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Covering Dates 28th Oct., to 19th Dec., 1965.

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Date of Reproduction 28th December, 1965



COLONY AND PROTECTORATE OF KENYA

LEGISLATIVE COUNCIL DEBATES

OFFICIAL REPORT

Second Series

Volume VI

1938

28th OCTOBER to 19th DECEMBER

CENTRAL GOVERNMENT
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STOCK No. 4235

CLASS No. K. 326.374

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List of Members of the Legislative Council

President:

HIS EXCELLENCY THE GOVERNOR, AIR CHIEF MARSHAL SIR ROBERT BROOKE-POPHAM, G.C.V.O., K.C.B., C.M.G., D.S.O., A.F.C.

Ex Officio Members:

CHIEF SECRETARY (HON. SIR A. DE V. WADE, C.M.G., O.B.E.)

ATTORNEY GENERAL (HON. W. HARRAGIN, K.C.)

FINANCIAL SECRETARY (HON. C. R. LOCKHART, C.B.E.)

CHIEF NATIVE COMMISSIONER, ACTING (HON. S. H. LA FONTAINE, D.S.O., O.B.E., M.C.) (1)

COMMISSIONER FOR LANDS AND SETTLEMENT (HON. C. E. MORTIMER, M.B.E.)

DIRECTOR OF MEDICAL SERVICES (DR. THE HON. A. R. PATERSON, C.M.G.)

DIRECTOR OF AGRICULTURE (HON. H. B. WATERS)

DIRECTOR OF EDUCATION, ACTING (HON. R. H. W. WISDOM) (2)

GENERAL MANAGER, KENYA AND UGANDA RAILWAYS AND HARBOURS, (BRIG.-GEN. THE HON. SIR G. D. RHODES, C.B.E., D.S.O.) (3)

DIRECTOR OF PUBLIC WORKS (HON. J. C. STRONACH)

COMMISSIONER OF CUSTOMS (HON. A. W. NORTROP)

Nominated Official Members:

HON. G. H. C. BOULDERSON (Prov. Commissioner, Coast Province)

HON. H. M. GARDNER, O.B.E. (Conservator of Forests)

HON. S. H. FAZAN, C.B.E. (Prov. Commissioner, Nyanza Province)

HON. H. C. WILLAN, M.C. (Solicitor General)

HON. R. DAUBNEY, O.B.E. (Director of Veterinary Services)

HON. S. O. V. HODGE (Acting Prov. Commissioner, Rift Valley)

HON. G. P. WILLOUGHBY (Acting Postmaster General)

HON. C. TOMKINSON (Acting Prov. Commissioner, Central Province) (4)

HON. H. IZARD (Commissioner of Mines) (5)

European Elected Members:

MAJOR THE HON. P. W. CAYENDISH-BENTINCK, Nairobi North.

HON. S. V. COOKE, Coast.

THE RIGHT HON. THE EARL OF ERROLL, Kiambu.

THE HON. LADY SIDNEY FARRAR, Nyanza.

HON. S. G. GHERSIE, Uasin Gishu.

MAJOR THE HON. F. DE V. JONCE, M.C., Ukamba (Acting) (6)

LT.-COL. THE HON. J. G. KIRKWOOD, C.M.G., D.S.O., Trans Nzoia.

HON. L. G. E. LLEWELYN, Aberdare (Acting) (7)

LT.-COL. THE HON. P. S. MODERA, D.S.O., M.C., Nairobi South.

HON. W. G. D. H. NICOL, Mombasa.

LT.-COL. THE HON. LORD FRANCIS SCOTT, K.C.M.G., D.S.O., Rift Valley.

LIST OF MEMBERS OF THE LEGISLATIVE COUNCIL—Contd.

Indian Elected Members:

HON. LITER DASS.
HON. SHAMSUD-DEEN.
HON. R. KASIM.
HON. A. D. PATEL.
DR. THE HON. S. D. KARVE (Acting). (8).

Arab Elected Member:

HON. SIR ALI BIN SALIM, K.B.E., C.M.G.

Nominated Unofficial Members:

Representing the Interests of the African Community—

DR. THE HON. C. J. WILSON, M.C.
HON. H. R. MONTGOMERY, C.M.G.

Representing the Interests of the Arab Community—

HON. SHEIK HAMED BIN MOHAMED BIN ISSA.

Clerk to Legislative Council:

MR. R. W. BAKER-BEALL (Acting).

Reporters:

MR. A. H. EDWARDS, MR. H. THOMAS.

- (1) *Vice* Mr. E. B. Hosking, O.B.E., on leave.
- (2) *Vice* Mr. E. G. Norris, O.B.E., transferred to Nigeria.
- (3) *Vice* Mr. A. B. Hamp, C.B.E., acting until 10th November.
- (4) *Vice* Mr. S. H. La Fontaine, D.S.O., O.B.E., M.C., Acting Chief Native Commissioner.
- (5) *Vice* Mr. G. Beresford Stooke, resigned 2nd December, 1938.
- (6) *Vice* Major Sir R. de V. Shaw, Bt., M.C., until resignation of seat, 2nd December, 1938.
- (7) *Vice* Mr. E. H. Wright, absent from Colony from 25th November, 1938.
- (8) *Vice* Mr. J. B. Pandya, absent from Colony.

ABSENTEES FROM LEGISLATIVE COUNCIL SITTINGS

28th October, 1938:

Hon. G. P. Willoughby.
Hon. Elected Member for Rift Valley.
Hon. Elected Member for Trans Nzoia.
Hon. Elected Member for Aberdare.
Dr. the Hon. S. D. Karve.
Hon. Arab Nominated Member.

31st October, 1938:

Hon. G. P. Willoughby.
Hon. Elected Member for Aberdare.
Hon. A. B. Patel.
Dr. the Hon. S. D. Karve.
Hon. Arab Nominated Member.

1st November, 1938:

Hon. G. P. Willoughby.
Hon. Elected Member for Nairobi North.
Dr. the Hon. S. D. Karve.
Hon. Arab Nominated Member.

7th November, 1938:

Hon. R. Daubney, O.B.E.
Hon. Acting Elected Member for Ukamba.
Dr. the Hon. S. D. Karve.
Hon. Arab Nominated Member.

8th November, 1938:

Hon. R. Daubney, O.B.E.
Hon. Acting Elected Member for Ukamba.
Dr. the Hon. S. D. Karve.
Hon. Arab Nominated Member.

9th November, 1938:

Hon. Director of Medical Services.
Hon. Commissioner of Customs.
Hon. R. Daubney, O.B.E.
Hon. C. Tomkinson.
Hon. Acting Elected Member for Ukamba.
Dr. the Hon. S. D. Karve.
Hon. Arab Nominated Member.

10th November, 1938:

Hon. Director of Medical Services.
Hon. Commissioner of Customs.
Hon. R. Daubney, O.B.E.
Hon. Acting Elected Member for Ukamba.
Dr. the Hon. S. D. Karve.
Hon. Arab Nominated Member.

14th November, 1938:

Hon. Attorney General.
Hon. Commissioner of Customs.
Hon. G. H. C. Boulderson.
Hon. R. Daubney, O.B.E.
Hon. Elected Member for Coast.
Hon. Acting Elected Member for Ukamba.
Hon. Elected Member for Mombasa.
Hon. A. B. Patel.

ABSENTEES FROM LEGISLATIVE COUNCIL SITTINGS—Contd.

14th November, 1938—Contd:

Dr. the Hon. S. D. Karve.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.

15th November, 1938:

Hon. Elected Member for Nairobi North.
Hon. Acting Elected Member for Ukamba.
Hon. A. B. Patel.
Dr. the Hon. S. D. Karve.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.

16th November, 1938:

Hon. Chief Secretary.
Hon. R. Daubney, O.B.E.
Hon. Elected Member for Nairobi North.
Hon. Acting Elected Member for Ukamba.
Hon. A. B. Patel.
Dr. the Hon. S. D. Karve.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.

17th November, 1938:

Hon. Chief Secretary.
Hon. R. Daubney, O.B.E.
Hon. Elected Member for Nairobi North.
Hon. Acting Elected Member for Ukamba.
Hon. A. B. Patel.
Dr. the Hon. S. D. Karve.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.

7th December, 1938:

Hon. G. H. C. Boulderson.
Hon. Elected Member for Mombasa.
Hon. A. B. Patel.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.

8th December, 1938:

Hon. G. H. C. Boulderson.
Hon. Elected Member for Mombasa.
Hon. A. B. Patel.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.

12th December, 1938:

Hon. S. O. V. Hodge.
Hon. Indian Elected Member for Western Area.
Dr. the Hon. S. D. Karve.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.

13th December, 1938:

Hon. S. O. V. Hodge.
Hon. Elected Member for Nairobi North.
Hon. Indian Elected Member for Western Area.
Dr. the Hon. S. D. Karve.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.

ABSENTEES FROM LEGISLATIVE COUNCIL SITTINGS—Contd.

14th December, 1938:

Hon. Commissioner of Customs.
Hon. S. O. V. Hodge.
Hon. Elected Member for Nairobi North.
Hon. Elected Member for Mombasa.
Hon. Acting Elected Member for Aberdare.
Dr. the Hon. S. D. Karve.
Hon. Arab Elected Member.
Dr. the Hon. C. J. Wilson, M.C.
Hon. Arab Nominated Member.

19th December, 1938:

Hon. General Manager, K.U.R. & H.
Hon. G. H. C. Boulderson.
Hon. S. O. V. Hodge.
Hon. Elected Member for Trans Nzoia.
Hon. Elected Member for Mombasa.
Dr. the Hon. S. D. Karve.
Hon. Arab Elected Member.
Hon. Arab Nominated Member.



COLONY AND PROTECTORATE OF KENYA
LEGISLATIVE COUNCIL DEBATES

THIRD SESSION, 1938

Friday, 28th October, 1938

Council assembled at the Memorial Hall, Nairobi, at 11 a.m. on Friday, the 28th October, 1938. His Excellency the Governor (Sir Robert Brooke-Popham, G.C.V.O., K.C.B., C.M.G., D.S.O., A.F.C.), presiding.

His Excellency opened Council with prayer.

The Proclamation summoning Council was read.

ADMINISTRATION OF THE OATH

The Oath of Allegiance was administered to:—

Dr. A. R. Paterson, C.M.O., Director of Medical Services.

H. C. Willan, Esq., M.C., Solicitor General.

R. Daubney, Esq., O.B.E., Director of Veterinary Services.

H. Izard, Esq., Commissioner of Mines.

INVESTITURE

By Command of His Majesty the King, His Excellency presented—

the insignia of a Companion of the Most Distinguished Order of St. Michael and St. George to Dr. A. R. Paterson, Director of Medical Services;

the insignia of a Commander of the Most Excellent Order of the British Empire (Civil Division) to Conway Harvey, Esq.;

the insignia of an Officer of the Most Excellent Order of the British Empire

(Civil Division) to the hon. H. M. Gardner, Conservator of Forests;

the insignia of a Member of the Most Excellent Order of the British Empire (Civil Division) to W. G. Leckie, Esq., Agricultural Department;

and the insignia of the Imperial Service Order to A. H. D. le Poer Trench, Esq.

COMMUNICATION FROM THE CHAIR

His Excellency made the following Communication from the Chair:—

Honourable Members of Council,

During the last few weeks the international situation has been uppermost in our minds. There is no need to refer to it except to express our thankfulness that war was averted—averted almost entirely by the personal efforts, energy and tenacity of one man, Mr. Chamberlain. Comment on the agreement reached would be unwisely in the absence of knowledge of all the inner history of those days, history extending over the world, not only to Europe, and I am not going to make any comment.

However, I would like to mention two things—first, the fact that Mr. Chamberlain has set the example, at any rate in Europe, of using the aeroplane as a means for preservation of peace, rather than a means for waging war; and secondly, if it had not been for the fact that Great Britain had armed and was powerful on sea, in the air and on land, conversations or any form of negotiation

[H.E. the Governor] would probably have been impossible; and again, the individual who more than anyone else was responsible for the arrangement that has taken place in the last three years is Mr. Chamberlain.

Now, to turn now to our position in Kenya as affected by the international situation. From the military standpoint, the degree of preparation that should be made for war depends, apart, of course, from the probability of war, upon two factors—the scale of attack to be anticipated and the vulnerability of the country. But in addition to purely military factors, one has to consider the ability of a country to stand the financial strain imposed by preparations for war.

There is no formula connecting these factors; it is a matter of judgment and of proportion. Let us take the case of defence against air attack: it would be wrong to take the preparations that are being made for the air defence of London, with its seven million inhabitants, its comparative proximity to a country with a great air force backed by vast industrial resources, and compare that with our capital and carry out exactly the same preparations on a reduced scale. The difference is not only one of degree but it is of nature. We must have air raid precautions. But I do not believe that we should make elaborate arrangements for evacuation.

Nor would it be right to make an arithmetical calculation of the proportion of defence to total expenditure and to lay down that we ought to be spending the same proportion of our Budget on defence as is the case in Great Britain. A country that is in a state of development like Kenya ought not to devote the same proportion of its total Budget to warlike preparations as can a country like England, which reached its full stage of development many years ago. It is not that one should be prepared to run greater risks, but that in assessing the degree to which we ought to carry out preparations for war, we must give greater weight to the need for expenditure in other directions than would be the case in Great Britain. Admittedly, one can imagine events which would increase the scale of attack to which we are exposed, it would upset the present balance and

make necessary a much higher degree of expenditure on defence than is justifiable at present. These events have not yet occurred, and it is to be hoped that they will not.

Now, to turn to a few details. I am satisfied that our organization in the event of war was sound. This is borne out by the fact that no change was found necessary when the war clouds were gathering, and that, with one exception to which I will refer later, no new body had to be formed. Preparations were not complete by the time the situation became threatening; but all that was necessary was to accelerate work along lines that had been previously decided. I refer particularly to the Air Raids Precautions and the Man Power Committee; the work was all going on, and all that happened was that those responsible had to concentrate on it instead of continuing steadily with the work together with their normal routine duties. In some cases intermediate steps had to be omitted; this may have led to difficulties in individual cases, but the general plans were on the right lines.

The one organization that it was found necessary to form at short notice was the Kenya Women's Emergency Organization. This was planned on September 28th, and started functioning on September 29th. Details of it have been published and I will only emphasize that it does not absorb or replace any existing organization, but merely acts as a sort of central registry of qualifications and volunteers. The total number of women registered I may say is over 800.

I would like here to pay a tribute to the excellent work put in by the voluntary helpers, both men and women, during the crisis. The efforts, for instance, of the Man Power Committee, meant long hours at work that was not at all spectacular, but it was work that would have been indispensable had war come and work which will be of lasting value even should no emergency arise again. I wish on behalf of Kenya to thank all those who so willingly gave up their time and energies to the work.

I might add that there is no intention of ceasing these preparations. As I indicated before, the preparations for air raid precautions, the organization of the men

[H.E. the Governor] and women of the Colony, had to be carried very rapidly to a stage where executive action could be taken. We now have a period during which the work can be completed more carefully and more thoroughly, and brought to a stage where it can become a concrete plan which can be put into action at a moment's notice, and instructions have been issued for this to be done. The Kenya Women's Emergency Organization, for instance, will not be disbanded; it will be kept alive and the opportunity taken to make a complete classification of all those registered into different groups according to their qualifications—very varied qualifications—to include cooks, canteen managers, camouflage experts and so forth.

I would just like to refer to the forms which were issued by the Man Power Committee. Speaking in this Council on August 5th, I asked everybody to co-operate, by filling these up, and I added "I know I am not asking in vain". That expression of opinion was fully justified, and I would like to pay a tribute to everyone concerned for filling up these forms so carefully and promptly.

No mobilization orders were issued so it was not necessary to call up the Kenya Regiment. But as you know, this regiment forms an integral part of our war plans since it forms the source from which are drawn the European officers, warrant officers and non-commissioned officers required to bring the King's African Rifles battalions from their peace to their war establishment. Without the Kenya Regiment it would be impossible to say where these men would be found. Though one may not be able to count them fully trained as yet, the Commander of the Northern Brigade informs me that he is satisfied they would have fulfilled their role.

The Kenya Defence Force was sufficiently organized to be in a position to supply guards for important points and escorts for internees; these parties were all ready to function on receipt of orders.

I would like to emphasize once more that the Kenya Defence Force has to meet two different types of emergency—first, that affecting internal security, and secondly, that of a European war. Its

functions and duties will be different in these two cases, and the differentiation must be borne in mind. For instance, internal security will probably be local and temporary; in the locality concerned it may be necessary to call out the whole of the Kenya Defence Force. A European war will be relatively long; over that period the normal work of the country must be continued, and many individuals will have to be exempted, not from liability to service with the Kenya Defence Force, but from being called up at the beginning for purely military duties.

As regards the progress of organization of the Kenya Defence Force, I would like to point out that fifteen out of a total of seventeen District Commandants, forty-three out of a total of forty-nine Section Commandants, have been appointed, and that twenty-four out of thirty-one internal security schemes have been approved. I am well aware, both from reports I have received and from my own observations, that the appointments held by these officers, especially those of District Commandants, are very far from being sinecures. A great deal of work, and by no means easy work, is entailed, and I hope everyone appreciates the time and labour that these officers are giving to the Colony.

Now, the fact that the general plans of organization were sound does not mean that no mistake became apparent nor that details cannot be improved. The attitude of those responsible for preparations must be, and I know is, one of regarding the recent crisis not as one of relief as scrapping through an awkward situation but as a test of our preparations and as affording an opportunity of gaining experience which must now be applied. The man who never makes mistakes will never make anything, and there is nothing wrong in making an honest mistake provided that one takes steps to avoid it in the future. That is what is being done, and I may say that as early as October 4th a special meeting of the Defence Committee was held with the sole object of collecting the lessons that had been learnt and recording matters that had to be put right.

There are shortages of equipment. These were not made evident by the recent crisis but have been known for a

[H.E. the Governor] long time past. They are due almost entirely to the rearmament in England, with the result that ours, like other demands, can only be met comparatively slowly.

The opportunity has presented itself of making a complete examination of our Intelligence system, mainly with a view to some extension of its activities. This opportunity is being utilized.

So much for military matters, I will now allude briefly to the work being done by Kenya for the African.

People are apt, or sometimes find it convenient, to forget the direct benefits conferred upon the African native by British rule in this part of Africa. The most convincing evidence lies in the services of health and education. The Government itself is now maintaining over 2,000 hospital beds for natives and 134 dispensaries, and the construction of the African section of the new Nairobi Group Hospital (the first section of that hospital to be built) was begun early in September. The overcrowding of native hospitals exists and the increasing demand from natives for medical facilities admittedly places a heavy strain on the Medical Department. The important point of that is the proof of the value placed upon these services by the people themselves.

Then in education, education is being given to over 100,000 native pupils in 1,600 schools. The training and education of African girls is receiving special attention. As you know the recent inter-territorial conference at Kampala approved proposals for the development of Makerere into a Higher College for East Africa. The development of social services for natives now depends largely upon a greatly increased number of trained African workers which this College will supply. Kenya will be represented on the Assembly and the Council of the Higher College, and proposals will in due course be placed before you for a contribution from this Colony to the Endowment Fund. The rate at which we shall be able to take advantage of the facilities of this College depends on the quality of schools throughout our system. Some advance in local secondary education is necessary to prepare for the facilities at Makerere.

This brief survey leads me to refer to three other points.

First, there is the need for a better understanding outside the Colony of the rapidity of the progress being made by the African under His Majesty's Government and the measures being taken by Government to meet his request for education and health services. As a race we are not good at publicity, but it is very necessary in order to dispel ignorance and combat misrepresentations. If only for this reason I am sure that Kenya is very grateful to Her Royal Highness the Duchess of Gloucester for opening the exhibition of photographs illustrating African progress and activity in Kenya, which was held at the Imperial Institute in London last June. They were later exhibited elsewhere. I hope that the East African Publicity Association, which includes representatives of the four East African territories, will find it within their scope to lift the veil of ignorance on this subject as well as on others.

The second point is that so long as money to meet these demands has to be provided from the proceeds of agriculture, there is the constant temptation, particularly with primitive methods, to exploit the land for quick returns and to exceed the limits of Nature's tolerance of maltreatment of the soil. In a country dependent for its resources upon agriculture, alone it is difficult to provide a high standard of social services for a large and increasing population, and it is therefore necessary to include in any effective policy of development, not only for the natives but for the Colony as a whole, plans for the encouragement of secondary industries.

The third point to which I might refer is the continued need for soil conservation and better land use in the native areas. So far as legislation goes, little remains to be done in the native areas, because the provisions of the Land and Water Preservation Bill, which has been widely circulated in the Colony, are already in force in nearly all native reserves in the form of Local Native Council Regulations. But much remains to be done not only in education and instruction, but also in research, in the control of fire and in practical reclamation work.

[H.E. the Governor]

In this connexion I would again emphasize that in the same way as Liebig's is an aid to destocking, so is destocking a step in the solution of the main problem, which is the conservation and restoration of soil fertility. It has always been recognised that there are various methods by which this process of reduction of stock can be carried out.

When it was first started in Machakos it was decided to hold a limited number of auction sales and from the result of these to decide on the next steps. A number of auctions was duly held. At a bazaar at Machakos on the 25th August I informed the Akamba that I had agreed to make a change in the procedure, though not in the policy—namely, that the sale of cattle should not be by auction over a period but by the owners themselves at certain markets on certain days, and I added "It must, however, be clear that if insufficient cattle are sold under this method, the Government will have no alternative but to resort to other measures". But I wish to make it quite clear that the policy of Government has not been changed in any way; destocking is one of the essential factors towards restoring and preserving the fertility of the soil for the benefit of the Akamba and their children, and Government intend to carry it out whatever difficulties may be encountered.

Destocking is going to be started in Samburu. The Masai have already established a considerable communal development fund from the proceeds of cattle sold to Liebig's factory, and it may be hoped that given sufficient time this example will be followed by other tribes. The provision of water supplies from this fund is a work of real development of country that might otherwise remain useless.

To turn to the economic and financial conditions in the Colony.

The position in regard to exports of domestic produce is much the same as it was when I opened the last Session of Council in August. The figures for the first eight months of the year show a decline in value of £182,000 or approximately 61 per cent as compared with the corresponding period of 1937. Naturally

we should all have liked to have seen some improvement, but in view of general world conditions, I feel that this comparatively small deterioration, 61 per cent, is a proof of the stability of our basic industries, principally, of course, agriculture.

Imports for the first seven months of the year maintained approximately the same level as during the similar period last year.

Overseas prices for our chief products have generally remained steady for the last two months. The decline in tea, hides and oilseeds shows signs of being arrested. Coffee has taken a welcome upward turn.

The immediate outlook in regard to prices of the majority of our export products depends a good deal on conditions in the United States of America, where there do not appear to be any serious obstacles in the way of a revival of business activity.

Taking a longer view, a material and permanent increase in the consumption of primary commodities can only result from a resumption of international trade freed from the barriers and restrictions with which it has been hedged during the last decade. Such a resumption must depend upon the achievement of peace in Europe so that economic prosperity need no longer be subordinated to the accumulation of armaments. In this connexion we can only hope that the recent negotiations so boldly undertaken by the Prime Minister may have laid the foundations for the lasting peace which the world so badly needs.

Turning to finance. The Customs and Excise revenue position as estimated at the end of September was £60,000 a decrease of £31,000 as compared with the actual allocation for the first nine months of 1937. It is, however, anticipated that despite this shortfall, in customs duties there will this year be a surplus of approximately £54,000. The excess over the original estimate of revenue is mainly due to the high yield of income tax and the payment by the Imperial Government of certain arrears of reimbursements on account of our expenditure in connexion with the Empire Air Mail scheme and the Abyssinian Refugee Camps.

(H.E. the Governor)

I have no information to give about the five and a half million loan beyond the fact that a despatch fully representing the case of Kenya and Uganda has been sent to England.

In Executive Council we regard constructive development as the most important part of our work, and as honourable members know, Executive Council now meets two days a fortnight instead of one as formally, the additional day being reserved entirely for development. But to frame a complete plan will still entail many months' work.

However I will summarize shortly the conclusions and the decisions that have so far been reached.

First is the desirability of developing internal industries subject to three factors:

Firstly, production being practicable at economic prices without hardship to consumers.

Secondly, due regard being given in each case to the attitude and interests of the manufacturers in the United Kingdom, so as to ensure that our export trade shall in no way be injured.

Thirdly, general agreement between the other territories in the East African group.

The subject was referred to the Standing Board of Economic Development for detailed consideration. And this Board prepared a report which has been sent for comment to Uganda and Tanganyika with a view to securing their concurrence.

It was decided that it was quite impossible to lay down in a few lines one single long range policy for agriculture in the whole of Kenya, because the conditions of soil and climate are so varied, and therefore the type of agriculture. What has been done is to lay down a policy to be followed in regard to separate forms of agriculture. First and foremost is the necessity for preserving and developing the fertility of the soil. From that follows development of the live stock industry as an essential factor in all agriculture, so as to provide organic manure, the total head of stock, of course, being adjusted to the number that the land can carry.

As regards agricultural products pure and simple, it has been decided that the main line on which Government must give assistance is by research, especially on the following lines:—

Causes and prevention of disease.
Maintenance of high quality.
Increase of production subject to the requirements of soil conservation.

Investigation into the production and marketing of new types of crop.

Then, as regards live stock, it is of first importance to ensure a balanced industry, which means going in not only for dairy products but also for meat—pork as well, as beef.

To come down to a few of the details which were decided in Executive Council. Government policy is to develop an export beef industry but, as a first step, there must be the elimination of disease principally rinderpest. Secondly, to develop the pork industry which will again necessitate rigid control and eventual elimination of swine fever. Thirdly, to develop the export mutton industry which will necessitate very careful breeding and feeding practice to ensure even quality and weight of carcass. Then, in connection with the export meat, the provision of refrigerating coaches for the Railway and increased cold storage accommodation at the ports. Though things like the elimination of rinderpest will have to come first. Independently of the beef industry, further investigation into the sterility of bulls, with the possible development of artificial insemination on a large scale. Finally, the reduction and control of wild animals, with a view to preservation of water and grazing for live stock, the prevention of direct damage, for example, to dams and, by no means least important, the spread of disease.

With regard to water boring, it has been decided that the most effective means of helping farmers will be by inspection and advice on the spot. This necessitates an increase of staff, and in the Estimates for 1939 you will find that one extra geologist has been allowed for this particular purpose.

The possibility of reduction of charges for Government boring machines was investigated, but it was decided that no big reduction was advisable because of unfair competition with the civil firms who

(H.E. the Governor)

are carrying out boring operations. Civil firms, I may mention, have more up-to-date apparatus.

Agricultural indebtedness has always loomed large in any discussions on agricultural policy. The rate of interest charged by the Land Bank, 6½ per cent, is frequently said to be too high. The explanation has already been given in this Council, but I will repeat it.

If there were no bad debts the interest rate could be reduced, but with the facts as they actually are the Land Bank only just pays its way. So, if the rate of interest were to be reduced, it would have to be given a grant in order to carry on, and it has been decided that if money were available for the purpose it would be better to utilize it for development in other ways rather than by reducing Land Bank interest.

A sub-committee of the Farmers Conciliation Board, including two co-opted members from outside, has been considering steps which might be taken to improve the running of conciliation machinery under the Farmers Assistance Ordinance, 1936. The Board is submitting a report which will be laid on the Table as soon as copies are available. The amendments which the Board recommends are designed, I understand, to increase the usefulness of the machinery by making it easier for those farmers who wish to do so, to take advantage of machinery. The Board also considered the question of introducing legislation to provide for compulsion, and is opposed to it.

Last August I mentioned the production of a handbook on agriculture giving data all over the Colony. A great deal of work is entailed and to make it of real value considerable time must be given to it, and I do not think it will be available until next April.

There was a lengthy debate last August in this Council on the subject of agriculture. I would like to inform hon. members that a summary of all the points brought up during debate was made, and all points are being considered—most of them have been now—in the development meetings of Executive Council.

As will be seen, the decisions so far reached on agricultural development affect mainly the European areas. In Executive Council we have now reached the subject of agriculture in the native reserves. This, I may say, has involved the whole subject of land tenure.

I will say a few words with regard to financial assistance to the coffee industry, the position is that a memorandum was forwarded to Government by the Coffee Board at the end of July, presenting a case for assistance to the coffee industry by means of a subsidy or loan on each ton of coffee produced over the next two years in order to compensate for the low level of prices which the Board anticipated would prevail over that period. A concrete scheme to this end was adopted at the Coffee Conference in September and negotiations with the interests implicated in the proposals have been taking place. There has, however, been a marked improvement in the price of coffee since the case for assistance was prepared, and if this improvement is maintained it will be necessary to approach the question of financial assistance to the industry from a different standpoint.

Honourable members recollect that, at the last Session, the Road Programme Report of the Central Roads and Traffic Board was laid on the Table. Of course, the execution of this programme depends upon finding the money. Definite proposals for financing this work as well as other schemes have been made and are under consideration elsewhere.

A full time secretary, Mr. R. E. Norton, has been appointed to the Standing Board of Economic Development for a period of one year.

The organization of the dairy industry has again been under consideration by the Standing Board of Economic Development and a memorandum, by the Board enclosing a report by a sub-committee will be published shortly. When the interests concerned have had the opportunity of examining the proposals made in this report and representing their views to the Standing Board of Economic Development, that Board will make final recommendations to the Government as to the legislation to be adopted.

[H.E. the Governor]

The "Resident Labourers" Ordinance, 1937, is still in abeyance. In the first place, although concrete proposals have been made, I am not yet in a position to give the necessary assurance to the Secretary of State that sufficient suitable land is available for resident labourers in the event of the termination of their contracts. It always was a condition of the Ordinance and it still is. Secondly, the International Labour Conference has prepared a draft International Convention for the regulation of contracts of employment of indigenous workers, the terms of which will materially affect the provisions of our Ordinance. So it appears inevitable that further amendments to the Ordinance will be necessary.

The report of the Land Settlement Committee is now in draft and is expected before the end of November. An investigation of this nature cannot be carried out in a short time even if members had no other duties. Bacon in one of his essays says "I knew a wise man that had it for a by-word when he saw men hasten to a conclusion, stay a little that we may make an end the sooner", and if we are really to look forward twenty-five years, it is no good rushing plans through in a few weeks only to find they have to be scrapped a little later and started afresh.

Kenya is affected by the action being taken against Jews in Central Europe—many of them, it must be remembered, being only partly Jewish by birth. The root of the trouble lies in the fact that these persons turned out of their own country will be stateless at any time for some years, so have no place to which they can return or be returned.

The policy of Government as regards their settlement in Kenya is to allow a limited number of selected individuals to come to Kenya with the intention that they shall be absorbed into the social and economic life of the country. Any form of Jewish enclave will be opposed and I see no likelihood of any form of mass immigration.

An Association supported by influential members of the British Jewish community has been formed in England, and the Kenya Agent, Colonel Knaggs, is at

present in Germany helping to select the first twenty-five Jewish pupil-settlers who are coming out under its auspices.

Control of immigration has recently been made more strict, and the number of applications received for permission to enter Kenya has resulted in the appointment of a special Board in Nairobi, including persons nominated by the Chambers of Commerce and the Kenya Association, to assist the immigration authorities.

I referred earlier to research in agriculture and as an indication of the work that is being carried out by the Agricultural Department for the benefit of the community, I should like to describe in some detail what has been and is being done in connexion with mealy-bug disease.

It was thought at one time that our mealy bug was identical with one in the Far East where the bug was not a serious pest. It was assumed that it was controlled there by parasites and therefore these parasites must also control our own mealy bug. So parasites were obtained from the Far East, but when they came here they were found to be ineffective and it was eventually discovered that our mealy bug was, in fact, different from the one in the Far East. Search was then made in Central Africa as to whether our identical mealy bug was to be found there. Recent investigations have proved that this is so, and also that it is not a pest there because again it is controlled by parasites. One of our entomologists was sent to Uganda and he started to collect specimens and about half a dozen different specimens of parasites that feed on the mealy bug there were sent to the Scott Agricultural Laboratories where the process of breeding up was and is still being carried out.

I would like to pay tribute to the work of the Entomological staff of the Coffee Team in this research. It has meant not only long hours of work, but ingenuity and resource. For instance, some of the parasites collected in Uganda were found to contain parasites inside them. If these secondary parasites got loose in Kenya, they would prevent the primary parasites from doing all the good work they otherwise could on the mealy bug. So this

[H.E. the Governor]

second type of parasite had to be separated from the material sent from Uganda and destroyed. These parasites are of course very small and each one had to be examined individually when they arrived under the microscope. More than a thousand are looked at every day, not only to separate the secondary from the primary but also to distinguish the females from the males so as to facilitate breeding up. A complete card index is kept of each family of parasites so that their history can be traced back to the original stock. At present they are housed in glass containers in a room. Shortly they will become so numerous that they will have to be moved to a special room to contain them—an insect-proof room—and then in due course they will be collected by, I understand, a modified type of vacuum cleaner, put in test-tubes and then liberated outside where it is hoped they will eventually get the best of our mealy bug. It is hoped that the first liberations in the field of these parasites will be before the end of the year.

Then, the coffee berry disease, research on that is going on and the conclusion comes to is that it is largely due to climatic conditions, and the most satisfactory way of dealing with the problem is to find a resistant type of plant.

Should trials with the grafting of resistant types on to root-stocks of susceptible types show that the grafts still retain their resistance, the change over to a resistant type will not necessitate the uprooting of existing coffee plantations. It will be done by grafting only.

Another interesting line of research in connexion with coffee is in regard to increased yield. Research into this is in too early a stage to make any definite statement, but tests carried out so far suggest that about two-thirds of the total coffee crop is produced from about one-third of the trees in any one year. Some of this two-thirds, which may be called passengers, do not bear because of over-bearing in previous years. But some are what might be called permanent passengers. It is the permanent passengers that the Department of Agriculture hopes to eradicate. Without being too optimistic I think there is a possibility of increasing

yields per acre in the coffee areas by the use of better yielding trees.

I want to say one word about pyrethrum. Prices still remain high, which is all to the good, and I suggest there are two points to be borne in mind. First, that whatever happens we must maintain the quality of our pyrethrum, and I believe there is a danger of growers endeavouring to take too much advantage of the present high prices by increasing the quantity of their crop. Unless we maintain our toxic percentage, our reputation, with our proportionately high prices, will inevitably suffer. The second point is that it seems improbable that the world price of pyrethrum will remain at the present level indefinitely; forming a reserve whilst the going is good seems to be indicated.

A high level sisal research station is being established at Thika this year.

The Colonial Development Fund has also recently paid for the visit to the Colony of Mr. W. J. Megaw, Chief Flax Inspector of the Northern Ireland Ministry of Agriculture, regarding the possibilities of establishing flax as an important crop in Kenya, and he has made a report to the Secretary of State.

Research is being carried out, in conjunction with the Central Research Station, Amani, into the passion fruit disease known as woodiness, and how to prevent or control it.

Now, as to locusts, in the Kitale-Eldoret area, locusts have laid and hoppers are already hatching out. A vigorous campaign is being waged against these pests. It is too early to say yet what the result will be, but last week when I was in that area I took the opportunity to make personal inquiries and a certain amount of inspection. The organization is thorough and complete and action is being taken promptly. Some thirty tons of poison bait are being sent up daily and spraying units are ready; everyone up there is co-operating wholeheartedly, and I am very pleased to say, a general atmosphere there is, of determination to make the campaign succeed. The Government entomologist is on the spot giving advice and finance is being watched by the Agricultural Department, otherwise the whole campaign is organized through the local farmers.

(H.E. the Governor) Similar steps are being taken in the Rongai area; in Kavirondo preparations have also been made more directly under Government control and in that area manual labour will be used more than poison bait.

It might be argued that it would be more economical to let the hoppers emerge and then compensate for any losses to crops. It is quite impossible to say which would be cheaper, but the advice of my Executive Council, with which I absolutely agree, was that an active campaign of destruction must be waged against locusts, and that to sit down and do nothing except pay compensation was a defeatist policy which, whether cheaper or not, would be wrong if only from the psychological point of view.

This is a matter that affects Kenya alone. There is now, for the first time in the history of the world, an international campaign which one hopes will eventually prevent locusts ever again becoming a serious menace. The international organization has its headquarters in London, where fundamental research is carried out under a Russian scientist, named Uvarov. As a result of research carried out in the field; the original breeding places of the different types of locusts have been determined. The two types that affect us principally are the desert locust and the migratory locust. The former, the desert locust, breeds on both shores of the Red Sea; in the Sudan and Eritrea over a strip about 350 miles long by 10 miles wide; in Arabia and the Yemen the strip is about the same breadth and about 400 miles long. Two years ago, in 1936, the Sudan Government took vigorous steps in the area where the desert locusts were breeding and as a result of their action, we have probably been saved an invasion of desert locusts this year. Italy, as well as Arabia, has now joined in the anti-locust campaign and full co-operation between Italy and the Sudan along the Red Sea coast may be expected.

The locust that is at present causing us trouble is the migratory locust, apparently it is the remnants of the big invasion of 1931 and subsequent years. The original home of the migratory locust is the Middle Niger in an area about 200 miles by 60. The ancestors of

the locusts we have got now apparently started breeding there in 1926. For many years the migratory locust remains in solitary state and does no harm to anyone and the conditions that bring about its gregarious and migratory tendency are now known, and some months' warning will be available in future, which ought to give time for effective action to be taken. It is in these 'original' breeding places that the final solution of the locust problem must be sought. One knows that International Committees move slowly but this committee has done a lot of good work in finding out the original breeding places. It may take ten years or more to accomplish, but we have now in sight for the first time in six thousand years or more, the possibility, at any rate, of ridding the world of the locust menace.

In the Veterinary Department we are, at the present moment, four officers short two of them being research officers. The two latter vacancies have been filled, but only one of the other two. These three new officers are expected to arrive in Kenya in November.

During past months a lot of consideration has been given to the problem of rinderpest. The continued existence of this disease, as I mentioned before, is not only the chief obstacle to the establishment of an export trade in chilled beef from this Colony to Great Britain, but it is also an African problem in that its presence in East Africa constitutes a serious menace to the security of the clean territories to the south. The Inter-territorial Conference on rinderpest held in Nairobi in January last expressed the opinion that the ultimate goal must be complete eradication from East Africa, and recorded the view that with the aid of improved technique, now available, this goal should be capable of achievement within a reasonable time. The Conference is to meet again early in 1939 with the object of formulating plans to deal with eradication. Meanwhile, informal conversations between Government and the Ministry of Agriculture and Fisheries in London indicate that in all probability a satisfactory solution of the problem as it affects Kenya can be found, and plans are being prepared for a systematic campaign against the disease in this Colony.

(H.E. the Governor)

It is satisfactory to note that agreement has at last been reached on the subject of centralizing veterinary research in East Africa at Kabete. The proposals of the Governors' Conference in this connexion have been endorsed by the Secretary of State and the Conference should shortly proceed to the appointment of Director of Veterinary Services who will submit his programme to the Conference for approval. This action should result in a very great strengthening of the organization for investigation of animal disease in the territories; and we may as a result expect more rapid progress in the development of measures for the control of animal disease in East Africa.

On the medical side the Colony has been free from any major epidemic of disease.

The control of sleeping sickness by direct attack on the tsetse carrier, continues to prove successful, so far, in two endemic areas in the Nyanza Province, where the incidence of the disease has been reduced almost to negligible proportions. The methods adopted are designed to form an essential first step in the reopening of unoccupied areas (or areas previously rendered useless because of the disease) and the purely economic value of the operations is not inconsiderable.

The anti-malarial works which have been undertaken at Kisumu with money provided from the Colonial Development Fund are nearing completion. The Malarial Survey has also been completed at Mombasa, and remedial measures have been commenced.

Our stock of medical stores varies with the time of year. During the recent emergency the stocks were higher than the average, but in order to ensure that an adequate supply shall always be available, an indent for a reserve supply has been sent to England. This may be regarded as an advance order, and when international relations improve the reserve supply can be used up in meeting the normal demands of the Colony.

In education, we shall miss Mr. Morris who has been appointed Director of Education, Nigeria. There was considerable development during his three and a

half years of office and he is particularly interested in schemes for the further training of the youth of the Colony. He was Colony Commissioner for Boy Scouts and took a great interest in games and outside activities as well as the work of the schools.

The policy of centralizing European education in larger boarding schools, although naturally unpopular with some parents, has been fully justified in better health conditions and better school life generally. Of two thousand European children at school in the Colony, one thousand one hundred are in Government schools and the remaining nine hundred in private unaided schools. The problem that remains to be solved is that of providing specialized training for this comparatively small body of pupils. Government schools are full to capacity and neither buildings, equipment nor staff will permit of the addition of technical or vocational courses to the present general ones. The situation has been relieved to some extent by the overseas bursaries scheme. Fourteen ex-pupils of the schools at present hold bursaries for professional training overseas and I may say that excellent reports are being received about them.

Rapidly rising numbers of Indian pupils continue to present a serious problem and to strain the financial resources available. Approximately three thousand seven hundred Indian children attend Government schools; three thousand six hundred are in aided schools and three hundred and thirty in unaided schools. A committee has recently examined the curriculum and issued a report, and it made recommendations for changes in the curriculum designed to give it a more practical and a vocational bias. The new courses suggested include handicrafts, domestic science, commercial and agricultural subjects. Tenders will shortly be invited for the construction of the Indian Elementary School at Nairobi.

I have already referred to the education of Africans.

I will say very little about the Railway except that the financial position of the Railways and Harbours continues to be satisfactory, though the surplus will not be so large as last year.

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The only other Railway point I will mention is about the new third-class coaches. Thirty-five of these are on order and delivery was due to commence last July at the rate of two a week. But there is a serious shortage of draughtsmen in England owing to the rearmament programme, so that delivery has been postponed and is not now expected to commence until the end of March, 1939. Allowing for the outward journey, one cannot expect any of them to be running in Kenya till next June.

The Kericho-Jamji road is still under construction but, provided weather conditions are favourable, will be opened to traffic in January. The Kisumu-Kibigori road is almost complete on its new alignment and has in fact been opened to traffic to avoid using the bad section on the old road. It will be completed by the end of the year. Improvements to the surfacing of the Jamji-Chemagel road are in hand, and re-alignment and improvement of the feeder roads in the Sofik area is making progress.

As most people know there is now a military landing ground at Port Reitz, Mombasa. Eight months ago it was covered with coco-nut trees. It has been in use for some three months; in fact a Royal Air Force aeroplane landed there within three months of the work starting.

Turning to Posts and Telegraphs. The W/T apparatus for connecting Lamu with Mombasa has been ordered and delivery is promised next month. The station should be working early next year.

It is expected that by the end of January, 1939, there will be complete telephone communication from Nairobi through Nyeri to Nanyuki.

A sum is provided in the Estimates for completion of the new automatic exchange at Mombasa, but it has not been found possible to include any provision in the 1939 Estimates to cover the Kenya section of the trunk telephone line to Uganda.

I just want to refer to the King George the Fifth Memorial Fund. It will be remembered that during September, 1937, an appeal for subscriptions to this fund was launched. In this appeal it was stated

that the funds would be directed to benefit the youth of all races in the country and would also include some visible memorial in the capital. Well, thanks to the energy of the committee under the chairmanship of Sir Godfrey Rhodes, and to the generous response made to its efforts, a sum was collected which amounts now, with interest, to £8,500. The committee, which I may say was fully representative, made valuable suggestions as to the use of the fund but was unable to make any unanimous recommendation except in regard to one point, that was, visible district memorials. It did, however, put up two proposals, which found most favour with the committee. One was a polytechnic school in Nairobi and the other was for a statue in Nairobi with grants to approved bodies in each case to include district memorials. So a small committee was appointed under the chairmanship of the Chief Secretary to investigate these two proposals. The first was found impracticable on financial grounds and so the second was selected as has already been announced and it was decided that the Fund should be devoted to the following purposes:

First, the provision in Nairobi of a bronze statue of His late Majesty in Field Service uniform on a pedestal of local stone.

Secondly, the erection of visible memorials estimated to cost £250 each at Mombasa, Kisumu, Nakuru and Nyeri.

Thirdly, the balance to constitute a joint Trust Fund with inviolable capital, the interest to be shared equally between the Kenya Boy Scouts' Association and the Kenya Girl Guides' Association.

This second committee will remain in existence to settle the details arising from these decisions; and as regards the memorial in Nairobi the committee are working in conjunction with the Municipal authorities. In the meantime, the local authorities concerned have been approached for their recommendations as to the form of the visible memorials at Mombasa, Kisumu, Nakuru and Nyeri.

I quite agree that many individuals will think that the money might have

[H.E. the Governor].
been better devoted to other purposes such as education. I will only remark that every variety of suggestion, including a scholarship scheme, was put up to Sir Godfrey Rhodes' Committee and thoroughly considered. The decision finally reached is in accordance with the objects of the Fund as originally stated, and there is no intention of going back on the decisions and traversing the same ground all over again.

Kenya has distinguished itself once more in shooting. Our team has won the Manning Cup for the tenth year in succession with a score of 1851 out of a possible 2040. However we beat the second colony, Nyasaland, only by nine points, so it is no time for relaxing our efforts. We also won the Inter-Colonial Small Bore Match for the third year in succession, beating sixteen other teams. Our team, which was under Captain Irvine, scored 1576 out of a possible 1600.

The Budget for 1939 has been framed on the basis of a revenue for Kenya of £2,618,000 which is £50,000 higher than the original estimate for this year but £23,000 lower than the total which we now expect to receive in 1938. The estimate includes £30,000 as a reimbursement from the Imperial Government which must be regarded in the nature of a windfall. It has been necessary to take a cautious view of the revenue prospects under Customs Duties, which show a reduction of £75,000 on the 1938 Estimates and £118,000 on the actual receipts of 1937. The position has been saved by the unexpected high yield of income tax, and the estimate for 1939 is £134,500, showing an increase over the 1938 Estimate of £91,000. Other items of revenue show no notable variation except for a decline in the estimated postal and telegraph receipts and a reduction under land sales.

Apart from those increases in our expenditure which are automatic and unavoidable, I have had to recognize that in present circumstances the first claim in the revenue must go to the Defence heads of the Estimates. These show an increase over 1938 of £12,450 in recurrent expenditure, provide £26,800 for military buildings and equipment in addition to

the £48,000 which is being spent from loan funds on the barracks at Nanyuki. There are, I imagine, few honourable members who will question the necessity for expenditure of this nature or will fail to realize that expansion in other directions must in consequence be curtailed if additional taxation is to be avoided as it has been avoided. The total expenditure on Defence amounts to £214,000, of which the Kenya share is £138,000. The Budget has been balanced, at an expenditure total of £2,617,500, by providing for the maintenance of existing public services on their present scale with only minor improvements in some directions. From the point of view of development perhaps the most important additions are in personnel: two additional assistant agricultural officers, a field officer and a bacteriologist for the Veterinary Department, a geologist, as I have already mentioned, and a forestry research officer. Apart from military equipment it has been possible to provide only £52,000 for Extraordinary Expenditure of a capital nature. This sum is, of course, totally inadequate for the many works which are urgently required. But these must, I fear, await the time when our revenue is more buoyant or when a loan expenditure programme can be put into effect.

I do not propose to deal further with matters of detail, which will be fully explained when the Estimates are presented to the Council. I will merely add that if anticipations are realized we shall be left at the end of 1939 with an accumulated revenue balance in liquid form amounting to £330,000.

As a result of the work done during the last session, honourable members will be relieved during this current session of any great burden of legislation.

Of the seven Bills already circulated to members, one, the McMillan Memorial Library Bill, is a private Bill and of a formal nature.

The Pyrethrum Bill was circulated at the close of the last session; so that honourable members have had time to consider it. In part it consolidates the Sale of Pyrethrum Ordinance, 1935, and also provides for the control of the

(H.E. the Governor) pyrethrum industry in much the same way as other staple industries of the country are controlled.

The King's African Rifles (Amendment) Bill contains several additional disciplinary provisions and a change in nomenclature consequent on the re-organization of the Northern Brigade of the King's African Rifles.

The King's African Rifles Reserve of Officers (Amendment) Bill provides partly for a more economic use being made of our local man, power and partly for improved training of officers on the Reserve.

The fifth, the Liquor (Amendment) Bill is, I think, of a non-controversial nature. It extends the provisions of the principal Ordinance to Abyssinians in the same manner as it at present applies to natives, Somalis, and others. The remaining clauses of the Bill qualify the procedure to be adopted by persons applying for provisional licences or the ratification of a transfer or authority to remove. Owing to the nearness of the date at which the Licensing Courts will meet, it is a matter of some importance that this Bill should pass into law as soon as possible.

The intention of the Native Liquor (Amendment) Bill is to simplify procedure in the case of prosecutions.

The Kenya and Uganda Railways (Amendment) Bill contains several amendments to the original Ordinance.

I should add that the passage of all the Bills which I have mentioned into law will involve no additional expenditure of public money.

Of other legislative business during the session we have but little. Honourable members will doubtless be glad to learn that the committee appointed to report on the Registration of Domestic Servants Ordinance have completed their deliberations. Their Report, however, as also the report of the committee appointed to deal with the question of the Employment of Juveniles, has not yet been published, but I hope, however, that they will be made available during the course of this session.

The committee appointed to deal with the matter of the revision of Local Civil Service terms has held three meetings and is still sitting.

Honourable members, in now opening this session of Council, I earnestly trust that with the blessing of Almighty God, its deliberations may lead to the further peace, prosperity and welfare of Kenya.

MINUTES

The Minutes of the meeting of 18th August, 1938, were confirmed.

PAPERS LAID

The following papers were laid on the table:—

BY THE CHIEF SECRETARY (SIR ARMIGEL WADE):—

Standing Finance Committee Report on Schedule of Additional Provision No. 2 of 1938.

Colonial Audit Department Annual Report, 1937, and Kenya Despatch No. 604 to the Secretary of State for the Colonies dated 25th October, 1938.

Annual Report by Commissioner of H.M. Eastern African Dependencies Trade and Information Office, London, 1937, together with the Annual Report of the Kenya Agent.

BY THE ATTORNEY GENERAL (MR. LARRAGIN):—

Vehicles Licensing (Amendment No. 2) Regulations, 1938.

BY THE FINANCIAL SECRETARY (MR. LOCKHART):—

Draft Estimates of the Revenue and Expenditure for the year 1939.

Memorandum on the Draft Estimates of Revenue and Expenditure for 1939.

BY THE ACTING CHIEF NATIVE COMMISSIONER (MR. LA FONTAINE):—

Annual Report on Native Affairs, 1937.

Summary of the Receipts and Expenditure of Local Native Council Funds for 1937.

BY THE DIRECTOR OF MEDICAL SERVICES (DR. PATERSON):—

Medical Department Annual Report, 1937, including the Medical Research Laboratory Annual Report, 1937.

BY THE ACTING DIRECTOR OF EDUCATION (MR. WISDOM):—

Education Department Annual Report, 1937.

BY THE DIRECTOR OF VETERINARY SERVICES (MR. R. DAURNEY, O.B.E.):—

Veterinary Department Annual Report, 1937.

BILLS

FIRST READINGS

His Excellency informed Council that he was satisfied that the provisions of Standing Rule and Order No. 100 had been complied with in the case of the McMillan Memorial Library Bill and put the question that the Bill be read a first time.

The question was carried.

On the motion of Mr. Harragin, seconded by Mr. Willan, the following Bills were read a first time:—

The Pyrethrum Bill.

The Native Liquor (Amendment) Bill.

The King's African Rifles (Amendment No. 2) Bill.

The King's African Rifles Reserve of Officers (Amendment) Bill.

Notice was given to move the subsequent readings at a later stage of the session.

ADJOURNMENT

Council adjourned till 10 a.m. on Monday, 31st October, 1938.

Monday, 31st October, 1938

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Monday, 31st October, 1938, His Excellency the Governor (Sir Robert Brooke-Popham, G.C.V.O., K.C.B., C.M.G., D.S.O., A.F.C.) presiding.

His Excellency opened the Council with prayer.

MINUTES

The minutes of the meeting of the 28th October, 1938, were confirmed.

PAPER LAID ON THE TABLE

The following paper was laid on the table:—

BY MR. WILLAN (Solicitor General):—

Schedule of Amendments made by the Promoters under Standing Rule and Order No. 100 to the McMillan Memorial Library Bill.

SCHEDULE OF ADDITIONAL PROVISION

NO. 2 OF 1938

SIR ARMIGEL WADE (Chief Secretary): Your Excellency, I beg to move that the Standing Finance Committee Report on the Schedule of Additional Provision No. 2 of 1938, be adopted.

As is shown on the title page of the Schedule, the gross additional expenditure amounts to something over £40,000. But after having taken into account such things as specific savings, reimbursements and consequential increased revenue the net total is something over £17,000.

Of this sum there are one or two items which I just want to mention. One is £2,000 due to increased cost in printing material and the increased work of the Government Press; and 3,500 on account of a new item "Refunds of Income Tax". About £6,000 has been provided for in capital works and £900 on camp equipment for the Local Forces, while the balance, which amounts to about £5,000, is made up of a number of comparatively small items coming under various groups of headings. All the items have been considered in detail by the Standing Finance Committee and they

(Sir A. Wade) have submitted to Your Excellency their recommendation for approval by this Council.

MR. LOCKHART (Financial Secretary) seconded.

The question was put and carried.

AGRICULTURAL MORTGAGORS RELIEF ORDINANCE, 1934

CONTINUATION

MR. HARRAGIN (Attorney General): Your Excellency, I beg to move that the Agricultural Mortgagees Relief Ordinance, 1934, shall remain in force until 1941.

Hon. members are aware that this Ordinance was produced for the first time in 1934 during the depression. I am not pretending that a great many actions have been brought under it. I think the total is somewhere about a dozen over all the years. Actually, in this particular year there have been two already. I know that on the face of it it does not give enormous relief, but it would be wrong to judge the value of an Ordinance by the number of applications made under it, because the mere fact that it has existed has caused mortgagees and mortgagees to come together without the unnecessary expense of going to court. And even of the actions which go to court it is interesting to note that usually some agreement is come to between the parties while the case is in progress.

Under the circumstances it would seem reasonable to continue this Ordinance, instead of putting it on just for one year, as has been usual we suggest that this occasion it should be extended to 1941. One of the reasons for that is, of course, let us assume that an application is made in June of any one year, if the Ordinance is going to be removed the map automatically in December of that year the relief on this occasion can only be granted for 31 months, and it seems desirable for the relief to be granted for a longer period.

MR. WILLAN seconded.

The question was put and carried.

LIQUOR AMENDMENT BILL

FIRST READING

On the motion of Mr. Harragin seconded by Mr. Willan, the Liquor (Amendment) Bill was read the first time.

Notice was given to move the subsequent readings at a later stage of the session.

McMILLAN MEMORIAL LIBRARY BILL

SECOND READING

HIS EXCELLENCY: The question is that the McMillan Memorial Library Bill, as amended by the promoters in accordance with Standing Rule and Order No. 100, be read a second time.

The question was put and carried by 32 votes to 3.

Ayes.—Mr. Boulderson, Major Cavendish-Bentinck, Messrs. Cooke and Daubney, Earl of Erroll, Mr. La Fontaine, Lady Sidney Farrar, Messrs. Gardner, Gheric, Hamp, Harragin, Hodge and Izard, Major Joyce, Col. Kirkwood, Mr. Lockhart, Col. Modera, Messrs. Montgomery, Mortimer, Nicol, Northrop, Dr. Patterson, Sir Ali bin Salim, Lord Francis Scott, Messrs. Stronach, Stooke and Tomkinson, Sir Armigel Wade, Messrs. Waters and Willan, Dr. Wilson and Mr. Wisdom: 32.

Noes.—Messrs. Isher Dass, R. Kasim and Shamsud-Deen.

HIS EXCELLENCY: This Bill will be referred to a select committee the names of which will be given in due course.

PYRETHRUM BILL

SECOND READING

MR. WATERS (Director of Agriculture): Your Excellency, I beg to move the second reading of the Pyrethrum Bill.

The object of this Bill is to provide for the control and organization of the industry in such a way as to promote its welfare and, in particular, in order to maintain the high standard of quality of pyrethrum products exported.

The rapid rise of the Kenya pyrethrum industry is well known to hon. members, production having increased from 50 tons in 1934 to over 1,000 tons in 1937, and

[Sir A. Wade] have submitted to Your Excellency their recommendation for approval by this Council.

MR. LOCKHART (Financial Secretary) seconded.

The question was put and carried.

AGRICULTURAL MORTGAGORS' RELIEF ORDINANCE, 1934

CONTINUATION

MR. HARRAGIN (Attorney General): Your Excellency, I beg to move that the Agricultural Mortgage Relief Ordinance, 1934, shall remain in force until 1941.

Hon. members are aware that this Ordinance was produced for the first time in 1934 during the depression. I am not pretending that a great many actions have been brought under it. I think the total is somewhere about a dozen over all the years. Actually, in this particular year there have been two already. I know that on the face of it it does not give enormous relief, but it would be wrong to judge the value of an Ordinance by the number of applications made under it, because the mere fact that it has existed has caused mortgagors and mortgagees to come together without the unnecessary expense of going to court. And even of the actions which go to court it is interesting to note that usually some agreement is come to between the parties while the case is in progress.

Under the circumstances it would seem reasonable to continue this Ordinance, and instead of putting it on just for one year as has been usual we suggest that on this occasion it should be extended to 1941. One of the reasons for that is because, let us assume that an application is made in June of any one year, if the Ordinance is going to be removed from the map automatically in December of that year the relief on this occasion can only be granted for six months, and it seems desirable for the relief to be made for a longer period.

MR. WILLAN seconded.

The question was put and carried.

LIQUOR AMENDMENT BILL

FIRST READING

On the motion of Mr. Harragin, seconded by Mr. Willan, the Liquor (Amendment) Bill was read the first time.

Notice was given to move the subsequent readings at a later stage of the session.

McMILLAN MEMORIAL LIBRARY BILL

SECOND READING

HIS EXCELLENCY: The question is that the McMillan Memorial Library Bill, as amended by the promoters in accordance with Standing Rule and Order No. 100, be read a second time.

The question was put and carried by 32 votes to 3.

Ayes.—Mr. Boulderson, Major Cavendish-Bentinck, Messrs. Cooke and Daubney, Earl of Erroll, Mr. La Fontaine, Lady Sidney, Farrar, Messrs. Gardner, Gherrie, Hamp, Hafjagin, Hodge and Izard, Major Joyce, Col. Kirkwood, Mr. Lockhart, Col. Modera, Messrs. Montbomer, Mortimer, Nicol, Northrop, Dr. Patterson, Sir All bin Sallim, Lord Francis Scott, Messrs. Stronach, Stooke and Tomkinson, Sir. Armigel Wade, Messrs. Waters and Willan, Dr. Wilson and Mr. Wisdom: 32.

Noes.—Messrs. Isher Dass, R. Kasim and Shamsud-Deen.

HIS EXCELLENCY: This Bill will be referred to a select committee the names of which will be given in due course.

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The rapid rise of the Kenya pyrethrum industry is well known to hon. members, production having increased from 50 tons in 1934 to over 1,000 tons in 1937, and

[Mr. Waters] the estimated production this year is over 1,600 tons. Already Kenya pyrethrum has reached the enviable position of being regarded as the best of all supplies and enjoys a premium price over all others.

Japan, the largest producing country, increased production from 5,000 tons in 1931 to over 10,000 tons in 1937. Other countries are trying pyrethrum cultivation, and exports are reported from Brazil, Peru, Tanganyika, and so on. Experiments in pyrethrum production are being continued all over the world, in such places as South Africa, Rhodesia and North America. The request for a synthetic substitute is being pursued by chemists, although the compounds so far produced are comparatively expensive to manufacture and are inferior to pyrethrum in toxicity and other qualities. It is clearly necessary, therefore, that the Kenya industry should spare no pains to make full use of the natural advantages this country has for the production of pyrethrum flowers of the highest possible quality.

The demand for pyrethrum has increased in recent years. The United States, the principal user of pyrethrum, has increased her imports from under 5,000 tons in 1931, to nearly 9,000 tons in 1937. In its use as an insecticide against orchard and plantation pests, and as a household remedy against flies and mosquitoes it has an immediate lethal effect and consequently as the value of pyrethrum becomes better known in other countries and war is waged with greater vigour against injurious insects an increase in demand is only to be expected.

On the other hand, the market will not be able to absorb unlimited quantities of pyrethrum products and it will be wise to anticipate an eventual fall in prices. The Kenya industry must now take steps to weather the next pyrethrum depression similar to that which occurred in 1936.

What are the essentials for the welfare of the industry? They are certainty of supplies, uniformity of supplies and supplies of high toxic content. Growers must continuously produce sundried flowers of a uniformly high toxic quality. The importance of quality to which our attention was drawn by Your Excellency in

your address at the opening of this session cannot be over-emphasized.

The members of the Pyrethrum Board who have made a deep study of pyrethrum matters are largely responsible for this Bill. Under the Sale of Pyrethrum Ordinance, 1935, an agency was appointed for the local sale and export of pyrethrum and the Pyrethrum Board was appointed to advise the agency. The Board, after full consideration, have come to the conclusion that the growers should be compelled to grow and prepare pyrethrum under conditions which will result in the production of a standard quality. They consider that a statutory board should be set up by the grower and that a pyrethrum fund should be created to be used for the welfare of the industry.

I understand that the Pyrethrum Board supports the Bill as it stands except, I believe, that they would favour some modification of the clauses relating to the growers licensing fee of Sh. 100 yearly, and they would prefer the election of the members of the Board to be conducted by some such means as a postal ballot.

This Bill, therefore, contains the old Sale of Pyrethrum Ordinance, 1935. It provides for the establishment of a statutory board and the establishment of a pyrethrum fund, the institution of a system of licensing growers and it gives wide rule-making powers to the Governor in Council after consultation with the Pyrethrum Board.

The composition of the proposed Board is given in clause 3. It follows the lines of previous Boards such as the Sisal Industry Committee and the Passion Fruit Board except that the Director of Agriculture is not a member. This is, of course, because under this Bill the Director is the licensing authority and therefore should not be a member of the Board.

It will be noticed that three members of the Board have to be elected at the Conference, but I should like to call the attention of hon. members to clause 5 (6) (b) which gives the Board the power to make standing orders regulating the procedure for the election of members at the Conference and, therefore, as I see it, there is no reason at all why a postal ballot should not be conducted if the Board

[Mr. Waters] wishes to make standing orders to that effect. The only alteration that might be necessary in order to make a postal ballot possible would be to alter clause 3 (6), to have thirty days in order to issue notices to the pyrethrum growers of the nominations to the Board instead of fifteen days as now set out in this Bill.

Although the Director of Agriculture is not a member of the Board, he is given in clause 3 (7) the right to attend all the meetings of the Board. I hope later on in the proceedings to move that there will be further added to this clause "and at such meeting he may speak but may not vote" because, although at present I have always been made very welcome by the Pyrethrum Board and have been allowed to attend their meetings at any time, as the Bill stands all the Director can do is to attend a meeting but he has no right to speak. I would like to make this clear. It is highly desirable that the Director should attend these meetings. In my opinion, he should attend in order to be *au fait* with the deliberations of the Board and be in a position to advise the Governor on pyrethrum matters.

Clause 8 provides for the licensing of pyrethrum growers by the Director of Agriculture. Sub-clauses (1) and (2) would appear to place the Director in the role of a dictator, as he is authorized to refuse applications notwithstanding the advice of the Board to the contrary. But, on further examination, it will be seen that he must convey his intention to refuse a licence to the Board who may appeal to the Governor in Council whose decision is final.

Clause 8 (4) prescribes a fee of Sh. 100 as an annual licence. Since the publication of the Bill this fee has been criticized on the grounds that it is too high for the small grower, that is the grower who goes in for diversified farming and has a small acreage of pyrethrum in his arable rotation. In support of the Sh. 100 fee, it has been said that the proposal was accepted at the general meeting of pyrethrum growers held in May last, attended by about one-third of the growers, and that growers who are prepared to pay a substantial fee are

those who realize that pyrethrum-growing is a serious business demanding study with constant supervision in the field and during preparation if continuous supplies of uniformity of quality are to be maintained.

So long as the temporary grower who is now growing pyrethrum only when the prices are high fails to produce a high standard quality or, when prices are low, fails to reap his estimated crop leading to the non-fulfilment of contracts for sale, his activities must be detrimental to the continuance of a stable industry.

I understand that the Board proposed that a cess on the pyrethrum supplied to the agency should be imposed and that the annual licence should offset the cess. I may say that Government has no objection to the alteration of the fee and that the question is one that can be considered in select committee which, I am authorized to state, will be held on this Bill.

In clause 9 (1) it will be seen that the agency will now be appointed by the Board with the approval of the Governor in Council instead of as previously by the Governor in Council.

In clauses 10 and 11 it will be noticed that reference is made to one agency which is now changed from that in the Sale of Pyrethrum Ordinance. The reason for that is that it is contemplated that only one agency will be necessary and therefore it is not necessary to make provision for more than one.

The first lines in clause 13 are important because, "subject to the provision of rules made under this Ordinance", it means that the selling policy is now definitely in the hands of the Board, whereas, under the previous Ordinance, it was in the hands of the agency.

In clause 14 there is a change. Instead of giving the London price it is the overseas price which is given. This is because the main market is now in New York. Most of our exports go there and a fairer indication of the value of pyrethrum, other than that sold locally, is obtained by taking the whole of the overseas sales and not by selecting just the London market alone, for the basis of establishing the local price.

[Mr. Waters]

Clause 17 provides for the establishment of a pyrethrum fund. This is in conformity with the passion fruit levy fund and the sisal industry levy fund. This calls for no particular comment except that there is a need for greater expenditure of money on research. The great point about pyrethrum here is its high toxic quality, and in growing the various strains of the plant we have found that a great variation is shown, so that by proper breeding it is possible that we shall be able to increase the toxic content of the local pyrethrum from about what it is at present, that is 13 to 2 per cent.

In addition, I consider it necessary that there should be a comprehensive district survey in order to see how the quality compares in different parts of the country and what further control and conditions are necessary. Further trials should be done in methods of cultivation and preparation. At the present moment the pyrethrum industry is contributing towards the salary of the pyrethrum chemist who does the regulatory service under which Kenya pyrethrum is sold with a guaranteed content of 13 per cent pyrethrins.

Clause 20 is the rule making clause. Sub-clauses (a), (b) and (c) are taken from the old Sale of Pyrethrum Ordinance, and (d) to (h) are similar to those in the Passion Fruit Ordinance. The new sub-clauses are (i) and (j). These two sub-clauses provide that rules may be made for the control and, if necessary, for the prohibition of the planting of pyrethrum, and state the conditions under which growers may be allowed to grow and prepare pyrethrum. These are wide powers and I therefore wish to indicate what control and conditions the present Pyrethrum Board has in mind.

In the first place, it is considered that every grower should have the use of a pyrethrum dryer, so that his pyrethrum flowers can be artificially dried expeditiously. While sun-drying is possible at the end of the season, during the height of the season the weather is apt to be rainy and misty, with the result that the appearance of the product suffers and the pyrethrum content is anything from 10 to

20 per cent less than that of artificially-dried flowers. I think we must think first of the good name of Kenya pyrethrum, and insist on artificial drying.

Secondly, in every pyrethrum field adequate steps should be taken to prevent soil erosion: pyrethrum plants themselves will not stop erosion. New land should be protected by a modified form of broad-based terraces on the usual variable grade, and pyrethrum should be planted in rows on the contour, so that the cultivators will not run up and down the slopes. These are simple rules that should be undertaken by every pyrethrum grower.

Thirdly, there is the time of cutting back the plants. Experiments show that the pyrethrum content falls as the season advances, especially towards the end of the season. The plants should therefore be given a rest by cutting back at the onset of the dry season, and it may be necessary to make this operation compulsory.

With regard to the possibility of the prohibition of planting on the ground of over-production, that is a question which, in my opinion, would require very careful consideration by the Board and Governor in Council in the event of the prospect of a big fall in price. Restriction is usually successful only when a scheme is international in character. In Kenya, growers would be well advised to rely on quality production, and make provision during periods of high prices, possibly by contributions to the pyrethrum levy fund, for a safe passage during their periods of depression. The climate of Kenya at high altitudes is eminently suitable for the production of pyrethrum flowers, and in the long run, as many examples have shown—such as cacao on the Gold Coast, rubber in Malaya—a crop is likely to succeed best where it grows best.

This Bill places the responsibility for the care, control and guidance of the industry virtually in the hands of a board of growers representative of the growers. There is one thing which Kenya excels itself in, the organization of many of its agricultural industries, and this Bill is a milestone in the progress of the pyrethrum industry in that respect.

MR. HAZRAGIN seconded.

LORD FRANCIS SCOTT (Rift Valley): Sir, I think I can claim to represent in my constituency something like 70 per cent of the pyrethrum grown in the Colony. I rise to support the principle of this Bill which has been set forth before us.

As the hon. Director of Agriculture explained, the whole basis of the success of the pyrethrum industry in this country depends on its quality which, in effect, means the amount of the toxicity which is contained in the flowers. It has been shown that other countries are producing an increasing amount of pyrethrum, and if we are to maintain and increase, as we should do, our share of the world market, it is absolutely essential that every step be taken to see that the toxic content of our flowers is maintained at the highest possible standard.

This Bill is brought forward in that direction, so that control may be maintained, and while there are points of detail in it which can be amended in committee and improved, the general gist of the Bill I consider absolutely essential to all growers of pyrethrum in the country.

It has been put forward that this Bill may have a detrimental effect on the smaller farmer who wishes to grow a few acres of pyrethrum as part of his general mixed farming. No one is stronger than I am in the view that everything possible should be done to encourage such farmers in this country. I believe the more we have of these farmers farming on what is known as mixed farming, the better for the country. At the same time, that idea must not be pursued to such an extent that these small farmers should be allowed, by producing an inferior article, to act to the detriment of the industry as a whole. For that reason the small farmers will have to come into line with the other producers of pyrethrum in any rules which may be found necessary for preserving the high toxicity of our pyrethrum.

When it comes to details, and as this question of toxicity is bound to be referred to in the rules which are brought forward, although it is not actually in the Bill, I wonder if there should not be some definition put in in the second clause?

Possibly it is not necessary, but I should like to bring that point forward in case it should be considered.

Regarding clause 3, the hon. mover suggested it would be advisable to have a postal ballot. Personally, I support that view. I think it very important in an Ordinance of this sort that the Board should carry the confidence of the growers to the greatest possible extent, and for that reason I should favour the institution of a postal ballot.

There is a small point in clause 5 (2) and (3):—

"(2) At all meetings of the Board four members shall form a quorum."

As I read the Bill, there are only five members of the Board, so that if they have to have four out of the five present to form a quorum it seems rather a high proportion, although it may be necessary. But in (3) it says:

"In the absence of the chairman and vice-chairman from any meeting of the Board a chairman for such meeting shall be chosen by the members present."

If two out of the five are absent there cannot be a quorum of four, and therefore that could never arise!

I quite agree with clause 5 (7) that the Director of Agriculture should have the right to speak although not to vote.

Then we come to clause 8, which deals with the question of licences. I think it is generally agreed that it is necessary to have a licence to grow pyrethrum, and I think the method of obtaining that licence under this Bill is a perfectly fair and proper one. But when it comes to the fee of Sh. 100, it has been suggested that it is an undue hardship on the smaller grower. Actually, I believe that at the present prices—which are very high, of course, and will probably come down—one-sixth of an acre is sufficient to provide that Sh. 100. At the same time, I cannot see any great object in having that amount as the licensing fee, and if I may do so I shall at the proper time move that that amount be deleted and Sh. 50 substituted therefor.

Under the provision for putting on a levy, the board can decide at the earliest possible time they consider necessary to

[Lord Francis Scott] have a levy on the production for export, and by that method get the necessary finance for the purposes named. I hope that that will be accepted. I understood from the hon. Director of Agriculture that Government are quite agreeable to that. I know the Pyrethrum Board are, and I attended a meeting recently of a large number of pyrethrum growers, and they were all in favour of it, so that it would give general satisfaction all through the country if that were done.

The next point I want to raise is in clause 14, which says: "The maximum price to be charged by the agency shall not exceed the average overseas price for the previous three months". It has been suggested that a better wording would be: "shall not exceed export parity of flowers based on overseas price". But that is a matter we can discuss in committee.

We now come to clause 20, which gives the rule-making powers. There is one important question which will arise under these rules, it has already been referred to by the hon. mover. That is the question of drying.

It costs at present about £60 to erect a dryer, and I believe it is considered that a grower wants an acreage of about thirty acres to justify such a dryer. That is a considerable expense. In fact, it will have far more effect on the smaller producer than the question of the licence fee. I believe experiments are being carried out to produce a dryer at about half that cost which would be justified by fifteen acres. I speak subject to correction by the hon. mover, who perhaps in his reply can confirm that. If it is proved that the toxic contents of pyrethrum cannot be maintained unless the flowers are dried in a proper dryer, then of course it is necessary that rules should be made to that effect. But I trust that it will not be made compulsory unless the Board, on the evidence of the chemists and entomologists and people who are going into this question and are testing the toxicity of the flowers produced under various methods, are satisfied that such a thing is necessary. If it is necessary, it must be done, but if it is not necessary naturally

more does not want to put anybody to more expense than is essential.

The main point is that the toxic content shall be maintained to the standard which enables us, as it has in the past, to get this large premium over the Japanese flowers, especially in the American market. I have heard that the soil chemist of the Agricultural Department is conducting experiments and has got some very interesting data on this subject. I do not know whether the hon. mover would be prepared to give that information when he replies to the debate, but it is a very important question and one which is of the greatest importance to the small producer. Of course, if anyone has not got sufficient acreage to justify a dryer of his own, he might quite easily share one with a neighbour if they are sufficiently closely placed to each other. But that is a point which I think is of the very first importance and one on which we want all the information possible so that producers may be satisfied if called on to go to this expense that it really is necessary.

With reference to that I do suggest, especially so far as concerns the small grower, that it might be possible for Government finance to be advanced to enable them to put up such drying sheds, the money being secured on the pyrethrum as soon as it is sold, because you get a quick return, and on present prices a very good return.

There have also been discussions as to the question of pyrethrum being grown by natives. As hon. members will see, in this Bill there is no racial differentiation in any way whatsoever. Whatever rules will apply to European growers will apply to native growers. But I do suggest that a crop of this sort, which is at a very high price at the present moment, and which is apt to have fluctuations in price at different times, is a rather dangerous crop to encourage natives to go in for to any extent. It may be possible that in certain places it would be worth doing, but if it is it has got to be done under very strict supervision, and they would have to comply with all the conditions to keep up the quality in exactly the same way that the European producers have to.

Personally, I am not frightened of the question of over-production, because as I

[Lord Francis Scott] understand it we could sell about 4,500 tons of the sort of flowers we are producing at the moment, and we have just been told that the production this year is only 1,600 tons, so that we have quite a big margin and could produce three times as much as we are to-day.

I think I have touched on most of the more important points in connexion with this Bill, and I trust that it will pass its second reading and, in select committee, we can put right a few smaller points which have arisen in the course of discussion.

GOL. KIRKWOOD (Trans Nzoia): Your Excellency, I am in support of the general principles of this Bill. It is obvious that the Bill, brought forward at the request of the producers, and it also suggests the various lines on which that business is going to be conducted. I have certain criticisms to offer which I hope will be discussed in the select committee and alterations made to the Bill accordingly.

My first criticism is in connexion with clause 8 (4): "A fee of one hundred shillings shall be payable for such licence". That I consider an arbitrary amount, and it is so considered by every pyrethrum grower in my district. Admittedly they are small growers, and I cannot claim as the Noble Lord the hon. Member for Rift Valley does for his constituency that he represents 70 per cent of the growers; he could also claim that he represents 100 per cent of the most selfish people in this Colony! (laughter) for this Bill is designed in many ways to create a monopoly for those people who are growing the daisies at the moment and want to prevent others growing them. Clause 8 (4) is one instance, and I hope that will be altered. We have also been notified that an amendment will be offered to reduce the amount to Sh. 50; I give warning that I am going to move an amendment that that amount be Sh. 30.

It has also been indicated by the hon. mover that it would be advisable to take precautions to prevent soil erosion, etc., etc. I think we are rather overdoing this soil erosion business in this Council, if not in the Colony. As I understand the

remarks, it is advisable where growing pyrethrum to have broad terraces. They cost a lot of money, and provided erosion does not take place there is no reason why that terracing should be compulsory.

The Noble Lord also indicated that an economic unit was thirty acres for a dryer which would cost £60. If these ideas are abroad and are going to be implemented through the rule-making power of the Bill, no small growers will be allowed to come into existence. They would first have to have the thirty acres and £60 to put up a dryer. But it is a very debatable point whether thirty acres is the economic unit or the minimum. I have heard it said that seventeen acres is with a dryer costing £20 for that unit.

These are just indications of what is abroad and underlying many of the clauses of the Bill to create a monopoly for the present large growers in the Rift Valley, Molo, etc., and if you asked for a list of the growers who attended the meeting you would find that 99 per cent were from that particular area. It is quite obvious it does not pay a small pyrethrum grower living say at Mount Elgon, 160 miles from Nakuru, to come down to Nakuru to attend a meeting.

As regards clause 19, I think that excessive amounts are charged for penalties: "on conviction before a magistrate be liable for a first offence to a fine not exceeding one hundred pounds or to imprisonment for six months, or to both such fine and such imprisonment and for a second or subsequent offence to a fine not exceeding five hundred pounds". It does seem to me they are very heavy penalties for offences. I admit that I do not want to see any offences committed under this Bill or any other, but I think the penalty should fit the crime, and that it could be applied more reasonably than these powers which are to be given first and second class magistrates.

Another point I should like to bring up is in connexion with clause 15, but I leave it to the hon. Attorney General to say whether a new clause should not be inserted and numbered clause 22 giving leave to appeal against the decision of the Board to the Governor in Council. Should that go in a new clause or in

[Col. Kirkwood] (Col. Kirkwood) I do therefore hope that the fee will be more on a sliding scale than a flat rate. Otherwise I support the Bill.

MAJOR CAVENDISH-BENTINCK (Nairobi North): Your Excellency, I only want to raise one point under clause 8 (2).

I understand from the hon. mover that, although it appears from this Bill that the Director of Agriculture has autocratic powers, in point of fact there is the right of appeal. As it is worded, I am not sure whether that right of appeal is quite as broad as it is intended, because clause 8 (1) deals with an application for a licence and 8 (2) says: "Upon receipt of an application for a licence... the Director shall consult the Board but may, in his discretion, and notwithstanding the advice of the Board to the contrary, grant or refuse the application". It goes on to provide, where the Director intends to issue a licence, notwithstanding the Board, for a right of appeal; but supposing the Director refuses a licence in spite of the advice of the Board, as the clause is worded there is no appeal.

I suggest there should be a right of appeal in both cases. If a man asks for a licence and it is recommended by the Board and is refused, he has just as much right to appeal as the Board has against a licence being issued against their advice. The clause could easily be amended to provide for that.

MAJOR JOYCE (Ukamba): Your Excellency, though, as far as I am aware there are now growers of pyrethrum in the constituency I am representing temporarily, there are one or two points in connexion with the Bill about which I should like to convey a word of warning. I entirely agree with any efforts that are considered necessary in control of the quality of pyrethrum for export. It is obvious that no one should be allowed to spoil our good name in that respect by growing or exporting an article of inferior quality. At the same time, I do not know whether it is necessary, in order to achieve that, to embody such drastic provisions for the control of acreage and even complete prohibition of growing.

I know it can be argued that a genuine grower cannot be hurt by this fee, but nevertheless it is a mathematical fact that whether Sh. 50 or Sh. 100, it must bear more heavily on a man who grows ten acres than on a man growing twenty. I am one who believes that the two- and three-acre man should not be encouraged, for reasons given by the hon. Director of Agriculture in his speech. We know that sun-dried flowers do not hold that toxic content we are so anxious to preserve as well as the artificially dried flowers except under very special climatic conditions; but I do think we have got to visualize a little more than this, that probably the ten-acre man in a mixed farming proposition would be an economic unit. I think he would be very useful and would become even more essential in any mixed farming proposition.

While agreeing with the general principle of the Bill, I also have an objection to clause 8 (4), but mine is more to the principle of it. I do not think that there should be any flat rate fee, whether Sh. 50 or Sh. 100, and I personally hope that when the Bill comes back from select committee that we will find there is a kind of sliding scale of fees, so that the smaller grower does not pay the same flat rate as the larger grower.

I know it can be argued that a genuine grower cannot be hurt by this fee, but nevertheless it is a mathematical fact that whether Sh. 50 or Sh. 100, it must bear more heavily on a man who grows ten acres than on a man growing twenty. I am one who believes that the two- and three-acre man should not be encouraged, for reasons given by the hon. Director of Agriculture in his speech. We know that sun-dried flowers do not hold that toxic content we are so anxious to preserve as well as the artificially dried flowers except under very special climatic conditions; but I do think we have got to visualize a little more than this, that probably the ten-acre man in a mixed farming proposition would be an economic unit. I think he would be very useful and would become even more essential in any mixed farming proposition.

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[Major Joyce]

I hope the select committee which will consider the Bill will look into the possibility of achieving control of quality without essentially having control of growing or even complete prohibition as is suggested at present.

LADY SIDNEY FARRAR (Nyanza): Your Excellency, I am in perhaps a rather peculiar position, as I unfortunately belong to the community stigmatized by the hon. Member for Trans Nzoia, as one of the most selfish in the country and, at the same time, I represent the other community of small growers!

I would like to ask Council in its deliberations, over the question of control, such as controlling an industry such as pyrethrum—which is at the present time perhaps at the peak of its fortunes—to remember as a Council that we are agreed that the basis of our agriculture is mixed farming, and to ask when this Bill goes to select committee, that the interests of the man who is going in for mixed farming should be most carefully considered and not in any way swamped by the interests of one-crop growers.

I was particularly glad to hear the hon. Director of Agriculture tell us that he favoured the system of postal ballot in connexion with the election of members of the Board. We have been told, perhaps *ad nauseam*, that this Bill is drafted according to the recommendations of a meeting of roughly 100 growers. I contend that such meetings are not representative of an industry if you think of mixed farming. The hon. Member for Trans Nzoia mentioned, and rightly, that the small grower cannot travel hundreds of miles to represent his point of view, and I would ask that this system of postal ballot might be remembered not only in the election of member of the Board but occasionally in decisions on matters which the growers consider are rather vital.

I should particularly like to refer to the question once again of clause 8, and support the Noble Earl in his request that the licence fee should be on a sliding scale. I do not think that the question of the actual number of shillings to be paid as a licence is as vital as the psychological

effect on the small grower, that he is going to be assessed at the same rate as the large grower, and already it has caused a great deal of ill feeling. I have already heard the small grower talk of "pyrethrum kings", and this is to be deplored. Confidence is essential, and I hope the question of a sliding scale will be considered in select committee.

MR. ISHER DASS (Central): Your Excellency, I am afraid that I shall have to oppose this Bill, because my experience gained of measures brought before this Council described as protective measures is that they are apt to become restrictive measures. I should like to have an assurance from the hon. Director of Agriculture that there is nothing in this Bill which will harm the small grower of pyrethrum.

The second thing, I am afraid that, as under clause 3 persons elected at the conference are to be appointed to the Board, the conference is likely to be attended by the big growers and landlords, so that I am afraid the small grower will have no representation and their interests are not likely to be represented as they should be. I would therefore like the hon. mover to give us a definite assurance that there will be no discrimination made against the small growers.

Thirdly, I entirely agree with the hon. Member for Kiambu that there should be a sliding scale of fees which will not prevent the small growers who are mixed farming going in for pyrethrum. I would go further, and suggest there should be a clause giving exemption from the fee in deserving cases, because I believe Government should also encourage at this stage Africans to grow pyrethrum. I feel that even a sliding scale of fees will be a harsh measure in some cases, so that a definite assurance should be given that there should be exemption in deserving cases.

These are the only points I have to bring forward.

DR. WILSON (Native Interests): Your Excellency, I want to speak on this Bill because I happen to be a member of the Pyrethrum Advisory Board, and because there has been some misunderstanding of

[Dr. Wilson]

the real nature and object of this Bill, and some misapprehension of the motives of the Kenya Pyrethrum Advisory Board in asking for legislation in this particular form.

If I might, I would like to add a few remarks to those already made in support of the Bill, speaking from the point of view of a member of the Pyrethrum Advisory Board. And I hope I may be excused if I make one or two statements already made or go again over the ground already covered.

As to the object of the Bill, it is perfectly simple: it is to keep up the standard of Kenya Pyrethrum. And I want to say a word to show how important an object this is.

Pyrethrum growing has become one of Kenya's most successful industries, and this success has been obtained not by haphazard means or by chance, but because from the very beginning of the industry there has been a very careful control of pyrethrum production. At first it was by voluntary co-operation of the then very few growers, and then later, as the number of growers increased, it had to be by legislation.

As a direct result of that care and control Kenya pyrethrum now holds an astonishingly favourable position in the American market. (Hear, hear.)

Pyrethrum generally at the moment is fetching a high price in the world's markets and as a natural result countries all over the world are now trying to grow pyrethrum, some of them on a very large scale. Presumably in a year or two there will be over-production and the price will come down with a run. Now, the great advantage which Kenya pyrethrum holds over pyrethrum flowers exported and marketed from other countries, is in the higher toxicity of our flower as has already been said. Kenya guarantees a pyrethrin content of 13 per cent against Japan's 9 per cent, and on the strength of that guarantee we ask and get a premium over Japanese flowers of nearly 50 per cent. So long as we can keep that premium then the industry can carry on, even when prices generally have fallen and other countries cannot continue production. But once we lose that high

standard of pyrethrin content, then we lose the premium, Kenya sinks to the level of other countries, and production will no longer be a paying proposition.

The whole existing industry, which represents a great amount of capital expenditure, employment of thousands of natives and the livelihood of a large number of European farmers, depends upon the maintenance of high quality production.

Now, as another result of the high price of pyrethrum many people in Kenya, previously not interested, are now intending to try growing it. This is the position we now have to face. And those who feel themselves responsible for safeguarding the future of this industry, those whom Your Excellency has appointed as a Pyrethrum Advisory Board, are determined that all this future production of pyrethrum shall be so looked after that, as far as is humanly possible, there shall be no deterioration in the quality of our exported article. For this purpose, they say, that there must be control of all pyrethrum growing and a strict supervision of the conditions under which flowers are picked and dried.

We know what conditions are required, and if hon. members will allow themselves to be burdened with a few homely details I will just mention one or two.

The planted area must be constantly supervised and systematically weeded. The flowers must be picked just at the right stage of development with a negligible proportion of immature or over-blown flowers; they must be carried to a proper drying house without too much delay, before fermentation begins, and this is only a matter of an hour or two if the flowers are at all damp; and they must be properly dried in a well-constructed drying house where drying is so regulated that it will not be so rapid for the flowers to be scorched nor so slow that they will lose their pyrethrin content in other ways, as through fermentation.

Under these conditions we expect, and get, a uniform output of good quality flowers, good in appearance and of high toxic content. To make sure of all this needs considerable expenditure of time, trouble and money, and there is a fear that these new growers, who are anxious

[Dr. Wilson] to take advantage of the present high price and want to make a few pounds out of an acre or two of pyrethrum, may not be so careful and may be unwilling to expend the time and money. For one reason, a very small plot will not pay for the cost of a proper drying house, and an inadequate drier may mean that the flowers may be scorched or fermented, especially in the case of an unusual flush.

There is no mention in the Bill of a dryer but it certainly will have to come up later under the rules, but whether a dryer costs £30 or £60 or even more, I think it is a matter that can be left for the industry to worry out itself.

As regards the question of sun-drying. There are two objections to that. To mention the first one, in cloudy weather, when sunshine is intermittent, prolonged exposure to the light, which is necessary to get it dried, leads to a serious loss of pyrethrin content. Then, in really damp weather, it is impossible to dry the flowers at all and they are stored indefinitely with fatal results. There are figures available—and possibly the Director of Agriculture can give them to us at the end of the debate—there are figures available, I believe, that show that sun-dried flowers do not compare favourably in toxicity with artificially dried flowers.

I do suggest that it is no hardship to ask the pyrethrum grower to put up a proper dryer, because anyone who is trying to make money seriously out of pyrethrum is going to get himself a proper dryer in his own interests.

There is one thing. It might be said that it would not matter much if some growers occasionally supplied flowers of inferior quality, because they can be rejected when the supplies are graded. But it is not so easy as all that. The ultimate standard is not the appearance of the flowers, but the pyrethrin content, and that is the test. I will not say the "acid test" because that is a ridiculous expression, and it would be more than usually ridiculous in this case where the test is by no means a simple one but a long and laborious proceeding, and there is endless controversy about the best method of carrying out the test and the reliability

of the results. It would be quite impracticable to devise a form of test for every small consignment of flowers, the cost would be prohibitive. It is only practicable to analyse from time to time samples from deliveries and, systematically, samples from bulked flowers ready for export. If many small deliveries of untested flowers were to be included in the sales for export, then it might happen that these sales would prove to have a pyrethrin content below our guarantee on arrival in America, where every consignment is tested by the buyer, and there would be a corresponding demand for a refund.

With all the care exercised at present, the bulk consignments occasionally show an unexpectedly low pyrethrin content and claims for compensation on that account run into thousands of dollars. With a multiplicity of small growers supplying flowers of doubtful toxicity the risk of failing to keep up to the standard—the guarantee—would be vastly increased. The trouble is that pyrethrum is rather tricky stuff. We do not know why our Kenya flowers—I am subject to correction by the Director of Agriculture, but I do not think I shall be contradicted—why our Kenya flowers contain so much more pyrethrin than the Japanese, but we do know that it is very easy for them to lose a lot of it between picking and export, if they are not properly handled through all the stages of preparation.

And there may be nothing obviously wrong in the appearance of the flowers to show that there has been a loss of toxicity. It is not like any other crop, as maize for instance, where a bag can be rejected at sight as being obviously of poor or bad quality. The degree of toxicity, and thus, the money value, of a consignment of pyrethrum can only be ascertained by a long and elaborate quantitative analysis of the pyrethrin. That is why the question of the exact methods employed in the process of preparing the flowers is so vitally important.

I do want most emphatically to deny the idea that has been put about—outside this Council, and it has actually been mentioned here too—that this Bill is an attempt to freeze the small growers out of the business and to keep other growers

[Dr. Wilson] from coming in at all. These measures put forward here are an honest attempt to keep the industry flourishing for the sake of everybody. In fact, you may say from the point of view of the big growers that it is a self-denying ordinance, because if there were no controlling legislation there would be nothing to prevent an individual grower, if his output were big enough, from selling direct to America, and if he could, by the greatest care in production and preparation, export flowers of higher toxicity than our present guarantee then he would get so much the higher price. As it is, he is compelled to put his flowers into a common pool and take his chance with the rest. If he is compelled by law to pool his flowers with the flowers of other growers, surely it is only fair to ask for some legal control over the methods by which these growers are preparing their flowers?

There is another objection, which has already been mentioned, from the point of view of the industry, against the small acreage, and that is the likelihood of the small producer going out of production as soon as the price falls. As has been said already, it is in the interests of the industry that supplies should not only be up to standard in quality, but up to estimate in quantity. All our pyrethrum sales are forward sales and contracts are made six months or so ahead. So, naturally, one wants to be sure of steady supplies. As it is, the actual supplies differ from the estimates quite enough on account of climatic conditions and it takes all our time to fulfil our contracts and avoid heavy penalties. The position would be made much worse if deliveries from a number of small growers were to fail because they were frightened out of production by a certain drop in price. As I said, to retain our market we want a regularity of quality and quantity.

One of the most criticized details of this Bill is the proposal to fix the annual licence fee at so high a figure as Sh. 100. There is no particular virtue in that figure of Sh. 100, in fact some hon. members seem to find it particularly vicious; I can give two reasons why that figure was suggested. One is that we need money for the scientific side of the industry; and

the other is that we want a guarantee of good faith on the part of the grower that he will take his pyrethrum-growing seriously. It is quite true that Sh. 100 is a heavy charge, say, on one acre of pyrethrum, but it is not so exorbitant on ten acres, and I suggest that this is about the smallest proposition that is likely to produce high quality flowers. And the money is needed to carry on the routine work of analysis and investigation into the scientific side of pyrethrum-growing and, more particularly, as the Director of Agriculture mentioned, the question of developing a strain of plants of high toxicity.

The industry has been helped by the Government in the past, and we are grateful for that help. But it has now reached the stage when it should be able to finance its own analytical and research work. It is intended that the funds for this should come from the licence fees and from the cess on production. It does not much matter in which way the money comes. Whatever the figure eventually decided on for the licence fee, it can be set off against the cess, and in this way I maintain that the small grower will not be unfairly treated. For example, supposing a grower has ten acres of pyrethrum and his annual yield is 1,000 lb. of dried flowers per acre and suppose a cess of 1 per cent per pound has been fixed, the cess payable would be Sh. 100, but he has already paid Sh. 100 as a licence fee and that cancels out the cess.

But if we are talking about growing pyrethrum on 100 acres and the same yield per acre, there would be Sh. 900 for cess as well as the licence fee. That seems to me a perfectly fair and simple way of collecting the money. It has been suggested that the levy should vary with the acreage. In connexion with that I would only say that pyrethrum growers are no more and no less honest than other people, and there might be a grower who underestimated his acreage and we might be put to considerable expense in checking up on his figures.

In conclusion, the Bill may seem a bit hard on the man who is trying to make a few pounds on an acre or so of pyrethrum but it will not be too hard on a mixed farmer who is depending on ten or twenty acres of pyrethrum to help him

[Dr. Wilson]

make a living. In my opinion the measures proposed in this Bill are essential for the continued prosperity of the industry and I hope that the Bill, with or without a few minor amendments in Committee, will meet with general support.

Council adjourned for the usual interval.

On resuming:

MR. KASIM (Indian Western): Your Excellency, there are large tracts of suitable land in the native reserves to grow not only pyrethrum, but also wheat and sisal.

The Government should encourage the growing of these commodities by which the African growers' spending power will improve and as a result of which the Colony as a whole would benefit.

I do not agree with the arguments advanced by the hon. the Director of Agriculture in connexion with over-production. This need not be taken into account for a considerable time to come. Meanwhile every step should be taken to develop the land as much as we can. The limited acreage devoted to tea and wheat growing has resulted in an unduly high price for these commodities. The Wheat Board should consider the advisability of reducing the price of wheat which is the staple food of the Indian community, or they should consider reducing the protective duty of wheat and wheat flour. Thousands of tons of wheat flour are being imported into Zanzibar from Australia and India. It is surprising that Kenya could not compete with the imported flour even at our next door neighbour.

This clearly shows that wheat growers maintain an unduly high price and I maintain that the Wheat Board should considerably reduce the price of wheat.

MR. HARRAGIN: Your Excellency, two or two points were made with regard to the drafting of the Bill which I would like to clear up.

The first point was with regard to a limitation of toxicity which does not appear in the Bill. This was omitted, not only because I did not know what the intention was, though I presume I could

have found out, but the word itself does not appear in the Bill. There is no doubt after what we have heard to-day that it will appear in the rules made under the Bill, and it will be necessary in the rules presumably for the rule-makers to say what they mean.

The question of a postal ballot was not included because it was never suggested. Personally, I should find no difficulty in putting in when in committee, and no doubt that will be done.

I have to plead guilty with regard to the quorum, and I can only explain that the mistake arose in this way. Under the old ordinance the Director of Agriculture was automatically a member of the board and had a vote, so that I carelessly just copied four as being a quorum, whereas now it is obviously necessary it should be three.

The hon. Member for Trans Nzoia took exception to the excessive penalties. As he well knows, a maximum has to be put into an ordinance. It does not mean that the magistrate will always fine an unfortunate man the maximum amount or send him to prison for the maximum time, but what we must guard against is this: that it must not be worth while for anyone to break the law. On occasions a large grower may be tempted to break the law to gain a benefit, in which case the maximum which would ordinarily not be imposed would be imposed.

A certain amount of nervousness has been expressed on behalf of the small grower. I personally am nervous about the large grower. Take, for instance, the composition of the Board, which will be achieved by one man one vote. You could have a hundred growers with under seven acres each out-voting men with say a thousand acres. I think it is extremely dangerous to allow the large man to be completely ousted by a lot of small men who have very little at stake. However, that matter can be gone into in committee.

With regard to the question of appeals, of course I am sympathetic. Belonging to the profession I do, we believe in appealing as far as possible so that there will never be any finality, and when one loses

[Mr. Harragin]

interest altogether if there is a sufficient number of appeals! (Laughter.) I think the hon. Member for Nairobi North made a very good point when he said there might also be an appeal from a refusal to grant a licence.

I am not quite so sympathetic regarding the appeal mentioned by the hon. Member for Trans Nzoia, because the position under clause 15 is this: "The agency does something which offends against the grower, an appeal is given from the agency to the growers' Board. It is the growers' Board, not the agency's Board, for the majority are appointed by the growers. If that Board turns down the grower, it is a little bit hard that they should then ask the Governor in Council or any other court of appeal which might be set up to reverse that decision when the growers' own people have decided he has no case. But that can be gone into in select committee.

The question of exemption of fees has been raised, and it is often raised in taxation measures. Personally, in this particular case, I think that, provided the fee is scaled down to an amount that hon. members on the other side of Council seem to think it should be, whether it is on a sliding scale or smaller fee, it would be dangerous to exempt people altogether, because, as you know, it is extremely difficult in cases like this to decide whether a man growing pyrethrum as well as other things should be exempt or not, and if you exempt A you must exempt B, and the ramifications are enormous. If the fee is scaled down, it will perhaps be unnecessary to grant power for total exemptions. Hon. members must realize that pyrethrum growers are an established body under an Ordinance which exists now, and they have had every opportunity of putting their views before the Board, in fact, of appointing the existing Board, so that I do not think that there can be any special hardship to the small growers in the Bill or the Board would not be supporting it.

The other small point I should like to mention is that the Board has, of course, been the mother and father of this Bill, and urged Government to bring it in as soon as possible. The fees do not go into

the Treasury but into a special fund, so that whatever fees are levied are levied in the interests of the industry for the industry, and if the industry wishes to pay it it would be ridiculous for Government to say no.

I do not think there are any other points raised with regard to the drafting of the Bill, but there are certain details, as pointed out by hon. members, which a committee can go into in due course.

MR. WATERS: Your Excellency, thanks to the excellent speech of the hon. Member Dr. Wilson, who is a member of the Pyrethrum Advisory Board, and to the hon. Attorney General for answering most of the point that have been raised, there is very little for me to reply to.

The Noble Lord, the hon. Member for Rift Valley, asked a question about the drying of pyrethrum. Unfortunately, I have not with me the actual data, but I have here a report from the Senior Agricultural Chemist, in which he says: "that the colour of the product (that is from sun-drying) is poor, the involucre scales are completely bleached, while the disc florets may even be blackish. The pyrethrum content is anything from 10 per cent to 20 per cent below that of artificially dried flowers."

I know that the senior agricultural chemist would not write such a statement without having the figures to back it up, because his professional reputation depends on his accuracy. Before any decision is made about having rules under which growers will be compelled to erect dryers all that data will be forthcoming from the department placed before the Board.

It is also true that a full-sized dryer is really too large for a man growing five to twenty acres of pyrethrum, and Mr. R. O. Barnes, who designed the best dryer we have in this country, is at present designing a smaller one which will be about half the price of the present one.

The question of the fee for growers' licences will be considered in select committee, and Government has no particular desire to have an initial fee or a cess, especially as the money goes into the pyrethrum fund.

[Mr. Waters]

Several hon. members have mentioned the growing of pyrethrum by Africans, but there is nothing in this Bill which affects the policy with regard to that. That is a separate issue, and has nothing whatever to do with this Bill.

In reply to the hon. Member Mr. Isher Dass, there is nothing in this Bill to debar the small grower from growing, and there is no discrimination against small growers.

The hon. Member Mr. Kasim mentioned the price of wheat and sisal grown by natives. Neither of these matters has anything to do with this Bill. The subject of soil erosion was raised by the hon. Member for Trans Nzoia, and there again it will be necessary for a full statement of data and facts to be placed before the Board in order that the Board can get the consent of the Governor in Council to have a rule under which growers will be compelled to look after their soil properly.

I think that covers all the points that have been raised.

The question was put and carried.

Mr. Harragin moved that the Bill be referred to a select committee consisting of:

Mr. Harragin (*Chairman*).

Mr. Waters.

Mr. La Fontaine.

Lady Sidney Farrar.

Lord Francis Scott.

Dr. Wilson.

Mr. Lockhart seconded.

The question was put and carried.

NATIVE LIQUOR (AMENDMENT) BILL

SECOND READING

MR. HARRAGIN: Your Excellency, I beg to move that the Native Liquor (Amendment) Bill be read a second time.

This is a very small amending Bill, and has been necessitated in order to avoid the necessity of having qualified men give evidence on every occasion that a native is charged with selling liquor or being in possession of liquor which contains over 1 per cent of absolute alcohol.

The position at the moment is that, under the law as it stands, there are a certain number of liquors which are definitely named in the Ordinance. For instance, palm wine, *tembo*, and so on. Provided the magistrate can be satisfied that the liquor in question is one of those particular liquors named in the Ordinance, the case can be proceeded with, but in the case of any liquor which is not actually mentioned in the Ordinance it is covered by the general clause, which says "liquor which has more than 1 per cent absolute alcohol".

The only way of proving that, however, is by calling a chemist or analyst which, from the point of view of practical politics, cannot be done in every case, so that we endeavour in this amending Bill to provide for all the liquors known and in general use in the Colony. We also provide for liquors prepared from cereals, and for anything else which we may not have provided for before by keeping in the 1 per cent which occurred in the old law. Lastly, we make it possible for the Governor in Council to declare any liquor to come within the scope of this definition.

The real reason for this amendment you may probably know is Nubian gin. Under the old Ordinance, Nubian gin was not specifically mentioned, with the result that when any person was charged with being found in possession of it or selling it it necessitated the Government analyst going to the court to prove that this gin, which is extremely strong, actually contained more than 1 per cent alcohol.

I do not think it is possible to take exception to anything appearing in this Bill, which is merely to carry out the ordinary policy all over the world.

MR. LOCKHART seconded.

The question was put and carried.

KING'S AFRICAN RIFLES (AMENDMENT No. 2) BILL

SECOND READING

MR. HARRAGIN: Your Excellency, I beg to move that the King's African Rifles (Amendment No. 2) Bill be read a second time.

[Mr. Harragin]

This Bill is really a domestic matter in which the only people interested are the members of the King's African Rifles, and it has been necessitated, I am informed, owing to the reorganization in the Army whereby it has become necessary to give authority and power to warrant officers which, in the days when most of us were playing at soldiers, was confined to the commissioned ranks. It appears that to-day there are warrant officers in charge of detachments which in the old days were always commanded by commissioned officers, and it has been represented to us that it is therefore necessary to give those warrant officers exactly the same powers that in the old days commissioned officers had.

Clause 2 of this Bill does that with regard to punishments which may be inflicted in these circumstances.

Clause 3 provides for lieutenant-colonels in place of majors. Under the reorganization, we are going to be provided with two lieutenant-colonels instead of majors.

The next clause is merely a matter of precedent as between warrant officers. As the Ordinance reads at the present moment, warrant officers who are engaged in England have precedence over all warrant officers engaged in Kenya, with the result that you may have a sergeant coming out from England taking precedence here over a sergeant-major who happened to be in the Colony at the time he was recruited to the King's African Rifles, and the necessary amendment is therefore made in this clause.

Clause 4, from a legal point of view, is a very necessary amendment. The position at the moment is this. Where a soldier commits some offence for which he is discharged, the discharge used to date from the promulgation of the sentence after the court martial. If that punishment also set out that he should incur three months' imprisonment, or whatever it might be, although he had been discharged from the Army he nevertheless was incarcerated in whatever place imprisonment in the Army is carried out.

In theory, therefore, you have a civilian, for he has been discharged from the Army, incarcerated in a soldiers' prison and undergoing a term of imprisonment as a civilian. Clause 4 makes it clear that if a soldier is sentenced to imprisonment, he is not discharged from the Army until after his term of imprisonment has been served instead of before, so that he serves his term as a soldier.

Clause 5 is merely a matter of nomenclature. Apparently the word "carrier" is now used instead of the old term "porter" which we used to know so well.

MR. LOCKHART seconded.

COL. MODERA (Nairobi South): Your Excellency, clause 2 of the Bill proposes a new principle to me, and I desire a new principle to many hon. members in this Council.

It confers on warrant officers powers of punishment, very considerable powers, which have never, as far as I know, been conferred on warrant officers before. I have little doubt that this question of principle has been thoroughly considered and determined by Your Excellency's advisers, but I should have liked to have heard from the hon. and learned mover that there definitely was precedent for this and that it is following precedent.

MR. HARRAGIN: Your Excellency, with regard to the question put to me by the hon. Member for Nairobi South, I may say frankly at once that I have no precedent I can give him for this legislation.

I am informed by the military authorities that, at any rate so far as Kenya is concerned, it is absolutely necessary with regard to the Northern Frontier, where detachments are under the command of warrant officers in very isolated places. The Brigadier is satisfied that it is necessary in order to preserve discipline that these warrant officers should be given the powers contained in this Bill.

I know of no precedent, nor can I give any assurance that it has been done elsewhere in the Empire, but whether that be so or not those best able to advise us have advised us that it is in the interests of the King's African Rifles in Kenya

[Mr. Harragin]

that these powers should be taken under the peculiar circumstances under which they serve in the Northern Frontier.

The question was put and carried.

THE K.A.R. RESERVE OF OFFICERS (AMENDMENT) BILL

SECOND READING

MR. HARRAGIN: Your Excellency, I beg to move that the King's African Rifles Reserve of Officers (Amendment) Bill be read a second time.

There are only two amendments in this Bill. The first deals with the omission of the word "permanently". It has been pointed out on innumerable occasions that there are officers residing in this Colony who cannot serve under the Ordinance because they are by no stretch of imagination intending to reside permanently in Kenya, and in that way we are losing the services of men who could be most helpful both in training others and being trained themselves. We therefore suggest in clause 2 that the word "permanently" be deleted in order that they may serve in the Reserve of Officers.

The second amendment is in clause 3 and that makes provision for those officers who are keen enough and able to serve for a longer period than the period set out in the Ordinance. At present they are only permitted to serve, I think it is for one calendar month a year. It has been pointed out that many of them can serve for a longer period and that it is in the interests of themselves and the country generally that they should be able to put in the extra time and training, and provision is made by the provision in clause 3 to permit Your Excellency to do that if you think fit. I beg to move.

MR. WILLAN seconded.

The question was put and carried.

BILLS

IN COMMITTEE

MR. HARRAGIN moved that the Council resolve itself into Committee of the whole Council to consider, clause by clause, the following Bills:—

The Native Liquor (Amendment) Bill,

The King's African Rifles (Amendment No. 2) Bill,

The King's African Rifles Reserve of Officers (Amendment) Bill.

MR. WILLAN seconded.

The question was put and carried.

Council went into Committee.

His Excellency moved into the chair.

The Bills were each considered clause by clause.

MR. HARRAGIN moved that the three Bills be reported without amendment.

The question was put and carried.

His Excellency vacated the chair.

Council resumed its sitting.

His Excellency reported the three Bills without amendment.

THIRD READINGS

MR. HARRAGIN moved that the three Bills be read a third time and passed.

MR. WILLAN seconded.

The question was put and carried.

The Bills were each read a third time and passed.

McMILLAN MEMORIAL LIBRARY BILL

REFERRED TO SELECT COMMITTEE

HIS EXCELLENCY: I would inform Council that in accordance with Standing Rule and Order No. 101 the McMillan Memorial Library Bill has been referred to a Select Committee composed as follows:—

Mr. Willan (Chairman),

Mr. Izard,

Col. Modera,

Mr. S. V. Cooke (Coast).

ADJOURNMENT

Council adjourned till 10 a.m. on Tuesday, 1st November, 1938.

Tuesday, 1st November, 1938

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Tuesday, 1st November, 1938. His Excellency the Governor (Sir Robert Brooke-Popham, G.C.V.O., K.C.B., C.M.G., D.S.O., A.F.C.) presiding.

His Excellency opened Council with prayer.

MINUTES

The minutes of the meeting of the 31st October, 1938, were confirmed.

PAPER LAID

The following paper was laid on the table:—

By THE ACTING COMMISSIONER FOR LOCAL GOVERNMENT, LANDS AND SETTLEMENT (MR. MORTIMER):—

Return of Land Grants, 1st July to 30th September, 1938, under the Crown Lands Ordinance.

LIQUOR (AMENDMENT) BILL

SECOND READING

MR. HARRAGIN: Your Excellency, I beg to move that the Liquor (Amendment) Bill be read a second time.

In this Bill there are no new principles, but it has been found necessary to make certain amendments not only to clarify the law in connexion with certain applications which have been before the licensing courts on more than one occasion during the past year, but also to make provision particularly for Abyssinians now residing in this Colony. The Bill has already been before a committee appointed by Your Excellency; it was to all intents and purposes a select committee of this Council, as all the members are members of this Council. The Bill now before you is the result of a unanimous report from that committee.

The first clause of any importance is clause 2, and that deals with the question of Abyssinians. I will make no further reference to these people in my speech now, although there are about ten different places where amendments have to be made in that respect to the existing Ordinance. It is obviously necessary that they should be treated in exactly the same way as Somalis and natives.

Clause 3 makes a small amendment in providing that a temporary licence may be granted for longer than three days. It has occurred on a few occasions that a licence has been required for four days, and the authorities have been unable to give it. We therefore extend the time from three to seven days.

Provision is also made for the Kenya Regiment receiving a canteen licence. Hon. members are aware that when the original Ordinance was passed the Kenya Regiment did not exist, and therefore their name does not appear in it.

Clause 4 clarifies section 19 of the principal Ordinance, in view of a case which was before the courts in the early part of this year. The only difference is that instead of saying a "provisional grant" we shall refer to the grant of a "provisional licence". It is the licence which is provisional but not the grant.

Clause 5 makes provision for the holding of special licensing courts. The object of this amendment is, first, because it has been held that the Governor's powers of ordering a special licensing court to be held are rather restricted by those words which appear at the beginning of the section, namely, when it is due to some accident or omission. Often it is necessary and desirable that the court be summoned although there has, in fact, been no accident or omission.

Further, although we make it possible to hold a court merely to consider one licence, it is not thought right that people should be able to put the public to the expense and the members of the licensing court to the trouble of assembling, just because they did not perhaps take the trouble to make application at the proper time. We are not taking away any rights that exist at the moment, but we are actually granting an extra right, the right to have the licensing court summoned to consider an application provided that the applicant puts down £15.

This is not an arbitrary figure, but is worked out having relation to the amount it would cost, for example, for the licensing court at Nairobi to sit, the cost to the public.

Clause 6 deals with the question of when applications for licences should be

[Mr. Harrigan] made, and makes it clear when a provisional licence should be granted. As you know, a provisional licence is granted by the district commissioner, and we make provision for its consideration later on by the court under the existing section 22. We also make it clear by an amendment to section 22 that that court will deal not only with renewals but with ratifications and with authority to remove from one set of premises to another.

Clause 8, which deals with the transfer and removal of licences, makes it obligatory on the district commissioner, before he grants that transfer, to consult the Commissioner of Police. Also, at the request of the licensing court, we have put in a proviso to the effect that the district commissioner shall not consider any such application within fourteen days of the sitting of the court. The reason is obvious to hon. members: we do not want a man rushing in and getting first bite at the cherry fourteen days before the court sits in order that he can go to the court and say the district commissioner has already granted him permission, particularly when you remember that in most places the district commissioner is chairman of the court. It is thought only right that if a man delayed so long he would only have to wait another fourteen days or less for the court to sit that he should make his application to the court.

Clause 9 makes it clear who is to do the posting of the different notices that have to be put up. In one case it is the applicant himself, who has to put a notice outside his premises, and in the second it is the district commissioner.

Clause 10, which deals with an application for ratification of a temporary transfer or authority to remove, provides for the confirmation which I have already referred to of the transfer of a licence from one place to another or from one person to another. It also makes it clear (and there was certainly a mistake in the principal Ordinance) that where an applicant has already got permission from the court for what is called a provisional licence, that is, a licence granted a man

before he has actually finished building, he need not again go to the court. If, for instance, a man intends to put up premises for which he hopes to get a licence he can apply to the licensing court, submit plans, etc., for what is called a provisional licence which, in effect, means that if the building is erected in conformity with the plans submitted the licensing court will permit him to have a licence.

The only safeguard to that is that before a licence is issued the applicant has to satisfy the district commissioner that the building has been built in accordance with the plans submitted to the court. There is no need for the court, therefore, to consider it again after the building is *au fait accompli*.

Clause 11, which deals with the transfer and removal and ratification of a licence, is merely put in for clarity. The original section gave a lot of trouble in a case for it has been hoped to cover the position by the words in that section as if the person concerned were not a licensed person. The court took exception to this and said it required amplification; and we have therefore done it by replacing section 35 with a new section, which says that a person must apply as if for a new licence. It is entirely another matter if he persuades the district commissioner in a weak moment to grant him a temporary licence earlier.

With regard to temporary transfers, which are made in the case of a man who is selling his premises, let us say, to X, and the district commissioner has granted a temporary licence to X, the proviso makes it clear that the court does not have to go all over again into the question of necessity but merely considers whether the new person X is a right and proper person to receive a licence.

Clause 15 is to amend section 46 by deleting paragraph (1). The deletion is not as serious as may be thought, because it appears in amended form in clause 15. It deals with licensees who put in other people to run their business for them. It is, in short, to prevent what is known as dummying.

[Mr. Harrigan]

The licensing court has pointed out that it has happened on occasions that highly respectable people have applied for a licence and obtained it without having the slightest intention of running the licensed premises themselves, and have put in someone in some guise or other, either as a manager or Jesse, or whatever the particular legal relationship may be between them, and they themselves have nothing whatever to do with controlling those licensed premises.

We therefore make it perfectly clear that such a nominee shall not be put in except with the permission of the district commissioner, not a very difficult thing to get in a case of necessity if a man has to go away, but it does prevent a man who has no intention of running the business himself from putting in a dummy.

The last clause, 17, is entirely formal, and arose out of an objection taken in court to the Attorney General appearing for a licensing court. A licensing court is not strictly Government. It is entirely an unofficial body, except for the district commissioner as chairman. It is obviously desirable that the Attorney General should be able to appear, because otherwise the licensing court would have to pay large sums of money for advocates to appear for them. Therefore, this clause not only gives the Attorney General permission, which he actually has a general right to do as an advocate of the court, to appear, but also puts the licensing court in exactly the same position as Government in that they pay and receive the costs.

MR. WILLAN seconded.

MR. KASIM: Your Excellency, in this Colony a very big sum is being wasted on alcohol consumption among every section of the community. The time has now arrived when some sort of legislation should be introduced to check this waste of money.

MR. SHAMSUD-DEEN (Indian Central): Your Excellency, this Bill as presented to Council presents a very difficult problem to hon. members who wish to study it properly and be clear in their

minds about it. For instance, clause 10 makes reference to something of which there is nothing whatever in the two Bills before me. One seems to be numbered by clauses and in the other the numbers seem to be slightly altered, and in this I would also refer to clause 12.

You will find in clause 12 reference to section 32 (a) of the old Ordinance. Now that is not before hon. members at all. It is not on the left-hand side of the page as it should be for hon. members to refer to a particular section which is under discussion. Similarly, in section 35 of the old Ordinance, in the last but one line of that section, reference is made to section 27 and apparently this clause is referred to in the new Ordinance. That section 27 again is not before this Council. So it is very difficult to realize what we are trying to amend and what is actually in the old Ordinance. In my opinion it has been amended to such an extent that it would be far better if a full copy of the new Bill had been produced and, alongside that Bill, a copy of the old Ordinance.

I hope the hon. mover will follow what I am trying to say. But, at any rate, for the future some sort of procedure should be adopted so that hon. members could have a clear idea as to what the amendments are that we are trying to debate.

Clause 5 proposes to amend section 20 of the old Ordinance and proposes to introduce a new clause, numbered 2, in this section. This seems to me rather an innovation. You see that it says—

"The Governor may, in any case, if he thinks fit, authorize the holding of a special meeting of any licensing court and shall, when required so to do and upon payment of the sum of fifteen pounds by the applicant, authorize the holding of a special meeting of the licensing court."

It seems to me that this is contradictory to say that for this purpose the Governor may if he wishes to, do this, and then he will have to authorize the holding of a special court if £15 is paid. It seems to me a somewhat peculiar position.

Then again, in clause 12 which deals with the issuing of licences in court there is sub-section (1) which says:—

[Mr. Shamsud-Deen]

"But in the event of the licensing court refusing to ratify the temporary transfer or authority to remove, as the case may be, of a licence, such licence shall, as to the person to whom the same was originally granted or in respect of the premises originally licensed, be considered to be in the same position as if no transfer or removal had taken place."

That is giving the court vast powers.

But the proviso again seems contradictory for it says in the next paragraph:—

"A licensing court may only refuse to ratify such temporary transfer, if the temporary transferee is a person in respect of whom the court could have refused to renew a licence under the provisions of section 27 of this Ordinance."

In the first instance you give the court powers to say that they can treat the application as if a provisional grant had not been made at all, and then it proceeds to say that the court may not refuse or revoke a licence unless a person comes under section 27 of the old Ordinance which is not before us at all. We cannot understand what is meant in section 27. In one breath it gives the court great powers and then it restricts them by saying that it cannot refuse the licence unless it comes under section 27.

I am only trying to bring this to-day before Council for the future and to clarify the Bill. If the Bill was so extensively amended a full copy should be placed before this council so that hon. members can be quite clear as to what they are studying and be sure about the phrases that are actually being amended.

MR. HARRAGIN: Your Excellency, with regard to the point made by the hon. Shamsud-Deen that clause 32 (a), for instance, is not on the left-hand side of the page, the answer I expect, he knows perfectly well, and that is that clause 32 (a) is not being amended in any way whatsoever. All we are doing in the new clause is to say that the old law shall be observed, namely that clause 32 (a) shall be observed. And the same applies with regard to clause 27.

The Standing Rules and Orders are perfectly clear, namely that where a section is being amended the section being amended shall be printed on the left-hand side and this rule has been followed in this particular case. I am quite sure that the hon. member must have a copy of the old Ordinance. He has been on the Council for a considerable time; he was here when the Ordinance was passed and if he kept these Ordinances carefully I am sure he could refer to them and see exactly which section is amended and which is referred to.

With regard to the details of clause 3, the position is as follows: The Governor is given the power, whenever he thinks fit and necessary, to summon the licensing court at his discretion. Then we go further and say—if some member of the public considered it in his interest that a licensing court should be summoned and he is prepared to pay down the sum of £15, then it is not a matter of discretion in that case—Your Excellency shall order that the licensing court shall be summoned.

Perhaps my hon. friend's difficulty in the case of the two Bills is this. As you remember, at the end of last session we circulated a Liquor (Amendment) Bill but, in view of the fact that the session ended a day earlier than I thought it would, it was impossible to introduce it because only thirteen days had gone by instead of fourteen. But, as it is imperative, or at least most desirable, that this new Bill should become law by the fourteenth of this month, which is the day the licensing court sits for its winter session, during the adjournment Your Excellency appointed a committee to examine the Bill which had been circulated to hon. members of this Council at the last session. That committee recommended certain amendments and, in order not to confuse hon. members of Council, or cause further delay, it was thought better to amend the old Bill in the terms of the suggested amendments of this committee and submit it in the form of a new Bill which is now before you.

In point of fact it is strange that the hon. member should have been at all

[Mr. Harragin]

worried by it because the only real amendment made in the whole Bill submitted in August was the deletion of a clause dealing with grocers licences, and all that has happened was that the clause was deleted and the remainder of the Bill renumbered.

I think the hon. member was referring to clause 11 when he spoke of clause 12, which he apparently had some difficulty over. If he reads it carefully he will see that the first part of clause 11, which reproduces in a slightly different form section 35 of the Ordinance, deals with two things. One is:—

"The provisions of this Ordinance (other than the provisions of sub-section (1) of section 22) relating to applications for and the grant of new licences shall apply to an application for ratification made under the provisions of section 34 of this Ordinance, but in the event of the licensing court refusing to ratify the temporary transfer or authority to remove"

and then, under the proviso there is:— "where the application is made in respect of a temporary transfer granted under the provisions of sections 32 and 32 (a) of this Ordinance, a licensing court may only refuse to ratify such temporary transfer, if the temporary transferee is a person in respect of whom the court could have refused to renew a licence under the provisions of section 27 of this Ordinance"

Now, the object of the differentiation there between the powers of the court is as follows: It may be that A is a licensee who has built and occupied licensed premises for a considerable number of years and now contemplates either leaving the country or selling his business. In this case it is not thought fair that at that stage the court should suddenly say: "Actually, we think that although you have had this licence for twenty years there are too many licences in this district." The value of the property would immediately be reduced. So what we in effect say by referring to section 27 is this: "Provided that you are going to sell these premises to a highly

respected person (and section 27 sets out that type of person for the purposes of this Ordinance, who is considered a respected person and worthy of a licence) then, in this case the court shall not refuse to allow the transfer of the business".

And, with reference to section 27 I will read the sub-clauses which are as follows:—

You can refuse a licence if—

"(a) the holder thereof has been convicted of an offence against the provisions of this Ordinance";

"(b) the holder thereof has had a sentence of imprisonment imposed upon him", etc.

"(c) the business is conducted in an improper manner"; and

"(d) that the conditions upon which the licence (in respect of which the application for renewal has been made) was granted have not been satisfactorily fulfilled"

MR. SHAMSUD-DEEN: The hon. member has read something which is not in the Bill before the Council at all, and that is exactly what I mean in my remarks.

MR. HARRAGIN: I can only repeat that it is a great pity that the hon. member is not aware of the fact that every citizen is supposed to know the law of the land and not have it read out to him on every occasion. The fact of the matter is that this Ordinance is the law of the land—although it may not have been observed as it should have been in the past whereby these amendments have been necessitated—nevertheless the public, and particularly the hon. members of this Council, are expected to know what the law is.

MR. SHAMSUD-DEEN: If you supply me with a copy, yes.

MR. HARRAGIN: And, Sir, the justice of that is perfectly obvious. The hon. member has just implied that if he had only known what the law was he would never have raised the point. Under these circumstances I beg to move.

Monday, 7th November, 1938

The question was put and carried.
Council went into committee.
His Excellency moved into the chair.
The Bill was considered clause by clause.

Clause 4.

MR. HARRAGIN: Your Excellency, I beg to move a small verbal amendment that clause 4 (a) be amended by adding the following words:—

"By substituting the words 'grant a provisional licence' for the words 'make a provisional grant' which appear on the last line thereof".

The question was put and carried.

The question of the clause as amended was put and carried.

MR. SHAMSUD-DEEN: Your Excellency, on a point of order, may I ask for information, what is the meaning of the first three lines of the small section prior to clause 1 of the Preamble?

MR. HARRAGIN: Your Excellency, I beg to move that the Liquor (Amendment) Bill be reported to Council with amendment.

The question was put and carried.

His Excellency vacated the chair.

Council resumed its sitting.

His Excellency reported the Liquor (Amendment) Bill with amendment.

THIRD READING

MR. HARRAGIN moved that the Liquor (Amendment) Bill be read a third time and passed.

MR. WILLAN seconded.

The question was put and carried.

The Bill was read a third time and passed.

ADJOURNMENT

Council adjourned until 10 a.m. on Monday, 7th November, 1938.

Council assembled at the Memorial Hall, Nairobi, at 10 a.m. on Monday, 7th November, 1938. His Excellency the Governor (Sir Robert Brooke-Popham, G.C.V.O., K.C.B., C.M.G., D.S.O., A.F.C.), presiding.

His Excellency opened Council with prayer.

MINUTES

The Minutes of the meeting of the 1st November, 1938, were confirmed.

PAPERS LAID

The following papers were laid on the table:—

By MR. HARRAGIN:—

The Vehicles Licensing (Amendment No. 3) Regulations, 1938.

By THE DIRECTOR OF AGRICULTURE (MR. WATERS):—

Tenth Annual Report of the East African Agricultural Research Station, Amari, from April-December, 1937.

ORAL ANSWERS TO QUESTIONS

No. 39—TRADE UNION CONFERENCE

RESOLUTIONS

MR. ISHER DASS asked:—

Will Government be pleased to state if they have received copies of the eleven resolutions passed by the Trade Union Conference held on the 31st July, 1938? If the answer is in the affirmative, will Government be pleased to state what action they intend to take in regard to each resolution?

SIR ARMIGEL WADE: The reply to the first part of the question is in the affirmative.

Government is not yet in a position to state what action, if any, it proposes to take on any of the resolutions.

No. 40—SHOP HOURS AND SHOP ASSISTANTS EMPLOYMENT ORDINANCES

MR. ISHER DASS asked:—

1. Will Government be pleased to state if the provisions of the Shop Hours (Amendment) Ordinance apply to the local banks and if the Shop

[Mr. Isher Dass] Assistants Employment Ordinance applies to the staffs employed by the banks?

2. If the answer to the above is in the affirmative, will Government take action against the banks for infringement of the provisions of these Ordinances?

3. Will Government be pleased to state if they have received representations from the Youth League of Mombasa in regard to the unsatisfactory position prevailing to-day in Mombasa after eight months since the introduction of the Shop Assistants Employment Ordinance due to lack of supervision by the police in enforcing this legislation?

4. Will Government be pleased to state if they have received any representations from certain merchants of Mombasa for the introduction of the Shop Hours Ordinance in Mombasa; if so, what action Government intend to take in the matter?

SIR ARMIGEL WADE: 1. The provisions of the Shop Hours (Amendment) Ordinance do not apply to the local banks nor does the Mombasa Shop Assistants Employment Ordinance apply to the staffs employed by the banks.

2. Since the answer to part 1 of the question is in the negative, this part does not arise.

3. Representations in respect of the working of the Mombasa Shop Assistants Employment Ordinance have recently been received by the Government from the Indian Youth League, Mombasa, and are at present under examination.

4. The Government has received a copy of a letter addressed to the Secretary of the Mombasa Chamber of Commerce and Agriculture and purporting to be signed by certain merchants of Mombasa, in which the institution of a closing order is advocated, but has received no such representations direct from merchants. The matter of a closing order, however, was included in the representations mentioned in part 3 of this answer, which, as already stated, are at present under examination.

No. 41—MEDICAL SUPERVISION OF SCHOOL CHILDREN

MR. ISHER DASS asked:—

Will Government be pleased to state if they have received any representation from the Municipality of Nairobi with regard to medical supervision of school children in all schools in Nairobi? If the reply is in the affirmative, has any action been taken in the matter and is any provision made in the 1939 Estimates?

MR. LOCKHART: The answer to the first part of the question is in the affirmative. In regard to the second part, the Government's share of the cost of the proposals submitted by the Municipal Council was estimated to be approximately £900 per annum, and the Council has been informed that the Colony's financial position will not permit of this contribution being made in 1939.

DRAFT ESTIMATES, 1939

REFERENCE TO STANDING FINANCE COMMITTEE

MR. LOCKHART: Your Excellency, I beg to move:—

That the Draft Estimates of Revenue and Expenditure for 1939 be referred to the Standing Finance Committee.

Hon. members will have noticed that the Draft Estimates now before them have been re-arranged in form and that the services which are met by contributions from the East African Governments have been grouped under Joint Services, and Kenya's share of each such service is included in a one line vote under the appropriate head of the Kenya Estimates. This means that Kenya's expenditure becomes directly comparable to Kenya revenue, and as the contribution to the Joint Services is self-balancing, that section of the Estimates may be ignored when we consider the financial position of our own Colony.

The estimate of Revenue for Kenya and, save for a negligible margin, of Expenditure also, amounts to a total of £2,618,000. The general basis which has been adopted for the Revenue Estimates is the 'condition of affairs' as it exists to-day.

While the trade conditions to-day are below the levels reached in 1937, there is

[Mr. Lockhart]

no evidence of any reduction in population or employment, and the revenue from native hut and poll tax and from the general items of licences, duties, fees and miscellaneous receipts, including the earnings and revenue of Government departments, show little change from the 1937 level and they give no ground on which to anticipate a fall in 1939.

The trend of receipts under customs duties does, however, indicate some reduction in purchasing power, such as one might expect would follow on the reduction in the value of exports and the prices of certain local products. It is therefore considered necessary to reduce the estimate of import duties by a figure of £75,000 as compared with the estimate for this year, and £118,000 as compared with the actual receipts in 1937.

While a reduction of this order has necessarily entailed a restriction in the expansion which we should all wish to see at any rate in our social and economic services, there is one consoling feature. It has been possible, without serious difficulties and without serious consequences, to balance this budget and cover the expenditure estimates on the basis of an estimate for import duties of £70,000.

In 1937, we collected £898,000, 1937 as a good year, but we shall have good years again; it will only need a reasonable expansion in the volume of trade to effect an immediate improvement in our position.

It is difficult to forecast what may happen in 1939. There seems no reasonable basis for anticipating any deterioration from the existing levels of trade and while, as was indicated in Your Excellency's address at the opening of the session, it would certainly not be safe to rely upon any such revival, we are not however, without some reason for hope. The reduction under customs duties has not had the serious consequences on the balance of the budget which would otherwise have occurred, owing to a very much lower estimate under income tax which, £134,000, represents an increase of £100,000 on the 1938 estimates.

There is little I can say about income tax, but I would say that, from the point of view of the department, it is working smoothly. Hon. members have had the Commissioner's report, and await the result of the general consideration of the matter which is now being given by the Standing Finance Committee, in regard to which meetings are still proceeding and which, I think, should be available in the near future. I cannot now anticipate what the Standing Finance Committee may recommend.

With regard to the higher estimate, it is true that the results of the tax are producing larger revenue than was considered probable when the Ordinance was framed. But if the rates of the tax are fair and reasonable and the allowances granted are generous and it seems to me extremely difficult to argue that either is not the case, then the fact that the country has proved to be more prosperous than at one time was thought should, I suggest, rather be a matter of gratification than of complaint.

Posts and Telegraphs show a reduction of nearly £11,000. £5,000 of this is accounted for by a reduction in our London stamp sales, which were swelled in 1937 and 1938 as a result of special issues which were disposed of to philatelists. The reduction in the normal stamp sales is accounted for in part, because little is now received in the form of air-mail special surcharge, and the decline in telegraph revenue is largely attributable to a reduction made in terminal charges on overseas traffic and the existence of the air mail. Telephone revenue continues to expand and the estimate has been increased by £5,000.

The expansion in the Forest Department also continues and it is possible to increase the estimate.

The receipts from stand premia on township plots show a reduction of £15,000, but the estimate of £18,000 for this year, has proved to have been much too optimistic and we do not expect to get more than £10,000.

Before dealing with expenditure, I would refer to the balance which will be brought forward from 1938 into the financial statement for 1939. The excess of assets over liabilities at the end of 1937

[Mr. Lockhart]

was £506,000 and as a result of an estimated surplus on the working year for 1938 of £54,000, the cause of which was explained in Your Excellency's opening address, we should have a balance brought forward into 1939 of £560,000.

The question of surplus balances has recently been considered by the Secretary of State, and the policy has been laid down that the surplus revenue balance—that is, the balance of our statement of assets and liabilities—should be maintained in future in liquid form and that any expenditure from that balance, even though it may be expenditure which is recoverable at some future date, should be accounted for in the estimates and be voted by this Council in the ordinary course and any future recoveries will be treated as revenue. Hon. members will, I am sure, agree with the propriety of this revised procedure. It is misleading to bring forward into a budget statement, and add on to the estimate of revenue for the year, a figure which purports to be an accumulated revenue balance but from which very large payments have, in fact, been made and have not been included in the revenue and expenditure accounts.

The items which it is proposed to remove from the balance sheet this year will be found at the foot of page 9 of the Draft Estimates. But I should like to make it clear that this transaction will not in any way involve the writing off of these amounts as assets of the Colony. They will be transferred to a separate section of our annual accounts and they will continue to appear as part of those accounts. Moreover, before a claim can be abandoned to any of the amounts in question the authority of this Council will be required. This applies particularly to the first four items—agricultural advances, loans to cereal industries, Civil Servants' building scheme loans and the loan to the Roman Catholic Mission at Yala.

The next item, which is the balance of the township roads and drains account, is an amount which it is proposed to withdraw from the surplus balance and set on one side. This account, so called, has been kept hitherto as a record of the various sums which have been included

in the stand premia as ear-marked for construction of roads and drains serving the plots in question. But since the premia themselves have been carried in full to revenue, the construction of the roads and drains necessarily has to be provided for in the ordinary course as expenditure, since this account had no funds of its own. This has proved in practice inconvenient, not only from the standpoint of Government and of the township authorities too, but also from the standpoint of the plot holders who pay from time to time in order to obtain a road service to their plots, and it is proposed, in future, that this portion of the premia should be funded and held available in cash for the purposes for which they were intended.

The next item, unallocated stores. In regard to this, it is obvious that a stock of such stores is a necessary item of expenditure and if funds are taken from surplus revenue for the purpose of buying a reserve stock of stores for subsequent issue the money is no longer available for any other purpose and it should be so considered in the accounts. Once the present store balances have been removed from the balance sheet it is proposed in future that any surplus of purchases over issues should be treated as expenditure and voted in the ordinary way, and any surplus of issues over purchases should appear as a credit in the accounts and thus increase the surplus revenue balance.

Transfers, which are necessary to carry out this change in procedure, will be required to be voted by the Council, but it is not proposed to bring forward a resolution until the exact amounts involved are known, and that will not be until the accounts for 1938 are closed in the early part of next year. But it is hoped that the principle involved will be accepted by Council in connexion with these Draft Estimates.

The effect of these transfers, as hon. members will see from the financial statement, is to reduce the surplus balance by an estimated amount of £230,000. The balance remaining is approximately £330,000 and this will represent the accumulated revenue surplus of past years. It will be held in cash and it will

(Mr. Lockhart) be available, if necessary, to finance expenditure, although we shall not draw upon it except in an extreme emergency. When I say that the whole of this sum will be available to meet expenditure, that statement may require qualification in certain circumstances because, although it will be held in cash, a certain minimum cash balance is always necessary as a working margin. Experience shows, however, that a considerable cash balance is normally held by Government on other accounts, such as sums on deposit and unexpended loan balances. These amounts are normally adequate to provide a working margin, and I see no reason to suppose that they will not suffice for that purpose in future. It is not, of course, proposed to draw from this surplus balance in 1939 and the sum which we have to dispose of, therefore, amounts to £2,618,052, of which £2,477,770 has been allocated to ordinary recurrent expenditure and £139,773 to non-recurrent expenditure, leaving the negligible margin of £509.

Before dealing with the details of expenditure estimates, I should like to sketch on broad lines the purposes under which our current expenditure falls.

The essential framework of this is administration, which includes not only the administrative departments but services such as our judicial system, the Police, Prisons and Public Works departments, and the estimated cost of these in 1939 is £837,500, or approximately one-third of the recurrent expenditure. Social services such as medical and education will cost £437,000, or 17.6 per cent of our recurrent expenditure. The economic services such as Agriculture, Veterinary, Lands and Forests departments will cost £553,000, or 14.2 per cent of the recurrent expenditure. An exact distinction between these services is not easy to make. It is, however, true to say that we spend the same amount on social and economic services as we do upon what can be described as administration proper.

What are generally described as non-effective charges, that is public debt and pensions, will absorb, I very much regret to say, no less than £504,000, or 20 per cent of recurrent expenditure.

The recurrent costs of the defence heads amount to £111,000, or 4.5 per cent of recurrent expenditure. Self-balancing departments such as the Post Office will absorb £180,000, and the departments exclusively engaged in revenue collecting will cost £53,000.

I would call the special attention of hon. members to these percentages, because they are figures which require to be watched from year to year. It should obviously be our aim to keep down the proportionate cost of pure administration while expanding the proportions of social and economic services. Judged by this criterion, I cannot say that the Draft Estimates now before the Council show any marked improvement over those for the current year, although the proportion of administrative expenditure has been reduced from 34.7 to 33.8 per cent, while the proportion spent on social and economic services has been slightly, and that of defence more markedly, increased.

The current expenditure in the Draft Estimates now before Council shows an increase of £77,700 over the corresponding figure for 1938, of which £36,100 is under personal emoluments and £41,600 under other charges. Of the personal emoluments figure £14,400 is due to normal increments. There has been a small reduction of £1,500 as the net result of the various staff changes which are set out in detail on pages 16 to 22 of the Estimates Memorandum.

This leaves £23,200 for new appointments, of which £8,900 is accounted for by defence reorganization and expansion and £14,300 is spread over the civil departments. The last figure, on the face of it, seems a substantial sum, but when it comes to be analysed it will be found not to go very far towards the improvements which we should all desire if we could afford them. The larger share goes again to the Medical Department, but I must make it clear that we do not propose any alteration in the scope or character of existing services, and the three new medical officers provided for are necessary in order to enable the medical staff to carry out the work which the present hospital and health services impose upon them. The total increase under this department amounts to something over

(Mr. Lockhart) £13,000, and I can only repeat what has been said more than once in previous debates on this expenditure.

I propose, if I may, to repeat what was said on the introduction of the budget to this Council two years ago, and that in itself is a quotation of what had been said in the previous years. It is as follows:—

"The statistics of the number of natives who come for treatment are amazingly high; in some hospitals as many as two or three patients share a single bed. It is all to the good that the native is making more and more use of the services provided, but it all means expenditure and, quite frankly, I feel that in future expenditure on this Department may have to be considerably increased. Turning the sick away from hospitals and dispensaries is unthinkable, but dressings and drugs cost money."

That, I feel, Sir, is equally true in connexion with the Estimates now before Council.

Another item in the Medical Department for which provision has been made amounts to £1,225 in order to implement a scheme for central research for Eastern Africa. It is hoped that the other East African governments will co-operate in this, although neither the financial implications nor the administration of that proposal have, as yet, been finally accepted or agreed upon.

No additional staff has been provided under the Education Department, although a true increase of £8,500 appears under that head. This is largely due to normal increments and to commitments under the grant-in-aid schemes in respect of both Indian and African education. The latter includes an increase of £1,000 for secondary education in order that we may have candidates available to take advantage of the higher education which is to be provided at Makerere.

The true increase of £3,000 under the Agricultural Department includes two assistant agricultural officers, of whom one is required to assist in agricultural research work and the other for the sisal industry.

The Veterinary Department shows a true increase of £2,900, which includes a new veterinary officer, who is required in connexion with the administration of the Cattle Cleansing Ordinance, and also another bacteriologist.

The Forest Department shows a true increase of £1,600 against additional revenue of £4,300 and includes a new conservator of forests in order to ensure that a research officer is constantly available to deal not only with research in regard to cultural operations but also on the timber utilization side. This increase also includes £835, which is equivalent to 5 per cent on the revenue from forest royalties, as a grant for the development of the timber export trade. The exact machinery to make the best use of this amount has not yet been settled, although preliminary discussions have taken place with representatives of the industry.

The Acting Game Warden put forward a strong case for a larger staff, but it is not possible to provide for any expansion in that direction. Another department for which it has not been possible to do anything, although a genuine case admittedly exists, is the police.

A department which shows a large increase in the expenditure summary is the Secretariat, but on examination it will be found that the increase is an apparent increase and not a real one. It arises from the reorganization of the Central Government, and the reallocation of duties, which was carried out this year and which embraced the Treasury and Local Government, Lands and Settlement departments as well as the Secretariat itself.

No permanent increase has been provided for under the Administration head except for an additional labour officer, the necessity for which was recognized in previous debates in this Council.

Contributions from central revenue towards the expenditure of local authorities have increased by £3,700 and they now amount to a total of £113,000 a year, with every prospect of an annual growth for so long as the existing arrangements obtain.

Another head which shows an automatic increase and which will continue to do so for any length of time worth

[Mr. Lockhart] considering is that of pensions, which is up by a net amount of £10,000.

The increase of £3,300 under miscellaneous services includes £700 for the net administration expenses of the agricultural advances scheme, £750 for the net expenses of the Farmers Assistance Ordinance, and £800 for the employment of a full time secretary and other expenses in connexion with the Standing Board of Economic Development. I may say that the change has already been introduced and the secretary has already taken up his duties. (Hear, hear.)

Provision has been made for another staff surveyor as the first step in overcoming arrears in disposing of plans in the Survey Office, which is holding up land transactions to a dangerous extent.

Of the increase of £3,800 under "Inland Revenue Department," which is startling at first glance, £3,300 is due to the insertion of an item to provide for the refund of income tax collected in previous years. Actually, the establishment part has been reduced by one, although there is no financial saving owing to certain posts which were kept in abeyance this year.

The Postmaster General is anxious to improve the services his department renders to the public, but in view of the revenue position under that department it has been possible to include only very minor additions, and those mostly for training purposes.

No addition is made to the staff of the Public Works Department, nor was it asked for, but a geologist has been included who will work under the hydraulic engineer on a scheme for the development of water supplies for agricultural purposes, mainly in the direction of providing skilled advice.

There is one large item under the Public Works Department which I must regretfully call attention to, because it constitutes a serious blot on the budget. The demands upon the Revenue Estimates have been such that it has been found necessary again to suspend provision for contributions to the waterworks renewals fund, which ought to have received £14,000 next year. But the suspension has been made subject to an important

proviso, that if, when the accounts for the year 1939 are made up, it is found in fact that a surplus on the year is available, that the transfer of £14,000, or as much as is available, shall be made. Transfers to this fund are only book entries in the first instance, but I am sure hon. members will agree as to the desirability of taking from the surplus balance an amount necessary for renewals in the case of revenue earning services.

The maintenance votes of the Public Works Department for roads, bridges and buildings have been maintained at the 1938 level. It will not, I imagine, have escaped the notice of hon. members that, although we have increased the estimate of revenue from the petrol tax by £7,000 and from licences under the Traffic Ordinance by £2,000, we have made no increase in the provision for the maintenance of roads.

If this is the subject of criticism, and it might very reasonably be so, the answer is twofold. First and foremost, as the Estimates before you show plainly enough, money is required for other essential services and purposes, and secondly, Government has never admitted the principle or the obligation to provide for road maintenance out of revenue derived, directly or indirectly, from motor vehicles and their adjuncts.

No doubt there is much to be said for the principle of a road fund, and there is also much to be said for the application of specific taxation for specific purposes, but neither principle has been accepted or applied to roads, and it is obvious that there would be very grave difficulties in doing so in existing financial circumstances.

It will also be seen from the Public Works Extraordinary head that, except for provision in the way of machinery, very little or nothing is provided for capital expenditure on roads, either from revenue or loan funds. There are two types of capital expenditure on roads: one is to open up the country, and allow produce to be exported and trade to come in—such expenditure is wholly economic and is recognised as being so all over the world; the second (and in Africa it involves more formidable sums of money)

[Mr. Lockhart] is to raise the standard of road surfacing, and very difficult questions of economics and finance come into play. The problem is solved at the moment so far as we are concerned by the fact that we have no funds available, but Government has accepted the justification and necessity for a capital programme for the improvement of road surfacing, although Government's ideas as to the scale of such expenditure and the position it should take in relation to other requirements may differ from the views which have been mooted in certain quarters recently.

The steady application of road maintenance funds should normally, effect by itself a consistent improvement in the quality of the roads, but unfortunately the weight and speed of road traffic is constantly increasing, and unless in 1939 we have exceptionally favourable weather conditions I am afraid that I can hold out no hope that the state of the roads will so improve, taken as a whole, over their condition in 1938.

I would, however, point out that the total provision for roads, spread over the various heads of the Estimates, equals £163,000, which is no mean figure, and which represents 6.2 per cent of the estimated total revenue.

Hon. members may have noticed that I have referred in several instances to the "true increase" under departments. This is because, in accordance with a recommendation made by the Standing Finance Committee, a new head has been opened in the Estimates, named "Subventions." That is the term we have adopted from the Estimates of other colonies. Under this head, contributions which we are making to outside or extra-governmental bodies have been grouped.

This head contains little that is new. It comes to the somewhat formidable figure of £15,475. The transfer of the various items which compose it from other heads requires to be kept in mind when considering the increases under those heads as shown in the Estimates totals.

The figures regarding military expenditure were given to hon. members in Your Excellency's address, and information was also furnished in a sessional paper laid on the table last session. A further

sessional paper dealing fully with this matter will be laid on the table in the course of a few days.

So far as Kenya expenditure for 1939 is concerned, the position is, briefly, that we are faced with an increase of £12,450 for military recurrent expenditure and will provide from revenue £26,500 for rearmament, new buildings, and equipment.

Turning to other items of extraordinary expenditure £837 is included for extensions to Nairobi aerodrome, and provision is also made for more drainage at Kisumu aerodrome. Eldoret Municipality receive a special grant of £500 for roads; malaria and yellow fever control measures at Mombasa take £4,000, and £2,000 is included as a grant towards Nakuru War Memorial Hospital; £24,600 is included for capital expenditure for the Posts and Telegraphs Department; and I would again emphasize that that is provided from current revenue. The bulk of this, £15,800, goes towards the cost of the Mombasa automatic telephone exchange which it is hoped to have completed by the end of 1939 at a total cost of £25,700.

The programme of public works is of very modest proportions, £3,600 is included to continue the essential housing scheme at Kisumu, and £3,500 for military buildings at Nanyuki, which are already commenced; various water supplies £3,000, and £4,000 is included for road maintenance machinery.

The total provision for public works in next year's Estimates out of revenue is £22,000, and it is clear that a programme of this order will not get us very far. This fact must be faced that if future capital expenditure is to be restricted to amounts from revenue funds, we can finance only inadequate programmes, save in quite exceptional years.

The loan expenditure is included in Appendix P of the Estimates, but that can be disposed of in a very few words. It provides merely for carrying on the works already approved and, as explained previously in Council, when those works are completed the loan balance of the Colony will be virtually exhausted.

I have now, I think, touched on all the main aspects of the budget and a good many minor ones. Hon. members can console themselves for the dullness of the

[Mr. Lockhart] result by anticipation of something more lively to come at a later stage of the debate!

The main features of the budget, in my opinion, are that the Revenue Estimate has been placed at a total which is as high as can be justified in the light of our present knowledge. Secondly, that we have certainly not reached a stage at which we should be justified in drawing on our surplus balance, the available part of which amounts to little more than 10 per cent. of a normal year's revenue. If these premises are accepted, we are left with a sum of £2,618,000 to dispose of, and nothing more.

Whether the best use has been made of that sum in the Expenditure Estimates is a matter for Council to consider. It obviously allows for great differences of judgment, and suggestion too, but I would, in conclusion, express the hope, hackneyed though it may be, that we shall be guided in these discussions by considerations of what it is possible to do with prudence and with reasonable regard for future safety, and not merely by considerations of what may be desirable to do.

MR. HARRAGIN seconded.

MR. NICOL (Mombasa): Your Excellency, at the outset I want to make, it is quite clear that the remarks which I am going to make are not necessarily those of other elected members, who are in no way bound by what I am going to say, though some may agree with me and some may not.

In considering the Draft Estimates which are before us, one fully realizes the immense amount of time that must have been taken up in preparing them. Nevertheless, a surplus of only £509 merely proves the truth of the fact that, if you add up one column of figures and then another, and take the lesser from the greater, you do get a balance.

Quite frankly, I do not think you can call this budget a good budget, and if it is to be taken as a model which we can expect from year to year all I can say is that the outlook for this Colony is pretty grim. There are considerable disappointments in the budget, and at the same time

I consider there are items contained therein which should not be charged against revenue but which are undoubtedly a fair capital charge.

I would say here that I entirely agree that when you have got plenty of money the more we provide for out of revenue is all right. But we have not got a lot of money, and yet there are so many things which can be done to help us get more money that I do wish to stress this point with regard to what should go against capital and what against revenue. I have no doubt that I shall be told that my suggestions cannot be put into effect as not being in accord with the usual Government practice, but I submit that my suggestions will be accepted as sound commercial practice, and I have the temerity to suggest that commercial accountancy is possibly sounder than that of Government.

I fully realize that in criticising anything, sheer destructive criticism is a mere waste of time, but if to that destructive criticism constructive criticism can be added, some good may come out of the discussion.

With regard to the revenue, I do not think the estimated revenue is unreasonable, and I am glad it has been realized that the Customs Department cannot possibly expect next year what they received in 1937 or hoped to receive this year. We all know that we will be down on this year's estimates, but it is only fair to say that at the time the last Estimates were framed there was every reasonable hope of attaining them, but that was upset by the international situation. Nevertheless, we must be prepared in future for similar upsets, as in the general state of the world to-day it is becoming increasingly more difficult to find what are normal times.

Regarding income tax, I have heard it said that the estimate of £134,000 is on the high side. I do not think that is the case personally, though from the point of view of trade I anticipate there will be a shortfall, but with the lag which it is anticipated will come into next year, and improvement in certain other industries, I think there is every reasonable opportunity of obtaining the figure which has been given.

[Mr. Nicol]

With regard to the financial statement on page 9, I must say I am very glad to see the way it is set out and, if I may say so, it is definitely honest accountancy.

Coming to Revenue. On page 14, item 9, hospital fees, there is no alteration in what was estimated to be received during 1938. At the first session of this Council I asked a question of Government, as to whether they could see their way to reducing the hospital rates to unofficers, so that they could be reduced to a basis of capacity to pay in relation to the income of the individual. The reply I received said that a committee was being appointed at an early date to consider this subject.

I had hoped that the report of that committee would be in our hands, but I see no provision has been made in these Estimates to bring the hospital fees for the unofficial community on to a basis commensurate with ability to pay. I think you will agree that, in the interests of the Colony, when people are ill they should go to hospital where they will receive expert nursing and expert medical attention, but a lot of people in the Colony are really scared to go to the hospital because they are frightened at the high charges they will have to meet when they come out at the end of their illness, and that probably retards the recovery of a patient.

I will, however, pay tribute to the Revenue Department, which I always find very reasonable in this regard, for when they are presented with the case of a person unable to meet the high charges I have had definite experience that they either waive or reduce them to a figure the individual can pay, and that is and must be appreciated. But you will agree that it is an unsatisfactory procedure, because it savours too much of charity, and no man or woman with any self-respect wishes to live on charity, and no man or woman wishes to feel he is under an obligation to anybody or to Government.

It is therefore urgent, I think, that steps should be taken as soon as possible to place this question of hospital fees on a basis that will go away with the necessity of anybody going along and pitching a hard luck story.

I am not going into any detail regarding revenue, but I have got certain criticisms in regard to expenditure. In the first place, the Expenditure Estimates do not strike me that they reflect confidence on the part of Government in the possibility of giving improved service to the further exploitation of the possibilities of the country.

The first head to which I am going to refer is on page 25, relating to Mombasa and the coast district. Call it the diocese of Mombasa, because the coast district is administered by the Provincial Commissioner, Coast Province, and must not be confused with the parish of Mombasa, which is the job of the district commissioner.

The Coast Province is a very, very vast one, and the Provincial Commissioner of the Coast has an enormous amount of travelling to do there; then he has to come up here, and at the same time, in Mombasa itself, being part of the Protectorate of Mombasa, he has a lot of official entertaining to do. All this takes time, and it is only natural that, being away or absent from the coast, his work accumulates and, in my opinion, he has not really time to get down and think! (Laughter.) I was astounded to find, in making inquiries, that he has no shorthand-typist. I should hate to run a business without having a secretary. He has to draft everything himself, and he has not even got a sort of chief bottle-washer in the nature of a first or second tour district officer to do the donkey work.

I do urge that some relief be given him in order that he may spend more time in concentrating on schemes and for the advancement of native agriculture and the like.

Turning to page 38, it is a great disappointment to find here that provision has not been made for a number of additional agricultural officers. For four years now the Provincial Commissioner, Coast, has asked for an agricultural officer to be stationed at Taita—for four years this has been cut out. In recent discussions on development with the Mombasa Chamber of Commerce and Agriculture, the suggestion of this additional officer has been put forward, and Mombasa Chamber of Commerce is wholeheartedly

[Mr. Nicol] in support of such demand. I happen to know that this particular matter is very close to the heart of the Provincial Commissioner, Coast, and he is most anxious that no further delay takes place in regard to it.

Owing to the precipitous nature of the country, expert anti-erosion measures are needed. A good deal has already been done piecemeal by administrative officers and by the natives themselves, but an agricultural officer would increase the driving power and bring about concerted efforts. The hills would produce more vegetables for export to Mombasa for the shipping, and it is interesting to note that the natives from that area had recently been exporting to the coast up to 14,000 lb. of vegetables per month. An agricultural officer could stimulate that export still further, and organize grading.

Further, cotton at Taveta under irrigation gives a very heavy yield per acre, and even with the low prices it is well worth proceeding with. There, again, the activities of an agricultural officer would help to increase the crop, and at the same time the quality. Possibly the people in this country do not realize how valuable the Taveta area is, and I can only assume this lack of knowledge is due to exceptionally bad means of access or due to the wretchedness of the Mombasa-Nairobi road, which is a discouragement to all road travel.

Again, the very sadly neglected coastal belt since the war must be deplored by all. I am quite sure the fertility of that area is as good to-day as it was in 1913 or 1914. From the personal knowledge of one who has been in this Colony a great number of years, and with whom I was discussing it the other night, he tells me that the coast from 1904 to 1914 was an area of productivity which not only supplied its own food wants with an exportable surplus but was a factor in the export trade of the Colony. Mazera, Takaungu, Malindi, Lamu, all played their parts. The area produced maize to satisfy their wants and to export; to-day, the production of the coast maize is not enough to satisfy local demands. Black sesame seed, or simsim, was under cultivation for export, and Lamu was well known on the London

market for rubber. Rubber has fallen on evil days, but I believe there was a slight improvement of price recently, but there is no reason why other crops should not be persevered with.

In the old days the coast was the producing area of the Colony: why is not that the case to-day?

I understand that the local administration some time ago drew up a programme of development, which cannot apparently be brought into force because of lack of interest in the Central Administration. This is typical of the attitude towards the coast, and one we have complained of most bitterly in the past. All the energies are devoted to coffee, pyrethrum, maize, all very necessary, but we must increase production all round and tap every source at our command. The only way of increasing our revenue is by increasing our production, and that cannot be done without staff, and we have got to have the staff to stimulate agriculture at the coast, so that I do plead for more agricultural officers in that area.

My next comment is with regard to civil aviation, which will be found on page 41. I am very glad to see that provision has been made for the staffing and upkeep of the wireless and direction-finding stations at Mombasa, Kisumu and Nairobi and, with these aids to navigation, I think the time has come when wireless direction-finding apparatus should be made compulsory on all aircraft which carry more than a pilot and three passengers.

The journey between here and Mombasa and between Mombasa and the coastal ports can be very sticky indeed. So far, this Colony has been very lucky in that we have not had a serious accident to commercial aircraft operating in these parts, and the pilots flying these aircraft are deserving of the highest praise, and we should certainly congratulate the local company, Messrs. Wilson Airways, on their remarkably fine record. But because there have been no accidents in the past, that does not mean to say that there will be no accidents in the future, and anything that makes for safer flying I am all in favour of, and I do hope Government will consider that attitude. It may cost the

[Mr. Nicol] operating companies a little expenditure, but that cannot be helped.

Again, I hope that some encouragement can be given to South African Airways. I feel that steps should be taken to work in with the Union for, after all, we need in other directions their help and support.

There is another point which I should like to touch on in regard to civil aviation. I think it was a year ago, or it may have been 18 months ago, when a system of pilots having their movements telegraphed from one aerodrome to another within the Colony was instituted. As we have a postal union I should like to see also this system extended to the neighbouring territories. It is, in fact, in existence in Tanganyika and Tanganyika have arrangements with Zanzibar, but if I go from Mombasa to say, Tanga, or Dar es Salaam I cannot send a telegram from the aerodrome at Mombasa to Dar es Salaam, whereas when I leave Mombasa for Nairobi I can hand in a telegram at Mombasa and it is transmitted to Nairobi. If the whole thing can be brought into operation on one basis, and brought into line with the other territories it would be of invaluable help.

Finally, with regard to civil aviation, I should like to say a word about the capitalization of the extension of Nairobi aerodrome. It is in the nature of a capital work and I think it could be put to capital expenditure, but I am going to deal with that later.

If Your Excellency would like to adjourn at this moment for the usual interval this would, I think, be a suitable opportunity.

Council adjourning for the usual interval.

On resuming:

MR. NICOL: Your Excellency, I have got down as far as page 55 of the Estimates, Land Settlement. One is continually hearing complaints of the delay in obtaining surveys and such like. This delay cannot be laid at the door of the Commissioner of Lands who is starved of staff, and starvation of this type of staff is not, to my mind, economic, and I do urge that at least one additional surveyor and a forestry surveyor be included in this year's Estimates.

With regard to Military on page 65, our total increase in recurrent expenditure being only £11,000 should afford pleasure to us all. Quite frankly, I think we have been let off very lightly in view of the general situation, and I would like to tender my congratulations to Your Excellency for achieving your military plans at so small an increase. You have assured us in your address to Council that you are fully satisfied with the defence measures in the Colony and I would not dream of querying Your Excellency's judgment in this matter, knowing your vast experience of the past and realizing also that in a matter of such vital urgency Your Excellency would not spoil the ship for a ha'porth of tar. £108,000 is about 4 per cent of the anticipated revenue, and when we compare that with the percentage which is set aside on defence measures by England, India and elsewhere, I think we are very lucky indeed.

On page 67, the question of Miscellaneous Services. Very few people, particularly the town-dweller, appreciate the value of the Meteorological Department and the very valuable research which they have put in in the past. Their weather reports are exceptionally good and, I think, very helpful to the farmer, and they are certainly very accurate in regard to air travel, and the Director of Meteorological Services is very deserving of our warm appreciation of the difficult job which he has accomplished in building up a store of information which is really useful.

If you look at the budgets of other countries you will see that very considerably more money than is allocated to this department by Kenya, appears in their budgets and I hope the time will come, and soon too, when it will be also possible to extend that service here, and I hope that Government will not lose sight of that very important item. I must say that I am very sorry that the Statistical Department which used to be in existence has, I believe, been allowed to die out entirely.

Then, under Miscellaneous Services, I am very sorry indeed to find that no provision has been made in this year's Estimates for the setting up of a Department of Antiquities. This Colony is rich

[Mr. Nicol]

in sites of historical and antiquarian interest. There is nothing to prevent the practice, which is allowed to-day and has been followed in the past, of professors and amateurs and the like coming out from home or other countries, making a find and conducting research and going into the examination and exploration of these sites on behalf of institutions in England, and by their finds enriching the show-cases of the institutions that these people have come out to represent, to the detriment of the Colony. It is only natural that if a museum at home pays a man to conduct excavations in this country, anything he finds has to go home to the institution paying the individual in question. The result, in effect, is that the Colony is being denuded of its capital assets.

It would be very much better if archaeological research in Kenya were placed on a proper footing with the aid of legislation, and thereby ensuring that anything discovered in this country shall be preserved in a museum in this country where those interested in such matters, and there are very many, can come and visit Kenya and examine these specimens on the site. I do submit that monetary provision should be made for a department covering this type of work. I cannot interpret my suggestion as being one of extravagance.

I look on it entirely as one of investment, for not only will you conserve the capital of the country but you will also create additional interest as an attraction to visitors to the Colony. Ships lie in the harbour of Mombasa for two, three or four days, and passengers complain that there is nothing to do and nothing to see. It may be argued that this is up to Mombasa; the Mombasa Publicity Association are getting down to this question, but what I am dealing with at the moment are points of colonial interest as opposed to municipal interest which interests (the municipal interests) should be developed by the municipal authorities.

All steamship companies operating between Mombasa and South Africa are running excursions, and that tourist traffic is very definitely on the increase. The excursions, in order to connect with re-

turn ships and to fit in with the holiday period allowed in South Africa, allow passengers only, as I say, two or three days in Mombasa, and such passengers are not disposed to travel up to Nairobi by train in order to get barely twelve hours in the capital.

I do not suggest that you will recover the annual outlay by charging a shilling a head to visit the excavated sites—for instance, you would have to place watchmen there—but the indirect benefit accruing to the country would be very considerable indeed. It would give additional employment and this would mean additional spending power and an increase in the sale of petrol, and, touching on a more homely subject, I have no doubt that the consumption of beer would also be increased. But I shall deal with the subject of the tourist traffic later on.

In the meantime, I understand that in this country there is a scientist holding the very highest degrees, and I believe he is prepared for a fee of £1,000 a year for three years to undertake the excavation and preservation and cataloguing of the various sites of antiquarian interest. I understand that he knows of three hundred such sites but, naturally, he would have to concentrate at first on those sites which are of direct and immediate tourist interest. In that £1,000 a year would be included his salary and his expenses in the shape of labour and the like in helping him to conduct his inquiries. And I understand that his wife is a trained scientist and that she is also working with him. Added to that, a very great advantage is that he is a Kenya-born man. He knows this country and he knows the language, and to me it seems that he is the best person to be entrusted with this job at this stage any way. A stranger coming out would be faced with all sorts of local difficulties and so a considerable amount of time would be wasted.

The individual I have referred to has devoted a considerable part of his life to the study of the antiquarian sites of Kenya. I have no doubt that he may have possibly contracted enemies in the past but who has not? Personal likes and dislikes should be set aside when considering the development of a territory, and more

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attention should be paid to the qualifications and scientific degrees held by the individual. I do, therefore urge, and hope, that Government will take early and active steps to provide a Department of Antiquities, which I am perfectly certain will be very valuable indeed and will also save the country being denuded of very valuable capital assets.

On page 70 we have the Police Estimates. I have the very highest opinion of the police in this territory in general, and in Mombasa in particular, but there is no doubt that Mombasa is starved of sufficient police protection. The matter was recently very fully ventilated in the Mombasa Chamber of Commerce and formed the subject of discussion at a recent meeting when the report of a sub-committee appointed to investigate the matter was considered. It is true that at the end of 1937 the establishment in Mombasa was increased, and I am given to understand that a further increase of fourteen *askaris* was asked for originally; as far as I can make out the actual total increase is ten extra constables.

In Mombasa, we feel that in view of the importance of the town, and the considerable amount of money which is tied up in stocks in the town, we are entitled to adequate police protection.

I am leaving out entirely any consideration of a rising but, I am talking of police duties in so far as the population is concerned. A considerable amount of the time of the European personnel is taken up with immigration work, and this work is on the increase every week, and it is only in their spare time that they are available for their ordinary police duties. And I suggest that in view of the increase in air mails as well, it is a matter for a whole-time immigration officer who should be available for this work in the port town.

Now, with regard to the Public Works Department, pages 80 and 81, dealing with items 6 and 47. I am very disappointed to find that under this heading provision has not been made for a further assistant hydrographic surveyor. I think we ought to have an additional hydrographic surveyor. The importance of hydrographic survey in this country can-

not be emphasized too strongly. A fund has already been allocated for development in the coastal area, that was allocated some two or three years ago, but we have not been able to get on with the development because we are waiting for the water, and we have not been able to get on with the water because we have not been able to get hold of a hydrographic surveyor. I know that the hydrographic surveyor is more than occupied in areas up-country, but it seems ridiculous that the hydrographic survey of the country should be held up to this extent, and I say that at least one additional surveyor should be brought out to augment the staff. It is quite obvious that the hydraulic engineer and one assistant could never cope with the work which at present lies before them.

The Registrar General's Department, page 85, I observe that there is an increase in the vote for the Registrar General's Department, which I hope covers the provision of additional staff necessary for the more rapid treatment of insolvent estates. The delays that have been experienced have operated hardly against the commercial community and have caused the commercial community in many cases to accept compositions which have been unjust and at the same time unsatisfactory. I should like this matter to receive urgent attention.

In regard to subventions, item 11 makes provision for a grant to the Royal Agricultural and Horticultural Society of Kenya. In Mombasa next year there is being held the Mombasa Exhibition. This is the fourth of such exhibitions which it is hoped will far outshine the previous exhibitions, the last one of which was held last year. They have been outstanding successes, and each successive exhibition has shown a considerable increase and advancement over the last. In this regard credit is due to the Muslim Association, Mombasa, for the conception of the idea and we are duly grateful to them. They have the fullest support of the Mombasa Chamber of Commerce.

Last year the Agricultural Department put up an exceptionally fine show illustrating what is being attempted at the Coast. The stalls were given by the exhibition, but I am informed that the

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agricultural officers who came in to assist had to pay out of their own pockets their hotel and other expenses. Now, this does not seem right or fair. It is suggested that provision be made for £50 or £60 only in order that a comprehensive show of Coast products may be included in the exhibition which is to be held on the 22nd to the 25th August next year.

The usefulness of the exhibitions to the country generally cannot be gainsaid, and Your Excellency fully realizes this in that you are the patron of the shows. The financial responsibility of the shows is borne by the Muslim Association, Mombasa, entirely, and in the past it has been made possible through the generous charity of Capt. the Hon. Sir Ali bin Salim, but the charity can be terminated at any time. All other departments and all officials in Mombasa give very generous assistance and the fullest co-operation, and we are very grateful to them. I do hope that it will be found possible when this budget comes back to make this small grant.

On page 93 we come to Public Works Extraordinary, Items 1, 2, and 3, total £7,200, and turning to page 94, Items 8, 9, 11 and 12 total £8,500. I suggest that these are justifiable charges against capital and should not be included against revenue. Now we come down to Joint Services.

With regard to these, I should like to see in the Customs Department at least one additional examining officer placed in Mombasa. Considerable delay is being experienced in the clearance of goods. This is not the fault of the existing personnel, who are working extremely hard. There has been a very considerable tightening up in the Customs, and this naturally has meant a closer scrutiny of goods and documents. I was very glad to learn the other day that an individual had been heavily fined for a breach of the Customs regulations. I am quite certain that an additional examining officer would soon pay for himself by the additional revenue which he would be able to assess.

In the K.R.N.V.R. on page 102, I would say here, again, that this is an expenditure which I think, at any rate the Kenya proportion of it, could be well found out of

loan funds rather than from revenue, as the items concerned are of a capital nature and would certainly be capitalized in a business concern. With regard to the construction of, in Items 2 and 3 at the bottom of page 102 under the Extraordinary vote, "Magazine gun room and quarters" (actually it is a misprint as far as the gun room is concerned and it should read guard room), these items are small, but it is the principle I wish to establish in regard to capital expenditure.

I understand that to complete this unit another fourteen men are actually required. Whether or not, provision has been made. I do not know, but I understand it will cost only £350 a year, of which our proportion would be whatever the fixed percentage is. I am not quite certain myself what it is.

Dealing with the question of defence, Your Excellency said that gaps had to be filled up, not only in active but in passive defence. In regard to passive defence, I would suggest that there are not only gaps but wide open spaces to be closed. I think the work of the committee under the chairmanship of Mr. Hoeking deserves the fullest admiration for the exceptional results which they have achieved to-day. I refer to the Man Power Committee. The other day I was privileged to be given an insight into their office work and organization. It is incredible to me what they were able to achieve in the short time they had to get down to it, and it is a wonderful thought, when you look at it, to know that that work has been carried out by volunteers.

Nevertheless, the recent crisis through which we have passed has shown that in passive defence measures there is a lot to make up and to improve, and some of my remarks apply, of course, to Great Britain and everywhere else apparently.

I referred earlier to Your Excellency's satisfaction in the defence measures taken, but in closing up the wide open spaces and gaps to which I have referred, apart from those of the A.R.P., I should like to urge, as in the first session of the Council, that a Coast Volunteer Unit of Indians and Africans should be introduced, and I hope that before next year the necessary legislation will have passed through this Council.

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Might I put out the suggestion to the Education Department that, in regard to A.R.P. children of say fourteen years and over should have elementary first aid training included in their curricula? I understand that it is done in other parts of the Empire. While on the subject of A.R.P. in Mombasa, we are very appreciative of the work that the representatives of the medical profession did in that town, and their wholehearted response in giving their services to the instruction of classes in A.R.P. and the hard work they put in.

Before leaving the question of A.R.P., Your Excellency referred to the one organization it was necessary to form at that time, the Women's Emergency Organization. I think it only fit and would be the desire of all present, to pay special tribute to Lady Brooke-Pearson for the hard work and energy she gave to the formation of that body. (Applause.)

Now I come to the Posts and Telegraphs.

In regard to this particular vote, and the item of expenditure to be found on page 123, No. 4, for the Mombasa Exchange, £15,800, that to my mind is undoubtedly expenditure of a capital nature and should come out of loan. I also think the item of "Communications, extensions and improvements", No. 2 item, might also be found from the same source. Both items are massive sums, and depreciation could be charged against the department to reimburse loan funds.

While one appreciates the difficulty with which this section of Government is operated, I do realize they are doing their very best under difficult conditions, particularly in the matter of the staff they have at their disposal. Nevertheless, there are several criticisms fair and justifiable to levy against the department, and I hope urgent steps will be taken to lighten its financial organization.

There is no need for me to go into detail of the bitter complaints put forward due to inaccurate transmission of telegrams which cause us unnecessary expense. Quite frankly, I get rather tired when the Post Office, in reply to criticism, refer to the number of errors in

so many millions of words. This is only talk, and does not help the commercial community in any way at all. The Postmaster General assures us he is doing his best, and I have no reason to doubt this. Nevertheless, there is a vast amount of room for considerable improvement.

There is the question of deliveries in large centres like Mombasa and Nairobi. It is amazing that in this year of grace 1938 there is not a system of post office delivery within a radius of one mile from the post office.

There is a very important point which I want to deal with in the Posts and Telegraphs services, which again affects Mombasa, and that is the question of communications between Mombasa and Nakoba.

Before Imperial Airways inaugurated the speeded up Empire service, there used to be two mails a week from Nakoba, which is now reduced to one. During the coffee season there is considerable business done between Mombasa and Nakoba and, though the mail is not great, yet the sums involved are considerable. The absence of the additional mail is affecting trade generally, and Nakoba particularly, and it will be interesting to hear what additional funds would be required to give effect to the recommendations of the Mombasa community, for it seems to us that it is quite wrong for the Post Office not to be allowed to return services commensurate with their earnings because Government revenue from other channels needs augmenting.

We in Mombasa feel that the time is long past for the acceptance of excuses and the policy of being put off. We feel that the Post Office should insist on being allocated adequate funds to give services fairly efficient and which are expected of it. I am not criticising the staff of the Post Office. From my experience they are always most courteous, obliging and helpful, but I do criticize the system which causes considerable inconvenience, and I regret to say in some cases loss of money.

As regards the telephones, I have referred to Item 4, the new exchange, and when that is in place will go a long way to removing—and should remove—some of Mombasa's most bitter complaints.

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Another point which the commercial community feel very strong on is that the telephone should be extended through to Uganda with the least possible delay. The delay considerably handicaps commercial activity, and this was the subject of a resolution passed recently at the last session of the Associated Chambers of Commerce.

The items which I have suggested should be treated as capital and be placed against the unexpended loan balance amount to between £30,000 and £40,000. Let us call it £30,000 for the sake of argument. The unexpended loan balance at the 31st December, 1937, was £393,383. The estimated position up to 31st December of this year shows that a further £66,742 will have to be taken off the balance as at 31st December, 1937. That leaves a balance of £327,637. It is estimated that in 1939 there will be required £210,450, which leaves a balance of unspent loan of £117,187.

I suggest that these capital items to which I have referred, costing £30,000, should be placed against that balance, thus showing more than enough to cover the additional expenditure for which I have asked.

I said at the opening of my speech that if the budget presented this year is to be taken as a model of what we can expect in future, the outlook is pretty grim. The commercial community are very much perturbed at the apparent lack of initiative on behalf of Government in putting forward plans for development. They can, however, take some measure of reassurance from Your Excellency's most interesting address at the opening of this session, for it has undoubtedly demonstrated the fact that for the future of the country a development programme must be got on with.

The last thing I wish to happen is for it to be thought that I do not appreciate the efforts Your Excellency has made to advance this Colony. Your speech will be welcomed by all, and I would like to congratulate and thank you for the spade work which has been done and the concentrated thought put into all the develop-

ments and subjects you touched on in that speech. But there is a growing feeling that there is something very radically wrong with the system, or lack of system, of the Government machine. What gives more weight to this than anything else is the fact that we realize the component parts of the Government machine are not—what shall I say?—ditwits.

I have come to the conclusion that the root of the trouble must be the Colonial Office. I say that because I listened to the speech of Lord Harlech at the last Corona Club dinner, which was broadcast on an Empire transmission. To my mind, that speech or statement was to the effect that a colonial Governor was not allowed to think for himself and that the control and government of Crown colonies did, in fact, start and end with the Colonial Office. Members of the House of Commons were blamed for this policy, as Lord Harlech said they more and more demanded to know what was going on in the Colonial Government. One inferred that every point for decision, no matter how trivial, has to go home to Downing Street. That, I suppose, is one of the curses of telephones and telegrams, speeded-up air mails and the like.

But another aspect is, if what Lord Harlech said is fact—and I have no reason to disbelieve that statement—I do not consider it is a compliment to those distinguished men appointed as Governors in the Colonial Empire. I suggest that Colonial Office are far more fully occupied with questions requiring concentrated thought to make securer other parts of the Empire than to be concerned with the detailed government of this Colony. I have no doubt that they have had a very worrying time indeed in regard to Palestine, and I suppose that, because they are worried with that and consider it of more importance at the moment, the Secretary of State has decided that we out here must suffer in consequence.

I feel that this is clearly a case for self-determination and some local autonomy. After all, the man entrusted with responsibility of the governor of the Colony, as the representative of His Majesty the King, must carry with him the confidence

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of those who called him to encumber such high office. Surely, if he has that confidence, he must be trusted to discharge the duties of Governor to the very best advantage of the Colony over which he rules. After all, he is the man on the spot, and one of the axioms of that very eminent business man, the late Lord Inchcape, was "You must trust the man on the spot."

I submit that you, Sir, are far more capable of judging what is good or bad for the Colony than somebody in the Colonial Office, however conscientious he may be, sitting many thousands of miles away from the scene of discussion. I do, therefore, feel that very much more should be left to the man on the spot and while not advocating or suggesting self-government, yet until more power of decision is allocated to Your Excellency the advancement of the Colony is going to be immeasurably held up.

It is probably unique for a townsman to presume to express views on the subject of agriculture, but I am convinced in a country such as this that the time has come when the truth of the proverb that "He who watches sees more of the game" is possibly going to prove right. Let me not be misunderstood. The townsman, the commercial man, the box-wallah, can only exist if the country they are in is prosperous. It is therefore up to them to see that the country they have chosen to live in does prosper.

In the past, and to a lesser extent to-day, there has been a certain amount of antipathy or distrust of the townsman, and especially was that distrust directed to those of us who live at the coast. I wish I could dispel that mistrust, because we at the coast know that for the ultimate success of this or any other colony coast and upcountry must pull together and Government with them both. I therefore plead, as I have pleaded on many other occasions, for greater co-operation between all sections of the community.

During the last session hon. members on this side of Council fished the waters of agriculture for the fish of policy. They were disappointed, the very elusive fish dodged our cast. The debate was a very

full and wide one, and out of it we did get a bit of a rise from the cousin of the fish of policy. And I should like to say how pleased I was to listen to the wittle speech of the Acting Director of Veterinary Services. The impression left on my mind was "Here is a man right on the job, who knows what he wants". But of the big fish of policy we did not get a sign. I had hoped that Government would wade in and find the fellow for us, but I am still disappointed. I therefore presume to throw on our river of agriculture bait which may tempt the big fish to rise.

I look on Kenya and the whole of East Africa as one large estate, but I am dealing with Kenya only at the present moment, so let us assume that it is the extent of the area we have been sent to develop.

In effect, it is not unlike what I visualize England to have been round about the time of William the Conqueror, 1066 and all that! The big barons acquired vast acreages of land, and though in some instances they tried to develop that land themselves they soon realized that such was not a feasible proposition. What did they do? They got tenant farmers to do the work for them, and to-day in England and Scotland you will find tenant farmers of the same families even still working the land on a tenancy basis, or they or their ancestors have acquired the land they farm to-day from the big baron landlords.

One of the primary mistakes made in Kenya just after the war was the Soldier-Settlement Scheme which was badly conceived. (A member: No.) These ex-soldiers were induced to come out here and take up land. The farms they were to occupy were already allocated to them before they left England, and very few had any opportunity of seeing their future homes before their arrival. I only assume, from what I have been told, that the method employed in allocating farms was to take a map of Kenya and place over it a square of celluloid marked off in smaller squares, and they represented farms. I believe it is a fact that someone found he was occupying a farm on a spur of Mount Kenya!

[Mr. Nicol] and this can only be done by the development of hitherto undeveloped land and also the promotion of local subsidiary industries. The development of land is a matter which will have to be dealt with by loan, and I will talk about that in a minute. The development of local industries can well be left to private enterprise to find the capital. But it is only right that Government should afford to such local industries some protection for a reasonable period. The loss in revenue from customs would be found from other sources.

It is very obvious that from the statement of anticipated revenue no money whatever can be allocated for worth-while development. We are led to believe that Government have no agricultural policy. We have not received any report from the Settlement Committee. No provision has been made to enhance tourist amenities, and in order that all should receive the encouragement they require, it is quite obvious that a loan is necessary.

Before dealing with the aspect of a loan I want to touch upon the possibilities of tourist traffic. Tourist traffic in England is estimated to be worth somewhere in the region of £30,000,000 a year. Travel to-day is one of the big businesses in the world and there is no question that Kenya does not catch its fair share of this business. The reason is that nothing is done to encourage the tourist. In this country we have got absolutely ideal conditions to attract the globe-trotter. We have an excellent climate, wonderful scenery, big game hunting and a photographers' and artists' paradise, and nothing is done to attract people here. In fact, a lot is done to discourage them for the roads are just about as poor as they can be.

It is therefore, I think, essential that we should go far beyond the schemes of the Road Board which has, quite obviously, been terribly handicapped by the paltry sum on which they have been working. I have no doubt that the members of the Board feel, Sir, very depressed and they, I feel quite sure, realize the necessity of having excellent roads. We may still take a leaf out of the book of our friends to the north.

For the few years that the Italian influence has been felt in Abyssinia the Italian Government have created several hundreds of miles of first class roads, for they realize that without roads in a country such as Abyssinia and elsewhere development cannot progress. It may interest you to know that the Italians have a fleet of stream-lined motor buses running from Dire-dawa to Addis Ababa in nine hours—and this distance is approximately 300 miles.

I therefore urge to start with, that a road of a first-class nature should be built from the coast to the Lake, or to the Uganda border, and a further road be built from the Tanganyika border to the Northern Province. These roads will serve a double purpose—one strategic and secondly to help open up the country to prospective settlers and to tourist traffic. People would not mind travelling over 30 or 50 miles of mediocre roads such as we have to-day if they knew that they were able to complete the remainder of the journey on a decent road.

Again, I have touched earlier on the subject of antiquities. I have seen several letters from travel agents who organize world cruises by such steamers as the *Franconia* and the like. Mombasa has been cut out of their itinerary this year, mainly because there is nothing for the visitors to do in Mombasa that warrants the steamer being in even for a few hours. It is interesting to note that the number of visitors to Zimbabwe in Rhodesia has gone up to the large figure of 5,000. It has not stopped at 5,000 but is still on the increase, and there is no reason why we should not be able to get a similar increase in the tourist traffic to this country.

Again, I suggest the investigation of the possibility of creating a game sanctuary on the lines of the Kruger National Park or the one in the Belgian Congo. I should like to see one somewhere about 50 miles from Mombasa, at Malindi or in the Kisumu district. All this would be an encouragement to tourists. It would induce tourists to come ashore and spend their money. While we are delighted to see the tourists for themselves what we really want is the tourists' money.

[Mr. Nicol]

Development is essentially a matter of business, and business people should be consulted in this regard. The Associated Chambers of Commerce who sat recently have passed resolutions in regard to development. They naturally were looking at the whole question from the East African point of view, and I generally look at these matters from that point of view, but while I am speaking here to-day I am confining myself to Kenya where the very greatest possibilities of development exist. I maintain, they were handled in a commercial way.

I have heard of people talking of a loan of £500,000 or £750,000. My view is that this is of no earthly use at all. The Hon. Financial Secretary criticized my friend the Hon. Member for Uasin-Gishu at the last council as heroic when that hon. member expressed the opinion that £3,000,000 was wanted. I go much further. I say that the minimum amount that we want is £7½ millions or, better still, £10 millions. Unless we get a sum like that for development you are merely throwing money down the drain since you will only be able to scratch on the surface of possibilities. Somebody told me when I made that suggestion in another place that my ideas were fantastic. I do not agree. I am very pleased to find considerable support for the suggestion from not only commercial sources, but also from settlers and farmers.

I would draw attention to the fact that Signor Mussolini has made provision for £30 million, spread over a period of six years, to be spent on development in Abyssinia.

Now any loan of such a magnitude would have to be floated on a very long term basis, and naturally it would be uneconomic to call up that amount of money in one fell swoop, because it would take a number of years to spend such a sum. The difficulty in the past seems to me to have been that whenever a loan was required it took considerable time to get permission through to raise it. I therefore suggest that we should obtain permission to raise a loan of that sum and that it should be called up by instalments. It could be issued in units of £1 or £10, or called up 1, 2, 3, 4 or

more installments of each unit at a time. On the other hand, while having authority to call up that sum it would only be possible to call up say one or two million at a time at the most.

I do not anticipate having any trouble in obtaining subscriptions to a loan of that nature, carrying 3½ per cent interest or 4 per cent at the most, when you come to work out sinking fund, etc.

As I have said, the loan would have to be on a very long term basis with a clause permitting of a yearly reduction if found possible. I am fully aware that a loan of a million pounds costs about £40,000 or £50,000 a year. But I am not afraid of that cost as I feel certain that in the space of two or three years you will find, in increased development, a considerably greater accretion to the revenue of this Colony from the development of the country by such a loan. It would, of course, require to have the Treasury backing, and it is possible that for a few years the Colony would not be able to meet interest and sinking fund out of revenue and therefore it will be necessary to budget for a deficit for those two or three years.

I am not afraid of that because I think it would be justifiable and, after all we are looking to the future in this question. We are not looking for the results five years ahead. I am looking at it over a period of 25 or 100 years. By the expiration of the time of the loan, I consider that we shall not only be able to pay up all the interest and make provision for the sinking fund, but we shall have the indirect benefits which would contribute considerably to the general revenue. There is no scarcity among the investing public at home, and I do not think we should find it difficult to raise a loan of the magnitude I have suggested provided that it was fully understood and appreciated that the Colony was getting down to a proper plan of development.

Now, in support of that contention I am going to quote from the *London Times* of September 9th, 1938. This is a report of an interview which was given by the Secretary to the British Industries National Council, Mr. H. B. Bryant, the secretary to the Institution, to *The Times*:

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"Mr. Bryant explained that a committee of the Council had been considering for the greater part of the year what could be done by proper planning, and in home development would concentrate its efforts on persuading employers that new factories and offices were more economical than old ones.

The more difficult part, to which they would draw the attention of the Prime Minister, was that of overseas development which required special consideration in respect of finance, materials and labour.

The British Empire was the only really safe place for the investment of private capital to-day, and a much larger volume of it should flow from the City of London to the Colonies and Dominions than in the past. Governors of a number of these Colonies had repeatedly drawn attention to the need for expenditure on public works as the avenue of economic development. Good roads, linked to the railways and harbours, would not only open up more virgin territory for larger internal trade and employment, but would assist exports of the British cement, steel, motor and oil industries. Likewise the rapid expansion of flying called for more airports.

Transcontinental motor roads were also becoming as great a necessity in the Dominions as railways were in the past century, and if the roads were linked with the railways, the latter would benefit from the greater internal trade, and the demand for larger imports from Britain. The tourist traffic of each of the Dominions would also benefit.

Mr. Bryant then put forward as a suggestion that with the coming of the cruising holiday Newfoundland might be developed as a British tourist resort and influx of money in this way would help our oldest Dominion out of its economic difficulties.

Well, that is exactly the same here. If we increase the tourist traffic here we are going to get a tremendous amount of indirect revenue.

Mr. Bryant then continues that the solution of all these problems was dependent on the provision of an adequate supply of cheap money, backed by guarantees, and this was a point on which the Council intended to approach the Prime Minister:

"In this age of planning ahead a new outlook on Empire development was necessary. It might be possible to pass legislation in England if necessary to enable building societies to lend money for building overseas or to permit the creation of building societies for that purpose."

I wholeheartedly support Mr. Bryant's statement and I commend it to Your Excellency's close attention.

It is very heartbreaking for a young and struggling territory like this to see the large sums of money that are handed over by the British Government to other channels: Ireland was let off £100,000,000; we have given £10,000,000 to Czechoslovakia, and it looks as if we are going to give them another £20,000,000.

Turning back to the question of roads, once again this territory has spent vast sums on the development of the railway which has been protected sufficiently long now, in my opinion, and it seems ridiculous that the development of this country should be retarded by the lack of similar expenditure on roads to develop that form of transport.

I have touched upon certain aspects of development, but I do not visualize that development will be confined only to those points. Development in the native areas would have to go on, the ordinary medical research development and endeavours to improve the health and well-being of the African tribes, and—I particularly visualize this at the coast—the development of native areas, water service and also the conservation of the soil. I am only dealing with the broad principles now, and not in detail.

It is, therefore, very necessary that we make every effort to obtain a large loan and proceed on a sound basis of development. While on this subject I fully realize the amount of thought which Your Excellency and your Executive Council have given to this subject. Your Excellency has the advice of the Standing Board of

Economic Development to which, we are all pleased to learn, has been attached a permanent secretary (Hear, hear.)

I did suggest in a memorandum which I prepared some little time ago on development that perhaps a small committee, comprising a business executive from England, a business executive from out here, and a representative of agriculture and a secretary seconded from Local Government, might inquire into the whole question. I do not like commissions on principle. We have seen an awful lot in this country, and they have all successfully left the door open for another commission to sit on their reports. We want something far more definite, and far more conclusive.

I fully realize that, until the question of Tanganyika has been settled, there is bound to be some anxiety in the minds of the investing public over investments in this country, and it is therefore all the more necessary for the welfare of this Colony and of the East African territories generally that some firm declaration is made by His Majesty's Government as to what their policy is going to be. I cannot conceive in the light of previous definite assurances of His Majesty's ministers that we are, at this juncture, going to be let down or allow ourselves to be let down.

Therefore, I have no hesitation in advocating a loan on the lines I have outlined. It is a regrettable fact that the past history of this Colony has been embittered by political controversy. The time has come to drop politics and for commerce to raise its voice. Let us run this Colony on a commercial basis and achieve the prosperity we desire and, I submit, deserve. We want more vision displayed here definitely. We have been held up long enough, and I do hope the old motto *bado kidogo* is going to be dropped.

SIR ALI BIN SALIM (Arab): Your Excellency, I am ready to support the hon. member who has just spoken. There is no doubt that roads are needed very much in this country; for, as you know, the country will never become rich unless agriculture flourishes and is thickly popu-

lated. Without roads this will never happen.

I remember a former Commissioner, the late Sir Charles Eliot, made a valuable report thirty years ago to the Foreign Office, and he mentioned the same thing about roads. In the same report he mentioned about the railway. He said the country had not got a backbone. It is essential to have a backbone if we are going to develop this country and get it thickly populated.

I support the hon. member in his suggestions with regard to raising a loan.

MR. SHAMSUD-DEEN: Your Excellency, on a point of order, I have been in this Council for quite a long time, and I have never seen such a prolonged silence by hon. members. I propose, if no other hon. member wishes to speak, that the question be now put or that Council do now adjourn to give hon. members time to have their speeches typed. (Laughter.)

HIS EXCELLENCY: I would remind hon. members that if they want any questions answered on this budget they must speak and bring them up. It is no good asking Government members to reply now because there is very little to reply to.

LORD FRANCIS SCOTT: On a point of order, Sir, it is always customary after the European unofficial members have spoken for the Indian members to speak, and I understood this morning that they were going to do that. It is quite possible now for anyone to speak twenty minutes and to go on again to-morrow morning.

MR. COOKE (Coast): Your Excellency, I had not intended to speak so early in this debate, but now that I have got this opportunity perhaps I had better take it and say the few words I wish to say.

I would like first of all to take the opportunity of saying a few things about the administration of this country, with special reference to the annual report of the Native Affairs Department.

Last August, I addressed a question to the hon. Chief Native Commissioner concerning the native tribunals and the great extension of jurisdiction which had been

[Mr. Cooke]

given to them. I received a reply, in the breezy manner which the Chief Native Commissioner sometimes adopts, to the effect that he was quite satisfied that this extended jurisdiction was doing no harm and that the members of the native tribunals concerned were thoroughly *au fait* with the laws and Ordinances which they were called on to interpret.

Since then, I have come across an account, a record, of a meeting held at the Jeanes School last December at which a good many of the chiefs were present, all of whom were literate men except two. I think, they expressed the hope that the Native Authority Ordinance should be explained to them because they felt they were called on to interpret an Ordinance of which they had little knowledge. That seems to me to be a very distressing circumstance, that these native tribunals are called on to administer an Ordinance of which they have very little knowledge. If these literate chiefs have very little knowledge of the Native Authority Ordinance, what possible knowledge can those old men who comprise the tribunals have of the very complicated Ordinances they are called on to administer?

It would seem, therefore, that if this great extension of power were given the native tribunals, there would be a great increase in the number of criminal cases heard by them last year. One is not disappointed, because one finds in the Central Province that the increase in criminal cases in one year is nearly 70 per cent, that the increase in the Embu district is something like 500 per cent. That seems to me a very tremendous increase in criminal cases in one single year. It certainly is an extension of indirect rule which some of us who know something about it in theory and practice regard with a good deal of misgiving.

I notice, too, that the fines and fees in these native tribunal cases as regards hut tax cases are now paid into Local Native Council funds. It is a little surprising that the hon. Financial Secretary should, I think, have consented that these fines, amounting to a very considerable amount of money in a year, should be lost to the Treasury of this Colony. In the case of Meru it amounts to something like £500

or £600; it would not be any exaggeration to say that throughout the whole Colony it amounts to £2,000, which is a considerable sum of money to lose to the Treasury of this Colony, especially at a time when we are told that money is so difficult to find.

I also criticize the tendency to thrust all this law administration on these old men. It seems to me it is the proper duty of a district officer himself to hear these hut tax cases, because it seems very much as if the native tribunals are both prosecutors and judges. In this particular case that is not a very desirable thing. It seems to me it really amounts to farming out the tax to these native authorities.

I should like to support what the hon. Member for Mombasa said about the necessity of a loan for roads. I think, of course, that he is asking for a very large sum, but it does seem to me at a time when this country is faced with a certain prospect of depression that this is the time to try and spend and circulate money, because out of these loans a good deal is spent in the country in payment of native labour, materials and so on, all of which help the country in a time of depression.

I was very interested to see my hon. friend the Director of Public Works has drawn attention to the wastage of assets of this Colony as regards roads. While most of us in our ordinary private affairs try to use a certain amount of prudence, I think Civil Servants should use the same prudence in public affairs as in their own private affairs. Therefore I think it a very great mistake to allow these assets in the shape of the roads on which we have now spent thousands of pounds to be wasted because we have no means of renewing the material. I would strongly advocate the expenditure of money on public works such as roads.

I do not think I have any more to say except to support my hon. friend the Member for Mombasa in urging expenditure on roads.

The debate was adjourned.

ADJOURNMENT

Council adjourned until 10 a.m. on Tuesday, 8th November, 1938.

KENYA GOVERNMENT ARCHIVES

PHOTOGRAPHIC SERVICE

SECTION 7

CONTINUED ON

REEL No.

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KENYA GOVERNMENT ARCHIVES
PHOTOGRAPHIC SERVICE

SECTION 7

END

OF REEL NO. 9