TT: H.F. 15th December 1925. MAGADI . SODA CO. TEMPORARY CESSATION OF OUTPUT Finds a letter from the Company setting forth reasons for their decision to discontinue output for a few months. Conours in www that it is desirable to shut down for the present. Labour at the Lake can be employed on construction work. Previous Pa MINUTES Trecoded my then with In Brushes on one ofthe rolling conjection to the The hold op is long to be diseful to the Ugenda Railway, so long as the don't suppose that reported of the fire tombary is of umand in tucks asing Them. The worky hunger is to pu bro I think his had beeth water " Les Helling has anjos : ? Zel: The the COL owing to the over to Subsequent Paper

Par with high and down Manage wie es & h., u.R. h. hanion cases 31 hay They are ich westift of the Coy's lacer sugar new would the G. Al + - is a look to alignating to the love hearing have 40 20.66 that on resemption beaut 6368/2litting him to his the Rationary will make every offert to in some them i reg k fulle that the Co could to great The the standy transport so the y with the my as the to doling to Consequents before 1 the Angers (Long 111 The I wend quester for the Essar (nos 31 out) nos then ich her Ohr hamist , andon Si A. and wing francis later who for my both with Con her charine broken and the 16/11/15 an advagamen til Argest during C15 17 12 Their has harrise with horsey & I fear I il shed up were There is no appears a the Chair 1. 12 . la die 1. west drovery. be many expendent the the dance Get ages to at the the hairs for consigning the prigot 50,000 tons he having meg with men fried and it would capture us to critician of we feel on the one amuraine of eccións working.

TELEGRAMS OFWART LORSON.

I.BROAD STREET PLACE, LONDON.E.C.2.

15th December 1925.

The Under Secretary of State, Colonial Office, S.W. 1.

56368

Sir,

At the request of Mr. Bottomley I have obtained from the Chairman of the Magadi Soda Co. a letter which I enclose herewith setting forth the reasons on which the Magadi Bosto decided to discontinue outputting soda from the Lake for a few months.

The Board have been energette in pushing the sales of Magadi Soda even though at times this has been replacement of orders which could have been supplied by Brunner Mond product and an endeavour was recently made to lighten the load of the Magadi stocks on hand by an arrangement made with the Brunner Mond agents in the different world centres by which they took over the Magadi stocks at their centres and paid cash for them.

The reduction in consumption of the product which has chiefly affected the Magadi Company in the case of Japan is, however, world-wide. I have the assurance of ir. Gold, the chairman of the Board and who is also a director of Brune. Mond, that the alkali makers both in this country, U.S.A. and the

Continent have been working below 75% of their full capacity for the last six months. The available figures of exports from 1 Great Britain bear out this statement and it is evident that disposal of our product up to the limits of our present output is for the moment beyond the powers of the Board. . As the depre sion in this trade is so general it wil; probably only be t emporary and I concur in the view that it is better for us to shut down while we are working off our accumulated stocks rather than continue to turn out a restricted product at an increased This is more advisable as we have a large amount of construction work going on at the Lake in which the labour force can be well employed thus completing this work with greater rapidity and avoiding the increased costs of additional supplies of temporary labour for the purpose.

I en Sir . Cour obedient servant,

Hyl 2 harrish

The Magadi Poda Company Timited

Winnington.

Northwich to Deo 1925

The Rt. Hon. L.C.M.S. Amery, M.P.,

H.M.'s Principal Secretary of State for the Colonies, London, S.W.1

Str

At the meeting of my Board held on the 4th instart, I found it necessary to report thetrowing to the depression in general trade conditions in practically all the markets of the world, the demand for Sois Ash has fallen conditionably itring the last six months. As a result of this, stocks in the various markets to which we ship have accumulated heavily, in addition to which our warehouse accommutation at Kilindini is nearly fall.

Japan - by far the best market for our product - has unfortunately been unfortunately been unfortunately been unfortunately been unfortunately product a particularly every depression, and from a cable recently received our Agents estimate they will not require another cargo before June. They have 60,000

tons of Sods Ash in those half of which has been furnished by this Company. South America and India are also carrying large stocks, and Australia, where we had hoped to develope substantial trade, has been set back by reason of the shipping strike.

MAGADI SODA CO. LIMITED. CONTINUATION SHEET

The position, therefore, is as follows:

We must close the works in January, or seriously reduce the daily production rate, as by that time all our warehouse accommodation will be full and it will be uneconomical to ship further cargoes to overseas markets to lie in godowns incurring heavy rent, and deteriorating through long storage. The Board therefore have decided to close town the Works for a period of three months from some time early in January. Our technical advisers tell us it is more economical to work the plant to its full unpacity with occasional stoppages than to run ateasify on a reduced sutput.

we have been manufacturing to the limit of capacity at the rate of 60,000 tons per annum for some months now, but we cannot maintain this rate in the present state of trade, is unfortunate that this should be so, but we can so longer hope to work at full dapacity under the present conditions of trade, and must submit to a reduction in output, which other manufacturers have for some months had to bear.

We trust this will not unduly inconvenience the Uganda Railway, and we are arranging for our Works Manager to

give them as long notice as possible of the stoppage he decides on so as to give them time to make their dispositions as to rolling stock, and to give similar notice of restarting.

We intend to use the labour force at the works on vitally necessary construction work, which will in fact be facilitated by a stoppage.

I am, Sir,

Your obedient Servant,

Chairman.

all Dator Ses Go Harding. . whowigh. RAFT (Coole) sel. 2 December anoli magan you have stand that award to the overses al of the unorloss regulates des for sylvent to surper so product for state many from a rafts

well comminate with Bly. Several manager. Aganda Mailway Secen 25 stempa. 28 December 1920 I am esc. to ach. the eccess of Jan Lesson of exc 18 th. of December and bourge regarding the observer of the magade Soda Boy Homes Judickon from the works and to the to you the accy. copy of a letter which has been addressed to the Coy. an the smatter. 9 am etc. 28 December 1925 I am etc. to ach. in receipt of your letter of the FITH. December in which you stake that, awing to the fall in the demand for

Sada ash, il has been from the Soy's works on there Harding. to a period of three months 2. The decision has been Camunicated the Fa thongs I the whi the general manager of the Mga da Rly; has been warned accordingly. 121- I am to add what the Secretary of State has no doubt Hat an the boy's deciding to remine production, the general manager

and mines acry Company We there to obtain speedy in adv blasure. so what they way say the agreed quota for the year enter the & October