my hope too that these appointments will be welcomed by the local communities, and will be recognized as an indication of the increasing importance which we attach to their affairs.

Great opportunities are open to members of the staff of this Bank to play an interesting and an important part in the life of the communities we serve. These opportunities, I believe, are greater today than at any time in the past. The morale of the staff is high, not

only because of this but because they know that they are doing a worth-while job and are doing it well. As is more, they realize that their work is appreciated by the public and also by the management, which has taken an interest in their progress. It is so we receive each year reports of exceptional service from those of us who, like myself, have the opportunity to visit branches during the year, to see the work being done, and to meet at first hand the staff who are carrying it out.

It is a pleasure to take advantage of this occasion to express on your behalf our thanks for all the good service which has once again been given to this Bank, and which we have indeed come to look upon as the normal thing. I feel sure, too, that you will wish this to take the form of a special resolution on the occasion of the annual meeting.

I am pleased to tell you that the late Mr. Geoffrey Gibby, K.C.M.G., formerly a vice-chairman, has been elected a deputy chairman and Mr. Gordon Macdonald has been elected a director. Mr. Macdonald is a member of the London Committee.

## Management Changes

It is with regret that I have to report the sudden death on November 9 of Mr. Ernest Laugel Jackson. His long career left a deep impression on the Bank in South Africa, and his services in that assistant general manager's capacity, and eventually chairman of the South African board, since his appointment to the office of vice-chairman of the Bank, from which post he resigned in February, 1955, remaining a member of the South African board until his death. We are profoundly conscious of the debt of gratitude which we owe to him.

I regret to have to report that Mr. E. O. Holden, who for so many years rendered distinguished service to the Bank, has now had to resign from our Development Corporation owing to ill-health. His exceptionally keen critical faculties, which he possessed, were not the least of his attributes and worked great benefit in working with him as a manager for the past 20 years. I feel a keen personal sense of loss.

## Local Boards

There have been several changes in our local boards overseas and I am very sorry indeed to have to tell you of the death of Mr. R. S. Edwards, who will have been known to many of you as a former assistant general manager in London, and afterwards, general manager in South Africa. Later, and until his retirement in 1951, he was chairman of our board in Cape Town.

I also regret to report the death of Mr. J. H. Justice van Zyl, who was a member of our Cape board from May, 1946 to June, 1955.

We are particularly glad to welcome to our South African board Mr. F. M. C. Havenga and Dr. A. J. Geyer. They will be well known to you by name, if not in person. We are indeed fortunate in securing the services of two such distinguished men, who have served their country so well in their different capacities. Mr. Havenga, during his long tenure of office as Minister of

Finance in South Africa had the privilege of introducing 23 budget bills, a record which may well stand unequalled for many generations to come. Dr. Geyser rounded off his career as High Commissioner in London, a post in which his personal qualities made for him many friends in this country.

### South African Changes

We regret having lost the services of Mr. R. F. Medicott on our South African Board, due to the fact that he has returned to England. I am glad to say that he will continue to be associated with the Bank, as he has been appointed a member of the London Committee. In his place we are pleased to welcome Mr. G. W. MacKenzie, who will, I feel sure, be a valuable addition to our South African Board.

Mr. J. C. D. Acock, who last year assumed the general management at the Cape, has been appointed a member of the Cape Board, and I am glad to say that we shall continue to have the benefit of his services in the area which he knows so well.

There are two senior appointments, both of them in South Africa, to which I should refer mainly. Mr. J. P. de Wet, as an assistant general manager, and Mr. F. P. Kightley, as an assistant general manager in charge of staff.

### Overseas Visits

I will not attempt to enumerate all the overseas visits of directors and senior officials. Sir Geoffrey Gibbs, accompanied by Mr. Carter, paid a visit to South Africa and Rhodesia in the early part of the year, and before his return to England Mr. Carter also visited South West Africa and Mauritius. Sir Eric MacIntyre visited our branches in Abyssinia, Malta, and Mauritius, and has again been to Israel.

Mr. Macdonald paid an extensive visit to the Sudan when he was able to visit nearly all the branches and met almost the whole staff in the area. Mr. Cade is at the present time paying a similar visit to our branches in West Africa. During the year I was able to call on our office in New York and also to visit Canada.

We again had the pleasure of a visit from Mr. Aiken, the chairman of our South African Board. We were also glad to see Mr. Harry Oppenheimer over here from South Africa, as well as Mr. Hume of the South African Board, and Mr. Joyce of the New York Board.

Before reviewing our own affairs in more detail, I should like to record our deep sympathy with all in the West Indies and in particular with those in British Honduras and the islands of Barbados and Grenada who have suffered such grievous hurricane damage.

### New Offices in 12 Months

The expansion of the Bank continues. During the past 12 months we have opened 89 new offices and closed two. Some of these new offices are in remote areas, where hitherto anything in the nature of a banking service was unknown, while other are developments from branches already well established. Several important new buildings have been completed during the year, some of which are pictured in this report, exemplifying the physical counterpart to the increase which is shown once again in the Bank's premises account.

You may like to know that most of the photographs have been taken by members of the staff. This is our first attempt at using colour, a development to which I have long been looking forward, hoping that the time will come when we may be able to compensate in this way for any lack of colour in any body of the report.

This year, however, has not been by any means a record one for the Bank, as indeed, brought with it several problems for the Bank, as indeed for many banks in this country and elsewhere. It is surprising to record that in the year since the Bank took its

present form 30 years ago during which considerations of liquidity have seriously begun to assert themselves. Perhaps some stockholders will forgive me if, for the benefit of those less familiar with banking terminology, I explain quite briefly what this liquidity means. I must, I think, be obvious that banks always have to keep large sums in ready cash available to meet the demands of depositors. Some people, in fact, appear to think that banks keep an inexhaustible supply of cash and that it is no problem at all for them, at any time, to find all the ready money they require. This is by no means the case.

### Liquidity

Whatever people may like to think, bankers, like others, have to cut their coats according to their cloth. While they can invest or lend their depositors' money in different ways, they cannot go beyond a certain point without affecting their ability to meet any demand that their depositors may make on them by way of withdrawals in cash. For this purpose they must always keep a certain proportion of depositors' money in ready cash and other assets, such as treasury bills, which are immediately convertible into cash.

This proportion is known as the "liquidity ratio." While the exact figure which is proper to hold in this form may be open to argument, and may vary somewhat according to circumstances, it is a widely accepted view that any bank which maintains something like 30% of liquid assets is on firm ground.

In this Bank we have been in the habit of showing an unusually high percentage during the past three or four years, however, it has been slowly but steadily declining. Our commercial loans and advances have been increasing, not only absolutely but relatively. This process has, however, been reversed in the past financial year, our assets having increased by £25,000,000 to £218,000,000, or over 42% of deposits, which, in turn, has brought the relatively minor increase of about 1% only.

Our assets now show a slight reduction to a ratio of 29%. The net result has been to reduce the liquidity ratio from 38% to 31%, or, if we allow for our trade bills, from about 32% to about 27%.

### Signs of Credit Stringency

It will, I think, be clear to you that if this trend were allowed to go unchecked we should find ourselves in a position which would require more drastic corrective measures. Signs of this credit stringency are apparent in countries other than the United Kingdom. The discount rate, which was raised here to 4½% early in the year, has risen recently in New York to 2½%, in South Africa to 4½%, in Canada to 2½%, and in New Zealand to 4½%. This has been accompanied by a general hardening of both the short-term and long-term rates, which is, in its turn, reflected in a shrinkage in the market value of our investments.

The main liquidity which we have been accustomed to maintain has, however, stood us in good stead, so that apart from disposing some of our maturing investments to help off and disposing some having only a short term to run, we have not been necessitated for us to sell investments.

The whole of the item of £97.4 million, the greater part of the sum of £8.3 millions, balance sheet consists of dated securities, and we therefore feel assured that the present depreciation in market values will eventually be recovered in its entirety, provided we hold these securities to maturity, as we should normally do.

### Unconventional Task

In spite of any conventional impression that may exist, bankers do not invariably mind unconventional or sound



bank lendings. In general conditions, however, obliging us to take this course. We are having to accustom ourselves to the uncongenial task of having on occasions to turn away business which may appear intrinsically sound. This is particularly difficult, I think, for managers of branches which happen to carry heavy credit balances. They have to appreciate the need to play their part with the rest in curtailing their lendings. They have my special sympathy, as indeed do all branch managers, for it is they who have to bear the main brunt of this task, from which their executive chiefs are at least partially insulated.

The high money rates which have been ruling now for some months past have brought with them some demerit in the form of increased earnings on our treasury bills, and other liquid assets, and this, together with the higher revenue from commercial advances has offset the growing overhead costs of our still expanding business. The resultant change in our net earnings, however, is not as large as might appear at first sight, for there has been some saving due to the slightly lower share price.

#### Earnings and Commitments

When compared with the previous year's figures, the increase in our net earnings is substantial, but the figure is by no means large, when viewed against the background of our high costs, our heavy commitments for capital expenditure, the necessity for depreciation of fixed assets, and the need for providing adequately for pensions. We also have to bear in mind that the dividend is payable on a larger paid-up capital, increased in September, 1954, by the paying up in full of £3 per share on 50,000 B shares which were afterwards converted into ordinary stock.

The capital is still very large in terms of present-day requirements, more especially if we bear in mind the great spread of our business and the scale of our transactions. We have to remember, too, that we are operating in many rapidly developing territories.

#### Spectacular Progress

Stockholders will be familiar with some of the more spectacular signs of progress, to which reference is made in the Press from time to time, such as, for example, the establishment of the great oil-from-coal plant by the South African Government, which came into production in August of this year, a year which is also notable for the first dividend distributions from the new mining companies formed to work the great goldfield of the Orange Free State—surely an encouraging development for British investment in South Africa.

Again, in Rhodesia this year has seen the decision to proceed with the Zambezi power project at Kariba, a scheme vast enough to appeal to the imagination of Cecil Rhodes himself. Such developments as these inevitably lead to a greatly increased economic potential, and examples can be multiplied on a smaller scale at many different levels. These do not always hit the headlines, nevertheless, which interesting, if less spectacular, work is being done, not only in Africa, but in other parts of the world where our Bank is established.

#### Current Developments

Our publications—the annual *Overseas Survey* and monthly *Overseas Review*—contain detailed information in respect of current developments in all the areas now served by this Bank. There are so numerous and extensive as to make it impracticable to discuss them in an outline here.

In opening our branches, however, we have been doing, sometimes at the pioneering stage, the Bank is also having to open up the territories themselves, and the part that we are playing in these affairs should

think, be a cause of satisfaction to stockholders. It will not perhaps surprise you to know that these pioneering branches seldom show a profit in their early years. The cost of their establishment in remote areas is a heavy charge on the current earnings of the Bank.

#### 231 New Offices in Three Years

Since October, 1952, we have opened no less than 230 offices and closed seven, from which you will readily understand that we have many branches which are not yet contributing directly to the Bank's earnings. This is proper and necessary development, expedient, as I believe it is, though a substantial margin in earnings available to meet it will clearly be required.

While those who express concern over rising profits may perhaps take some consolation from these facts, the pursuit of the distant notion of a profitless prosperity seems to me a vain quest. For my part, I feel more concern as to how profits can be maintained and how to ensure that, once earned, they are put to proper use.

Until such time as we can rid ourselves of these ambitions—or, if I put it bluntly, some of this humbug on the subject of profits, our progress economically as a nation will be hampered, and the Chancellor's hopes of doubling the standard of living are likely to prove remote. We need look no further than this for explanation when we see evidence of failure to hold our own against countries with a more dynamic outlook. Let us, therefore, in future pay less heed to those of

#### The pallid introspective kind

Who at a whispered profit will

Yet nothing inconsistent find

In sharing in it to the hilt.

—From *Parables*

Much attention has recently been focused in high places on the subject of profit-sharing in industry. The term has an appealing sound, but is somewhat lacking in definition. There is, for example, a sense in which it is true to say that all employees depend upon the profits of industry, for the ability of any industry to provide a livelihood for its workers depends, in turn, on its ability to pay its way and to prosper.

While this is not profit-sharing in the generally accepted sense of the term, the fact that the fortunes of the employees are inevitably bound up to a greater or less extent with the fortunes of the industry itself should not be overlooked.

The next stage in profit-sharing may be said to come with the paying of a bonus on results. This may take a variety of forms, some almost indistinguishable from full profit-sharing. The bonus itself may be geared directly or indirectly to the actual profits earned in any particular year. Where the link is direct, true profit-sharing is established, and it is perhaps worth mentioning that this may very well prove more remunerative to the employee than a system of stock ownership where dividend distributions may be governed by more conservative policies.

#### Need for Proper Perspective

The final stage of full profit-sharing, through a share in the ownership of stock, can take many different forms. For years past different types of schemes have been tried, with varying degrees of success, by various companies in England and elsewhere. While much ingenuity has been devoted to them, their history has been a chequered one. Those that have weathered adverse conditions, whose profits have been shrinking, are few in number. It seems necessary to mention these points in order that the general picture of profit-sharing should be seen in proper perspective, and also to show that there is nothing new in the idea.

While the object in view is clearly a desirable one, the practical problems involved in profit-sharing are not easily solved. Amongst the most formidable of these, naturally, is that of ensuring not only that there shall be profits, but that these shall be maintained and if possible increased, and above all that they shall not fall.

It is all too easy, in an era of inflationary trends, to forget that profits are subject to sharp fluctuations, downwards as well as upwards, while dividends have an uncomfortable habit of vanishing altogether. It is unfortunate that such a fall from high places, as well as from a state of responsibility, frequently confuse the issue by seeming to suggest that some relationship necessarily exists between dividends and wages, quite overlooking the fact that, unlike dividends, wages seldom fall.

#### A Question of Gearing

There is, however, another set of problems to be overcome, which I should like to touch on before leaving the subject. Industry itself is composed of many different types of units to which widely varying conditions apply. In some of them, the cost of salaries and wages represents only a moderate portion of their total annual expenditure, whereas in others, this is the dominant factor.

An examination of the reports of industrial companies shows that, while in some cases the percentage of salaries and wages to total income is as high as 50% or even more, in others it is no more than 10% or even less.

This has the result of giving entirely different bearings to profit-sharing schemes, for, while in the case of one type a scheme might hold out the possibility (in good times) for employees to derive worthwhile benefits, in other cases substantial results could hardly be expected, even under the most favourable conditions imaginable. It is purely a question of gearing.

#### Interests of Employees

Banks such as ours normally have a high proportion of salaries to total expenditure, and although, in some cases, they have special classes of shares for employees, the benefits these bring are inevitably strictly limited in scope and cannot make a really substantial contribution to the profit-sharing principle. The increase which an employee may receive, or hope to receive, in his salary at the end of the year is likely far to exceed any benefit that he could expect by way of dividend on his employee's stock.

In the case of our Bank we have for many years gone some way towards identifying the interests of the employees with the success of the enterprise. It has been our custom to pay to the staff an annual bonus which has been omitted only on comparatively rare occasions since the Bank took its present form in 1925. While the figure has remained stationary at 10% in recent years, the actual amount involved has been far from static; it has grown with the number of staff, and with the higher level of salaries paid. But it is only because of the high earnings in our case that has kept pace with the general practice of the Bank that it has been possible to offer this rate of bonus as a regular measure. A similar advantage in earnings would inevitably be available to our staff.

It is upon this basis that stockholders shall know their own situation, in respect of this highly topical question. I hope and believe that the great majority of our staff realize that their prospects are, in any case, identical to a great extent with the Bank's progress, and that their remuneration, which comes from the Bank's earnings, is ultimately related to their own efforts and their individual efficiency.

#### The Chancellor's Hint

The Chancellor has hinted that the revenue authorities will endeavour to help companies which are interested in furthering profit-sharing schemes for their employees. While this attitude is most welcome, and legislation could undoubtedly be helpful, we do not yet know what practical form it might take. It is not at first sight easy to see how any one system could operate fairly as between the schemes of different types of companies.

Let us, therefore, not expect too much. However, short memories may be, there must be few of us who have yet forgotten the high hopes that were placed on the benefits to come from nationalization of industry or the disillusionment that followed.

I do not go so far as to suggest that the present hopes of profit-sharing are likely to be so bitterly disappointed. It would be a profound mistake, nevertheless, to imagine that any profit-sharing scheme could be a panacea for industrial unrest, still less a substitute for good management and good relations at all levels between management and employees. If that is the thought behind it, then it should be dismissed at once.

#### Profits the Basis of Progress

Moreover, if the expectations, which appear to be current in political circles, are based on the view that the prosperity of an industry is a principal cause of unrest amongst its employees, I believe that they are entirely mistaken. Statistical unrest does not appear to be any the less in those industries that are regarded as unable to earn profits, indeed the exact contrary seems to be the case, for the worst examples often appear in that very sector, in which jealousies can hardly arise. In fact, in those industries that pay large dividends or there are good dividends and sometimes no profits.

I believe on the contrary, that men and women almost inevitably tend to feel a sense of pride in the progress of the business, whatever it may be, in which they work. It is proper that this should be so and, let there be no mistake about it, that progress has work as its basis and can only be sustained by profits.

#### Staffs Efficient Workers

We can be thankful for the fact that in this Bank a large number of the staff take a keen interest in its progress, and in the growth of its earnings, and if by some happy chance a picture should have been more favourable, one than we are able to present today, I do not for one moment believe that it would have caused consternation or unrest throughout our ranks. On the contrary, it would have been considered more as a matter for mutual congratulation and as evidence of efficient work in a competitive field.

Catchwords are not the cure for present difficulties, they are not even a palliative. Our industrial problems have their origins in the past, in the "bad days" of the 30's, and in times before that. They will not yield to superficial treatment. Instead of allowing ourselves to be hypnotized by the repetition of empty slogans, it would be more profitable to concentrate on correcting distortions that now warp the economy of the Welfare State.

#### Structure of Welfare

What is needed is a better handling of the Welfare State itself, as a new creature, one of our own making, whose structure we do not yet fully understand, except that it has insatiable appetites. We have still to find a way to satisfy it, yet at the same time to ensure that it does not destroy the very existence of the State.

The change in the market, which goes on in this revolution—and it is the greatest revolution of our age—had never taken place. The *para-dona* of





## Company Report

# Kentan Gold Areas, Limited

## Development at Geita Continues to Show Good Results

### EARL GREY ON THE IMPROVED POSITION

A GENERAL MEETING OF KENTAN GOLD AREAS LIMITED, was held in London on November 30, 1955. The Rt. Hon. Earl Grey, chairman, said:

Shareholders will have noted that we have taken action with regard to two matters raised at our last meeting. In the first place we are experimenting today in the use of a smaller, more intimate, and slightly less expensive haul. I hope you will find this comfortable and that the experiment will be adjudged a success. Secondly, we fulfilled our promise to supply shareholders with an up-to-date detailed map showing the Geita Mine, are in its geographical setting, by incorporating this in the circular issued on June 14, 1955, which gave particulars of the grant to the Geita company of a special exclusive prospecting licence. If there are any new members present who do not possess a copy of this map it may be obtained from our staff at the door.

#### Director's Appointments

On April 19, 1955, Mr. G. C. Hutchinson resigned from the position of managing director, to which he had been appointed on the formation of the company in 1934. His tenure of office has thus covered a period of unremitting anxiety for the company, and I feel that we owe him a considerable amount of gratitude for the way in which he has stuck to his very unrewarding task during these most difficult years. I am happy to think that the results, which he like myself always thought capable of achievement at Geita, now appear likely to be realized. It is with great pleasure that we have welcomed Mr. M. T. W. Esby as his successor. Mr. Esby only joined the board in December 1953, but the improvement in the company's position is in no small measure due to his efforts combined, so far as Geita is concerned, with the invaluable aid and guidance of New Consolidated Gold Fields Limited.

#### Outlook Favourable

I think you will agree that the results shown in the report and accounts justify the qualified satisfaction expressed in my named review. Much remains to be done, but I am confident that in the hands of our very able general manager, Mr. R. E. Rasby, and his staff, under the guidance of New Consolidated Gold Fields Limited, as technical advisers, the steady progress of the last year will be maintained. The results of the first four months of the current financial year from July 1 to October 31, 1955, disclose that 91,400 long tons have been milled, yielding 2,391 dwt. of gold. The working output for the period was £17,872. In the corresponding period of the previous year, 88,300 long tons were milled, yielding 2,097 dwt. per ton, with a working profit of £14,443.

Development at Geita continues to show good results and as a result there is evidence that payable extensions of the body will be found. Development of the Washan area is proceeding rapidly and while we stand on the basis report for the September quarter recently issued, the complex coal-steel structure of the payable bodies makes further

reported, drilling has revealed exposures of considerably higher than average grade, and we hope that more definite information will be available in the current quarter.

#### Higher Of Reserve Tonnage

There has been an improvement in ore reserve tonnage which is now adequate to support an increase in output. Any substantial rise in the rate of tonnage milled is, however, dependent on complete rehabilitation of the mechanical engineering side and the supply of an adequate labour force.

Operation of the reduction plant has improved and as a result residue values have shown a downward trend.

Shareholders will also be pleased to learn that a Crossley Premier gas engine coupled to a 200 kW alternator has been purchased locally from New-Saza Mines Limited. The transport of this equipment to the mine is now being arranged, and it is hoped that it will be operating in the first half of 1956. Its arrival will provide adequate reserve power at Geita.

The revised capital expenditure programme envisages an expenditure of £44,000 in the year ending June 30, 1956, and £44,000 in the year ending June 30, 1957.

The report and accounts were adopted.

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Company Report

# Mini Mini (Nyasaland) Tea Syndicate, Ltd.

## Increased Crop and Good Reports of Current Season

### MR. A. LORAM REVIEW OF THE YEAR

THE THIRTY-SECOND ANNUAL GENERAL MEETING OF MINI MINI (NYASALAND) TEA SYNDICATE, LIMITED, WAS HELD ON NOVEMBER 29 IN LONDON.

MR. J. A. LORAM, chairman of the company, presided. The following is his circulated review.

#### Marketing and Production

A salient feature of the 1954-55 result was the comparatively heavy fall in the average market price for tea and teas from the ports rather unhealthy level of the previous season. It is noteworthy, however, that the decrease in your company's net average price of over 5d. per lb. was almost completely offset by the increased crop and decreased cost of production per lb. the result being that the trading profit was very little below that of 1953-54.

Throughout the season our teas have been well exported on and the prices received indicate careful manufacture and a fair standard of packing.

#### Factory Improvements

In October the estate was visited by two members of your board, Messrs. Arbuthnot and Meakin, whose reports are now being studied. At this stage I may say that these reports deal mainly with improvements to the factory and the estate in general, which in these more prosperous times we hope to carry out over the next few years.

With regard to the factory improvements, the new drying facilities are visualized, steam heating for the driers and the installation of electrical power to operate the withering fans and certain auxiliary machinery, well as the lighting load.

#### New Housing

Improved housing for the labour force is well in hand, and year by year new houses of a modern type are replacing the old thatched *Tondoyels*. This, it is hoped, will influence labour to settle on the estate, a matter of great importance from the crop point of view.

I am pleased that my co-directors report favourably on the structural condition of the property and its improved yielding capacity. The visiting directors in their report did, however, criticise the lack of high

shade in many of the fields and this will be rectified systematically each season in future by planting Albizzia and Grevillea shade trees.

The current season has opened well with a crop for the first four months of 74,987 lb., compared with 47,999 lb. last year at the same date. The market price for African tea is, by all means as high as it was a year ago, but nevertheless a useful profit margin exists.

#### Accounts

Turning to the accounts, you will observe that the issued capital is increased by £29,688, making the total issued capital now £84,068 in fully paid stock. This increase was due to the utilization of part of the general reserve, when during the year 1954-55 £29,688 of such were allotted to the 100,000 shares of £1 each held by the stockholders. The proposed dividend for the year 1954-55 will be paid on the fully issued capital, and this is the equivalent of a rate of 10% on the capital before the above-mentioned capital increase and reserve.

#### Profit and Dividend

As to the profit, the gross profit for the year of £62,134 showed little change from that earned in the previous year. To this profit there are added £2,905 brought forward from the previous year and £4,000 being an adjustment in the company's favour for a profit previously provided but which is now no longer required. There is therefore a total sum available of £69,037, of which £36,000 is set aside to meet all the liabilities on the profits under review and £8,688 transferred to the general reserve. After making these appropriations there remains £24,349, from which is deducted the interim dividend of 10% on the income tax and the proposed final dividend of 10% on the income tax, or a total of £20,485, leaving a balance of £3,864 to be carried forward to future years.

In conclusion, I would express our thanks to Mr. C. T. Hardwick and to his assistants Mr. O. Fox and Mr. A. G. de la Pasture, for their good management and contribution to another successful year. We also thank Mr. C. E. Small, the visiting agent, for his valuable advice and help during the past season. The report was adopted.

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## Company Report

## East African Sisal Plantations, Ltd.

## Mr. G. R. S. Doyle's Statement

THE TWENTY-SEVENTH ORDINARY GENERAL MEETING OF EAST AFRICAN SISAL PLANTATIONS, LIMITED, was held on December 2 in London.

Mr. G. R. S. Doyle (the chairman) presided and, in the course of his speech, said:—

During the year we produced 2,135 tons of sisal and tow—250 tons, or 12% more than in the previous year, whereas our total estate expenditure only increased by a little over 1%.

We are recommending a final dividend of 12% and the carry forward is £29,102 against £28,215 brought forward. Net liquid assets stand at £18,652, which covers the capital one and a quarter times.

## Higher Production

With regard to the current year, we have produced 1,035 tons up to November 30 compared with 1,080 tons during the corresponding period last year, and anticipate, once again, a higher production than in the previous year. We had proposed planting 720 acres during the current year but it may be advisable to reduce this target owing to the fact that some 500 acres of time-expired areas are not quite ready to be cut out. To date, this season, 335 acres have been planted.

As to the future, our planting policy will, we estimate, be gradually increasing production. At the moment we have a factory based upon one of our existing units which, in the future, will not be adequate to cope with the supply of sisal for processing.

We are considering building an entirely new factory of a greater capacity which will absorb an important part of our liquid resources, and for this purpose our scheme is to build the new factory in three stages.

## New Factory

The first stage would give us the additional capacity of 250 tons, which would be required. The second and third stages will be for the provision of new machinery designed to improve the finish and packing of the fibre, whereas that should market or other conditions demand it, the programme could be halted at any stage without affecting production. It is also considered that this programme could be put into effect without interrupting continuity of production.

In conclusion I should like once again to pay tribute to the efforts of our colleague and general manager, Mr. Dou Bos, and of his excellent staff.

The report was adopted.

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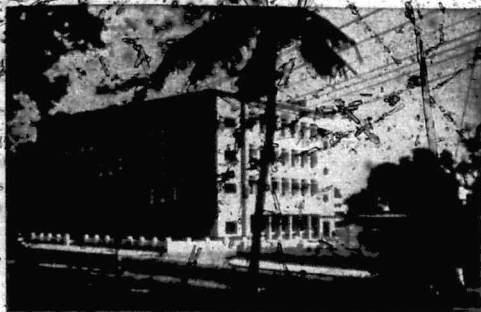
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