

IRCULATION: -

Mr.

Mr.

Mr.

Asst. U.S. of S.

*W. H. Shelley*

Perm. U.S. of S.

Perm. U.S. of S.

Secretary of State.

MAGADI SODA CO.

Refers to a statement by Sir Eric Geddes relating to the conduct of Mr A.W. Tait as Receiver and to Messrs Sutton & Manney's reported concurrence in views expressed with regard thereto. C.A.'s opinion was not sought in the matter and unless C.O. were consulted considers matter should be taken up.

Previous Paper

M.F. 15512

MINUTES

*I am sorry for the delay.*

*Mr. Tait did in fact ring me up. The matter was extremely urgent and I was not able - as I should have liked - to consult higher authority.*

*We concluded that it would not be fair to Mr. Tait to refer to Messrs a direct inquiry but I think that, while Mr. Sutton's views, given, only shed light on their knowledge of the matter as an authority.*

*used \$20. 2. June, 1915*

*h2*

Subsequent Paper

*W. H. Shelley*

...that Mr. Tait's action  
had been considered, and a  
conclusion formed, by the S. & S.  
by the firm in authority. There  
is no indication that the Directors  
gave that impression.

The exact formula was not  
decided upon, & that quoted by  
Mr. Bycard seems to be the clause.

Mr. Gold, Chairman of the new  
Company, has told me this week that  
the Judge is "bending" Mr. Tait in  
the matter of accounts, this is quite  
separate from Mr. Tait's advice to  
shareholders, I think that Mr.  
Gold (who from its convenience to  
our Company) regards it as a precaution.  
His attitude on the whole affair is  
unpleasant, that Mr. Tait had not  
taken notice of what Mr. Pennington

The only other Bycard is that  
Mr. Stine did consult the Co. but that  
the copy he gave was not represented  
as being the S. & S. or the CA

W. H. 30  
CS. 2/6/1

Grams: Advantage, Post, London.

Telegrams: Victoria 9040.

## DEPARTMENT OF OVERSEAS TRADE

(DEVELOPMENT AND INTELLIGENCE)

35, OLD QUEEN STREET,

LONDON, S.W.1.

Ref. No. F. 784

1st September, 1925.

*Handed in 22/9*  
*Woods*

Dear Bottomley,

You may care to see the memorandum which was drawn up by the Executive of the Association of East African Chambers of Commerce as a basis for the discussion on the Parliamentary Commission Report at their last Half-Yearly Meeting held a little while ago.

I do not know whether you have seen this because it was not published in the press, and I therefore send it to you.

Yours sincerely,

*W.H. Franklin*

*W.C. Bottomley*

W.C. Bottomley, Esq., C.M.G., C.B.E.

COLONIAL OFFICE.

In regard to Labour, the Association support the Commission's finding that recruitment is a matter for the employers and that the Government's only function is benevolent supervision in the interest of the native, but, at the same time, the Association do most heartily support the view of the Commission that the native must be taught by every legitimate means to become either a producer on his own account or an employee.

In regard to native development, the Association have always advocated expenditure on educational and medical services, but they are convinced that the most careful exploration of this question is necessary in order to avoid the evils of over-taxation in young Countries.

As regards Scientific Research, the Association are definitely of the opinion that the resources of the East African Dependencies are limited as regards supply of finance, and they trust that the establishment of an Imperial Development Board, as foreshadowed by Lord Balfour in the House of Lords, means that the Imperial Treasury will bear their share of the burden. The Association would point out in this connection that the United Kingdom stands to benefit by such work almost as much as the Colonies.

The Association have always considered the exploration of the Economic possibilities of East Africa as of the highest importance and, while welcoming the establishment of the Imperial Development Board as mentioned above, would point out that in the opinion of the Association the work of that Board could be largely facilitated by the establishment of a subsidiary Board in each Dependency charged with the duty of advising on matters of transport facilities, improvement of marketing arrangements, improvement of crop qualities and yields and Scientific and Economic research. It may be mentioned in parenthesis that this idea has already been adopted in some measure by the Government of the Tanganyika Territory.

Raffles Street,

2 June, 1925

Dear Eschiel,

I am sorry that I have not answered before your letter of the 17th April about the affair of A.W. Tait.

Mr. Oliver rang me up at the time and in the absence of higher authority to consult, we made the best of an urgent and rather delicate business. The answer to your enquiry therefore is that he did consult the Colonial Office but that the reply he gave was not represented as the view of the Secretary of State or of the Crown Agents.

Yours sincerely,

*(cc)*

MILBANK

10, WILMINGTON

LONDON, S.W.1.

17th April, 1925.

Dear Bottomley,

We noticed from a report in the Press of the 11th February, that Mr. Lighton Pollock appeared for the Crown Agents in the petition before the Chancery Division respecting the scheme of arrangement of the Magadi Soda Company. I believe that Lambert discussed the affairs of the Company with you some time back and that it was understood that Sutton, Emmanney and Oliver would work in direct touch with you, so that we have not been advised of the course of affairs.

I should, consequently, not have written to you on the subject had it not been that, in a speech at the meeting of the Dunlop Company, Sir Eric Geddes is reported, in the Financial News of the 4th April, to have said, in connection with the position of Mr. A. W. Taib as receiver for the Magadi Soda Company, that the Dunlop Board had submitted papers to

Mr.

Bottomley Esq., C.M.G.,

Mr. Clauson, K.C. and to the Solicitor-General for the Colonies, who appears in the litigation, and that "while of opinion that Mr. Tait was injudicious in one instance, Mr. Clauson gave it as his opinion - the Solicitor-General taking the same view - that there was nothing in Mr. Tait's conduct either dishonest or dishonourable."

It seems hardly probable that Sutton Osmanney and Oliver expressed this opinion on the conduct of the receiver without reference either to you or to us. We heard nothing about it, and unless you were consulted, we are inclined to think that the question should be taken up with them.

Yours sincerely,

*J. Beecher*