



EAST-As. PROT

G.O.
3878

3 FEB 13

Gelfeld. 12

1913

9 Jan.

Instructions Paper

4495

Grogan Timber Concession

Conforms tel copies and submit memo by
Conservator of Forest summarizing case. Considers
that he propose this except that of the alternatives
expressed in his tel 25 Oct 1912 & that in default
the original rate of Rs 2 per tree will be reverted to.

Dr. J. F. Doder

Left Japan by boat at 5
the 2nd to return later personally
with the local authorities.

Inj: the ~~water~~ accordingly, +
that as they had left before the rest
of the ship, it was not possible to
communicate with him?

A. J. R.

5/II

Alouette

See ann 4425

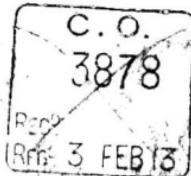
Partly
overcast

ST AFRICA PROTECTORATE.

No. 12.)

GOVERNMENT HOUSE,
NAIROBI,
BRITISH EAST AFRICA.

January 9th, 1913.



Sir,

With reference to your telegram of December 10th, 1912, on the subject of the Lingham and Grogan timber concession, and my telegraphic reply thereto dated December 19th, 1912, in which I stated that I considered it inadvisable to concede the point pressed by Mr. Grogan, I have the honour to transmit herewith for your consideration a memorandum which has been prepared by the Conservator of Forests in consultation with myself.

This memorandum summarises the whole case. It clearly exposes the fallacy of Mr. Grogan's assumption that the milled timber rate of Rs. 1.38 is equivalent to Rs. 2 per tree, and shews that the terms which have been offered to him are exceptionally easy. It comprises the reasons which cause me to offer strong objection to the grant

RE: RIGHT HONOURABLE

LAWRENCE MARQUETT, P.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON, S.W.

* N. 23317

No. 40160

-15078-20

grant of any further concession, and I confidently anticipate that you will be satisfied that those objections are such as should receive your support.

A. S. I am of opinion that a final communication should be made to Mr. Grogan to the effect that it is open to him to accept either of the two alternatives expressed in my telegram of October 23rd, 1912, without addition or variation, and that in default of acceptance of either the original rate of Rs. 2 per tree will be reverted to.

I have the honour to be,

Sir,

Your humble obedient servant,

H. C. Rowley, Brigadier

GOVERNOR.

* No 33537

In Dept. No. 12 Jan 9th 1913.

January 7th.,

8.

C.O.

3878

Linenham and Grogan Timber Concession.

On the 10th October I was accorded an interview ~~3 FEB 13~~
 with His Excellency when the subject of the basis of
 royalty payment by Mr. Grogan was discussed.

1. I informed His Excellency that there was no definite record in this Office of any promise having been given or implied that Royalty should be paid on milled timber and that to my personal knowledge Mr. Hutchins was always consistently opposed to the principle of Royalty being paid on milled timber instead of on the serviceable sawable timber in trees as they stand in the forest.

2. His Excellency requested me to state my objections to the principle of Royalty being paid on milled timber. The following objections were given:-

(1) The waste that occurs in cases where part only of the available timber is used and parts of boles, large limbs and the tops are left on the ground.

(2) The probability that trees thrown in an inconvenient lie would be left where they fall.

(3) timber used in the construction of corduroy roads, timber slides and similar works in the forest, and also hewn sleepers, fencing poles etc. would not pass through the mill.

In addition to these objections I may add that there is no security for Government for the payment of any Royalties in the event of timber felled but not passed through the mill being destroyed by fungus, or by insects.

insects or fire or other agencies; furthermore there is no obligation or inducement on the part of the timber sawyer to practice any economy in the handling of the timber.

4. His Excellency was fully alive to the objections and admitted that they constituted a substantial objection to the "milled timber" basis of calculation; on the other hand he was not satisfied after conversations with Mr. Hutchins in London and after reading ~~the~~ ^{sample} of correspondence on the subject in this country, that Mr. Gowan was not given reasonable ground for believing that the point would be conceded and therefore he proposed and I concurred in the proposal that the point should be conceded with such additional conditions as would safeguard the interests of Government in order to arrive at an early settlement of the question at issue.

Two concrete proposals were made and submitted to the Colonial Office by telegram on the 43rd October. These proposals were:-

a. That all timber declared by the Conservator of Forests to be merchantable should be taken to the depot and there measured and paid for at the rate of Rs.1.38 per 100 c. feet whether passed through the mill or not.

b. That all timber which is passed through the mill should be paid for at the rate of Rs.1.38 per 100 c. ft. and that all other timber which might be declared by the Conservator of Forests to be merchantable, but which is not to pass through the mill, ~~shall~~^{should} be measured by the Forest Department on the ground and paid for at the rate of Rs.2 per 100 c. feet.

His Excellency added that in the event of neither proposal being acceptable the original agreement of Royalty ~~was~~^{was} to be paid at the rate of Rs.1 per 100 c. feet must be reverted to.