

39770

28 AUG 15

EAST AFR. PROT

39770



Governor  
Belfield Conf  
77

EXPORT DUTY ON WILD RUBBER

1915

4th August

In view of existing circumstances asks if duty may be abolished altogether until trade improves or at least to reduce it to 4%. Understands Governor of Uganda is making recommendation in similar terms.

Last previous Paper.  
400  
28451  
right

~~instead of 4% folder.~~

The present position with regard to the export duty on rubber from E.A.P. and Uganda appears to be as follows:-

E.A.P. 10% ad valorem duty chargeable on wild rubber MANA.

Plantation rubber exempt.  
(There still remains the distinction, in theory at any rate, between rubber which is obtained from a plantation created in open land not in connection with the lease of a forest, and cultivated rubber not so obtained. 'Vide' 25234/12 E.A.P.)

Shawley cons to O.S. is

Next subsequent Paper

400  
44861  
right

Uganda

Uganda. 10% duty on wild rubber.

All plantation rubber, whether obtained from plantations established in connection with the lease of a forest or not, exempt.

E.A.P. now proposes either to abolish the duty on wild rubber and cultivated (not "plantation" rubber) altogether, or to reduce it to 4%. It is stated that Uganda is submitting similar proposals; but so far they have not been received.

The point to determine would seem to be, what duty could be charged without rendering the export of rubber unprofitable? There is no reason to abolish the duty, if a small export duty can be borne by the trader. On the other hand, to reduce the duty at all would have the effect of making the receipts so small as to be almost negligible.

The amounts collected during the last three years are roughly:-

1912-3.	£1100
1913-4.	£1000
1914-5.	£1000

This year's duty is estimated at £600 only.

I think, however, that it would be better

Apparently  
maximum  
4%

better to retain a small duty, even though <sup>(the returns)</sup> ~~it were~~ not appreciable, than to abolish the export duty altogether. It will be easier to increase an existing duty, when the industry is on a sounder footing and the prices of rubber are more favourable, than to reimpose one which has been dropped.

In the first place, ? send a copy of this des. to Uganda and ask for opinions, enquiring what would be the maximum duty which could be borne by the collectors <sup>with</sup> of rubber in that part.<sup>tc</sup>

A.C. 16/9/15

Wait for another mail to see if anything comes from Uganda.

at once.

H. J. R.

17/9/15

See now minutes on Rs Uganda  
44861

H. J. R.

18/9/15

39770



39770

GOVERNMENT HOUSE, 28 AUG 15  
NAIROBI.  
BRITISH EAST AFRICA.

~~AFRICA PROTECTORATE~~  
~~CONFIDENTIAL No. 77.~~

4th August 1915.

373

5132-20

Sir,

I have the honour to refer to Mr Harcourt's Confidential despatch of June 19th 1913 relating to the retention of the export duty on wild rubber and to enquire whether the matter may now be reconsidered.

2. The present price of this product is not such as to render its export profitable under the duty payable, with the result that the object of attaining the maximum benefit from the Protectorate Forests in the shape of revenue, which was laid down as a guiding principle by your predecessor, is not achieved and a useful industry is completely strangled.

3. I would venture therefore to ask whether in view of the existing circumstances it would not be considered possible either to abolish the duty altogether until the trade improves or at least to reduce it to 4%.

4. I understand that the Governor of Uganda whose views on the subject entirely coincide with my own is addressing you in similar terms.

I have the honour to be,

Sir,

Your humble obedient servant,

*Alawa Bepied*

GOVERNOR.

RIGHT HONOURABLE

ANDREW BONAR LAW, P.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET,

LONDON, S.W.

x No. 193 in Africa No. 998.

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*44861*  
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9770

For 9770/1915  
E.A.P.

374



5433 no.

ST

14<sup>th</sup> October 1915.

DRAFT.

E.A.P.  
(Confidential)

Sr. Mr. W. C. Beffield

[MINUTE. on 4/10/15]  
4/10/15

Mr. Cooper 13/10/15  
Mr. Bottomley 13/10/15

Mr.  
Mr.

- Sir G. Fiddes.
- Sir H. Just.
- Sir J. Anderson.
- Mr. Steel-Maitland.
- Mr. Bonar Law.

Ans. 4/13/15

I have the honour to acknowledge the receipt of your conf. despatch No 77

the 4<sup>th</sup> of Augt and to inform you that I approve of the report duty on wild rubber being reduced to 4<sup>p</sup> per ad salorem

A similar reduction has been approved in respect of rubber exported from Uganda; & it would

It would appear desirable, for the

34/5

purpose of securing additional  
uniformity, that the duty on rubber <sup>produced</sup> planted on land  
granted in concession ~~should~~ <sup>be</sup> remitted, as has been <sup>already</sup> done  
in the case of Uganda.

It would therefore seem  
advisable to repeal  
section 2 of Ord. no. XI  
of 1912, <sup>to</sup> restore the  
Table of Export Duties set  
out in the Principal Order  
to its original form  
for the reduction of the rate of duty  
from 10 per cent. to 4 per cent.

(which distinguishes between  
forest-planted rubber and  
other plantation rubber,

Law, 42

Donar Law

purpose of securing additional  
uniformity, that the duty on rubber planted on land  
granted in concession <sup>produce</sup>  
should be remitted, as has been <sup>done</sup> <sub>along</sub>  
in the case of Uganda.  
a forest concession

It would therefore seem  
advisable to repeal

section 2 of Ord. No. XI  
of 1912, <sup>to</sup> restore the

Table of Export Duties set  
out in the Principal Ord.<sup>s</sup>

to its original form except  
for the reduction of the rate of duty  
from 10 per cent. to 4 per cent.

(which distinguishes between  
forest-planted rubber and  
other plantation rubber,

Law, 42

UNION LAW