

1933.

Kenya

No. 3015/3

SUBJECT

C0533/430

The Abyssinia - Kenya - Abyssinia-Ludan Frontiers.
- Situation at Hamusopus.

Previous

17062/22.

Subject

37005/2/27

Reports fishermen accompanied by escort of K.A.R. have been threatened by Abyssinian post reinforced by Merilla tribesmen at Namurupus and difficulty of situation may develop at any time. Trusts that instructions may be given to end constant hostile attitude of Abyssinians at Namurupus.

The position with regard to the occupation of Namurupus by Abyssinian troops is summarized in Mr. Priestman's note No.10A on 18065/32.

No 10
18065/32

In his report of a discussion with the Abyssinian Governor of Waji, the Provincial Commissioner of Turkana reports- "I regret to have to report that the meeting has left me with the firm impression that:- (1) and (2) the local officials, if not the Central Government, not only regard Namurupus as Ethiopian territory, but Todenyang as well, and have no intention of abandoning the former place unless driven out by force of arms." See also in this connection the letter from the Governor of Waji, flagged No.10 on 18065, in which he says - "On April 2nd I informed the British Consul by letter that the part of Namurupus and Todenyang, including some other countries, are within the territory under the Ethiopian Government. So the Ethiopian and English Frontier Commissioners will arrange it."

A copy of No.10 on 18065 was sent to H.M. Minister at Addis Ababa, and there the matter seems to end.

No 7
18065/32

I suggest that we write to the F.O., with reference to No.19 on 18065, ^{stating} the substance of No.1, and asking for Sir ^{John} ~~John~~ ^{Simon's} ~~Simon's~~ ^{obscure}. (I note in this connection that Sir S. Barton and Capt. Whalley, H.M. Consul at Waji, are both in England on leave.)

Chamberlain
21/7/33

The P.O. will certainly not wish to consult
Sir S. Barton, who will, no doubt, take
the same line as in 1931.

As per paper.

S. Barton

We can only do this: I would not send a copy of
the telegram as its wording might annoy the P.O.

V. E. W. Kent

27-7.

be giving substance
substitute for [] -
the effort urges strongly
that an end should be
made etc...

directed of asking
for obvious reasons
whether the top. F.O.
will be prepared now
to instruct Ch 2'af.
at Adis Abeba to
demand the withdrawal
of the Abyssinian
force at Namurapas.

accf 27.7.35

at all

2 To F.O. - Bonn. - 28/7/33 3
(M)

✓ 3 Foreign Office _____ 5 Aug 33
has copy of tel. to H.M. Representative at Adis Abeba
DESTROYED UNDER STATUTE
which has been taken into consideration in connection with
incident at Namurapas.

✓ 4 Foreign Office _____ 5 Aug 33
DESTROYED UNDER STATUTE
copy of tel. from H.M. Representative, Adis Abeba,
stating representations have been made to Government for Foreign Office
& that same are being sent but nothing was not to be interpreted with
holding conclusion of some new agreement on the subject.

No 3 & 4 are not for you, but
can hardly be considered as a
reply to para 3 of Aug 2
? fully. B/c is a photograph
if no further reply to No 2
occurs

C. J. [unclear]
7/8/33

S. Barton
V

V. E. W. Kent

19 Bonn

5 Foreign Office _____ 9 Aug 33.
Stated would prefer to postpone consideration of the
question whether the Ethiopian Govt should be requested
to withdraw from Namurapas as H.M. Consul at Addis is
at present on leave.

2. [unclear] copy of 2
2. Add. nothing para 3. x send office
9 2, 3, 4, 5 & with 5, 6 & 8. [unclear] of Conf
C. J. [unclear] 7/8/33

The P.O. will certainly wish to consult
Sir S. Barton, who will, no doubt, take
the same line as in 1931.

As proposed.

S. Barton

We can only do this: I would not send a copy of
the telegram as its wording might annoy the P.O.

V.E.G. 267
27.7.

be giving substance
substitute for [] -
the affor' urges strongly
that an end shd. be
made etc...

instead of asking
for obvious require
whether the hys. J.A.
shd. be prepared now
to instruct Ch. d'af.
at Adis Abeba to
demand the withdrawal
of the abysinian
post at Namurufes.

alcl
27.7.33
alwell

2 To F.O. - ^{21/4} Cons. - 28/7/33 3

✓ 3 Foreign Office 5 Aug 33
Hans. copy of tel. to H.M. Representative at Adis Abeba
DESTROYED UNDER STRAYVE
information taken & its results in connection with
incident at Namurufes.

✓ 4 Foreign Office 5 Aug 33
DESTROYED UNDER STRAYVE
copy of tel. from H.M. Representative, Adis Abeba,
stating representations have been made to officials for Foreign Office
& that same are being sent but nothing was not to be interpreted with
binding conclusion of some new agreement on the subject.

No 3 & 4. Are not for long to go, but
can hardly be considered as a
reply to para 3 & 4 of No 2
? fully. B/A ^{NAACP} in a previous
if no further reply to No 2
received

Col. P. ...
7/1933

S. Barton

28

V.E.G. 267

14 same

5 Foreign Office 9 Aug 33.
States would prefer to postpone consideration of the
question whether the Ethiopian post should be requested
to withdraw from Namurufes as H.M. Consul at Afjji is
at present on leave.

? ...
? ...
9 2, 3, 4, 5 & ...
Ch. ...

7.0. telephoned before sending this letter, and I
agree that nothing could usefully be done until
Capt. Whalley returns to Nairobi. (There is not
even an Acting Consul there at present, Kenya.
• The Sudan being each declined to second
anyone for the purpose).

? No proposal.

A. B. Stewart

11/8
11/8
11/8

16 To FO (5 ams) - 15/8/33

DESTROYED UNDER STATUTE

7 To High Com. (1-2, 3, 4, 5 ams) 7. 17 AUG 1933

8 Requisition 20 (40) - 2nd October 33

Enc. a draft tel. which it is proposed to send to
Addis Ababa giving instructions as to action to be taken in
connection with the situation at Namaropus.

I should like to see J. Byrnes. He does not
like the second sentence as the demarcation may
not come off for some time & he might like to
be sure to get the objections out before that.
The suggestion "will require further consideration"
for "will probably have to wait the
outcome he agrees."

X Dept. handle.

11/8/33

11/8/33
4.10.

9 To High Com. (2 ams) 20. 7 OCT 1933

10 O.A.S. Tel. 303 Conf - 10th Oct. 33
Suggest visit of J. D. McLean formerly District Comm.
Northern Rhodesia. Time of occupation of Namaropus would
be of value to Sir J. Byrnes given his address.

? As the telegram enclosed in dispatch
in M. P. will by now have gone,
there is no need to do anything about
it. No. 10. If further details are
received from Addis, awaiting further
discussion here.

? P.W. by.

12/10

7.0. tell me that they are sending us a
copy of the tel. as sent. When it
arrives, we can ack. No. 10 by
Air Mail dep., say that it arrived on
the eve of Sir J. Byrnes' departure for
the Colony, that he had already been
consulted on the subject of the occupation
of Namaropus, & that the enclosed tel.
to Addis was sent with his concurrence
(and enclose it).

J.P. comm.

12/10

11. Storage Office - 11th October 33
Trans. a tel. to H. M. Representative Addis Ababa giving
instructions as to action to be taken in connection with the
situation at Namaropus.

Dpr. L.P.S.
12/10

By air mail
18/10/33 12 To Kenya, Conf (w/crnel to H) 17 333
10 amended

15 Foreign Office _____ 26 October 33

Trans. a copy of a ltr. from S.M. Representative,
Addis Ababa regarding tribes officer being appointed to
the frontier.

14. A/General 126 Conf _____ 26 Sept 33

Reports further made by the Gulle in Turkana valleys
& incidents at Namurungu. Careless transport personnel
should be brought to book on the Ethiopian front & ensure
all their tribes on the frontier.

(Original report on 30/10/33 - copy report for record).

No. 12. Pp 2-4 deal with Namurungu.

The duplicate is for registered here for
recd only. Action can be taken on 30/11/33

No. 12. 1/10 & 1/11/33 12. 11. 12.

D. Davies 23/10

A. Davies
24/10

15 To Kenya, Conf. (w/c 13) A/1 19 NOV 1933

16. Foreign Office _____ 13th Nov. 33.

Trans. a copy of a despatch from H.M. Representative, Addis
Ababa, enclosing a copy of a note to Ethiopian Foreign Office
protesting against abdt. of Kibansari & Namurungu & suggesting
meeting in April next at Lake Rudolf.

A copy has gone to Kenya

? P.W. B.

R. Davies 22/11

A. Davies
23

27.11
above

17 To F.O. - (w/c 14) _____ 3rd Nov. 33.

(out on 30/10/33).

18 To F.O. - (w/c para 1 of 14 & 15 two inches) A/1A - 8 Nov. 33.

(out on 30/10/33).

19. Geneva Byrnes 175 Conf (A. Mail) _____ 20 Dec. 33

States position at Namurungu remains unsatisfactory,
further disturbances are expected in the neighbourhood of the
frontier & urgent measures be exercised on Ethiopian Govt to
establish firm administration on the frontier.

(Original on 23/08/34 - copy attached for record)

20 To F.O. - (w/c 19) _____ 20 January 34

(Draft on 23/08/34).

(M)

By air mail
18/10/33

12 To Kenya, Conf (w/c serial 11) 37
10 Amwood

(M)

15 Foreign Office _____ 26 October 33

DESTROYED UNDER SECTION 1

Trans a copy of a let. from S.M. Representative,
Addis Ababa regarding tribes of region being attacked &
the frontier.

14. A/General 1000 126 Conf _____ 26 Sept 33

Update further reads by the British on Turkana villages
& incidents at Namurhno. Consider strongest pressure
should be brought to bear on the Ethiopian Govt to remove
all these tribes in the frontier.

(Original sent on 20/10/33 - copy kept for record).

No. 10. Pp 2-4 deal with Namurhno.
The difficulties in the registered line for
re-visit etc. Action can be taken on 20/10/33

No. 10. 100 & 1000 126 Conf 26 Oct 33

Discovered 23/10

Admitted

15 To Kenya, Conf. (w/c 13) A/1 29 NOV 1933

16. Foreign Office _____ 13th Nov. 33. 5

Trans. a copy of a despatch from H.M. Representative, Addis
Ababa, enclosing a copy of a note to Ethiopian Foreign Minister
hostile against abdt. of Tukurari to Namurhno & suggesting
meeting in April next at Lake Rudolf.

A copy was given to Kenya

? P.W. B

Admitted 22/11

Admitted 23

Admitted 27/11

17 To F.O. - (w/c 14) _____ 3rd Nov. 33.

(sent on 30/10/33).

18 To S.O. - (w/c serial of 14 & 15 two copies) A/1 A - 8 Nov. 33.

(sent on 30/10/33).

19. Governor Byrnes 175 Conf (Am Mail) _____ 20 Dec. 33

State position at Namurhno remains unsatisfactory,
further disturbances are expected in the neighbourhood of the
frontier & urgent pressure be exercised on Ethiopian Govt to
establish firm administration on the frontier.

(Original on 23/08/34 - copy attached for record)

20 To F.O. - (w/c 19) _____ 20 January 34

(Draft on 23/08/34).

(M)

21. Extract from Headquarters N. Brigade K.A.R. 26th
Intelligence Summary for first quarter of 1950

See paragraph 304 of No. 14.
as regards the security of
the Turkana fishing. - We
then probably hear from the present
why special protection became
necessary in the case of these
190 fishermen.
? Put by
3/27/50

Monty
Foster

621

Extract from Headquarters Northern Brigade K.A.R.
Security Intelligence Summary for the first quarter
of 1950. Based on information up to 15th April 50.
(Dugan 22716/50 K.A.R.)

TURKANA EXTRA PROVINCIAL DISTRICT.

6. The Turkana fishermen about 190 in number who were
given temporary shelter inside the outer wire of FORT WILKINSON
were moved out on the 8th February for military and sanitary
reasons and are now established in a village about 200 yards
north of the fort. The sanitation of the village is super-
vised by the Officer Commanding Detachment 4th K.A.R. at
FORT WILKINSON.

Copy original on 23.08.34 / 1/34

7 19

GOVERNMENT HOUSE,

NAIROBI, KENYA.

20th December, 1933.

KENYA

NO. 178

CONFIDENTIAL

Sir,

I have the honour to refer to Mr. Moore's despatch No. 136 Confidential of the 26th September on the subject of murders of Turkana by Merille.

1. Details of the casualties suffered by the Turkana in the raid referred to in paragraph 3 of Mr. Moore's despatch have now been received from the Provincial Commissioner and are: At Todenyang on the 8th/9th September. Seven men, six women and twelve children killed.

At Loruth on the 8th/9th September: Four men, five women and one child killed.

At Moyed on the 8th/9th September. Three men killed.

The Provincial Commissioner reports that all the children captured in the course of the raid have now been recovered.

2. In regard to the report by the Ethiopian Representative that prior to this raid five Merille were killed by Turkana in Merille country, I am informed by the Provincial Commissioner that three Turkana have voluntarily confessed to these murders, which took place on about the 7th and not the 1st September, as stated in Mr. Moore's despatch.

The Turkana concerned claim that their action was provoked by the fact that they had received information of the intention of the Merille to raid south of Todenyang.

These

Copy to S. O. (70)

Copy original on 23025/1/34

7 19

GOVERNMENT HOUSE,

NAIROBI, KENYA.

29th December, 1933.

KENYA

NO. 175

CONFIDENTIAL

Sir,

I have the honour to refer to Mr. Moore's despatch No. 136 Confidential of the 26th September on the subject of murders of Turkana by Merille.

1. Details of the casualties suffered by the Turkana in the raid referred to in paragraph 6 of Mr. Moore's despatch have now been received from the Provincial Commissioner and are:

At Todenyang on the 8th/9th September. Seven men, six women and twelve children killed.

At Loruth on the 8th/9th September: Four men, five women and one child killed.

At Nyeri on the 8th/9th September. Three men killed.

The Provincial Commissioner reports that all the children captured in the course of the raid have now been recovered.

2. In regard to the report by the Ethiopian representative that prior to this raid five Merille were killed by Turkana in Merille country, I am informed by the Provincial Commissioner that three Turkana have voluntarily confessed to these murders, which took place on about the 7th and not the 1st September, as stated in Mr. Moore's despatch.

The Turkana concerned claim that their action was provoked by the fact that they had received information of the intention of the Merille to raid south of Todenyang.

Yours

THE RIGHT HONOURABLE
MAJOR SIR PHILIP CURLIFFS-LISTERS, P.C., G.B.E., M.C., M.P.
Secretary of State for the Colonies,
Downing Street, London, S.W.1.

Copy to J. C. (70)

These Turkana are now in custody.

There are at present no indications that any action has been taken by the Ethiopian authorities in respect of the Merille responsible for the raid.

4. The position in regard to Mamurapus remains unsatisfactory. Haile Marian arrived at the post on the 5th October, but did not assume charge. He left again for Maji before the end of the month. The Provincial Commissioner now reports that Gabbre Marian has also left, and that Hapte Walde remains in charge.

Hapte Walde was the official in charge of the post on the occasion of the incident of the 19th July referred to in paragraph 2 of Mr. Moore's despatch, when he admitted his complete inability to control the soldiery under his command.

In this connection I enclose copies of telegraphic correspondence with His Majesty's Minister at Addis Ababa.

It is to be expected that in these circumstances further disturbances in the neighbourhood of the frontier may take place, and it will be appreciated if you will urge upon the Foreign Office the necessity for continuous pressure being exercised on the Ethiopian Government with a view to immediate steps being taken to establish a firm administration on the frontier in anticipation of the meeting with the Governor of the Maji Province envisaged in the Foreign Office telegram enclosed in your Air Mail confidential despatch of the 17th October.

5. I take this opportunity, in compliance with the instructions contained in Lord Bessfield's despatch No. 645 of the 18th July, 1930, to place on record the following further murders of Turkana by Merille which have inadvertently been omitted from previous reports:-

(1) 21st July, 1931. Two Turkana men killed and three wounded on the Kenya-Sudan boundary.

- (ii) 10th August, 1931 Two Turkana men killed on the Northern foot hills of Mount Lebur in British territory.
- (iii) 11th August 1931. One Turkana man killed in the same area
- (iv) January 1932. One Turkana killed and two flocks of goats estimated at between eight hundred and a thousand head stolen at Kngalla in Sudan Territory.

In addition the following cases of theft of stock not involving loss of life have occurred:-

- (a) 13th January, 1931 Thirty seven donkeys stolen at Loavenusur on the Kenya-Sudan Boundary.
- (b) February 1931. Twenty-eight donkeys stolen at Latome on the Kenya-Sudan boundary
- (c) March 1931. Sixty-three donkeys stolen at Latome on the Kenya-Sudan boundary. Of these forty-nine were subsequently recovered through the Ethiopian authorities.
- (d) January 1932 Twelve donkeys stolen in British territory
- (e) April, 1932. Eight camels strayed into Merille country and were not recovered.
- (f) September, 1932. Eight camels stolen in Sudan territory.

6. A copy of this despatch is being sent to His Majesty's Minister at Addis Ababa.

I have, etc.

(Sgd) J.A. Byrne,
Brigadier General,
Governor.

- (ii) 10th August, 1931 Two Turkana men killed on the Northern foot hills of Mount Labur in British territory.
- (iii) 11th August 1931. One Turkana man killed in the same area
- (iv) January 1932. One Turkana killed and two flocks of goats estimated at between eight hundred and a thousand head stolen at Kangalla in Sudan Territory.

In addition the following cases of theft of stock not involving loss of life have occurred:-

- (a) 13th January, 1931 Thirty seven donkeys stolen at Loawanumut on the Kenya-Sudan boundary.
- (b) February 1931. Twenty-eight donkeys stolen at Astome on the Kenya-Sudan boundary
- (c) March 1931. Sixty-three donkeys stolen at Astome on the Kenya-Sudan boundary. Of these forty-nine were subsequently recovered through the Ethiopian authorities.
- (d) January 1932 Twelve donkeys stolen in British territory
- (e) April, 1932. Eight camels strayed into Merille country and were not recovered.
- (f) September, 1932. Eight camels stolen in Sudan territory.

6. A copy of this despatch is being sent to His Majesty's Minister at Addis Ababa.

I have, etc.

(Sgd) J.A. Byrus,

Brigadier General,
Governor.

Telegram to Prodrone, Addis Ababa.

Despatched 27th October, 1933.

No.364. Reference Foreign Office telegram No.61(R) of 9th October. Provincial Commissioner reports Haile Mariam arrived Namurupus 5th October but has left again for Meji. Gabre Mariam leaves beginning of November and Hapte Walde will be left in charge pending Gabre Mariam's return. Grateful you telegraph intentions of Abyssinian Government.

Acting Governor.

Telegram from Broadmead, Addis Ababa to His Excellency the Acting Governor, Nairobi.

Despatched 6th November, 1933.

Received and typed 7th November, 1933.

Your No.364. Whole question of affairs concerning neighbourhood of Rudolph is under consideration by the Abyssinian Government and Minister for Foreign Affairs cannot at present tell me what intentions are.

No.32 Broadmead.

Telegram to Prodrome, Addis Ababa.

Despatched 27th October, 1933.

No.364. Reference Foreign Office telegram No.61(R) of 9th October. Provincial Commissioner reports Haile Mariam arrived Namurupus 5th October but has left again for Meji. Gabre Mariam leaves beginning of November and Hapte Walde will be left in charge pending Gabre Mariam's return. Grateful you telegraph intentions of Abyssinian Government.

Acting Governor.

Telegram from Broadmead, Addis Ababa to His Excellency the Acting Governor, Nairobi.

Despatched 6th November, 1933.

Received and typed 7th November, 1933.

Your No.364. Whole question of affairs concerning neighbourhood of Rudolph is under consideration by the Abyssinian Government and Minister for Foreign Affairs cannot at present tell me what intentions are.

No.32 Broadmead.

In any further communication on this subject, please quote

No. J260/25/1.

and address—not in any person by name, but to—

"The Under-Secretary of State," Foreign Office, London, S.W.1.



THE Under-Secretary of State for Foreign Affairs presents his compliments to the Under-Secretary of State for the Colonies and, by direction of the Secretary of State, transmits herewith copy of the under-mentioned paper.

Foreign Office,

13 November, 1933.

Reference to previous correspondence:

Foreign office letter No J260/25/1 of 16 October, 1933.

Description of Enclosure.

NO 13

Name and Date.

Subject.

From H. H. Representative,
Addis Ababa.

No 173.

13 October, 1933.

Kenya-Algeria frontier relations.

Similar letter sent to

In any further communication on this subject, please quote
No. F2160/35/1.
and address—not to any person by name, but to—
"The Under-Secretary of State," Foreign Office, London, S.W. 1.

RECORDED
14 NOV 1933
O. O. REGY

16
11

THE Under-Secretary of State for Foreign Affairs presents his
compliments to the Under-Secretary of State for the
~~Colonies~~ and, by direction of the Secretary of State,
transmits herewith copy of the under-mentioned paper.

Foreign Office,
13 November, 1933.

Reference to previous correspondence:

Foreign office letter No F2160/35/1 of 16 October, 1933.

Description of Enclosure.

NO 13

Name and Date.	Subject.
<p>From Mr. P. P. ... Add'l ... No 173. 13 October, 1933</p>	<p>Key to Algeria frontier relations.</p>

Similar letter sent to

COPY

(J 2637/36/1)

No. 173(29/114/33)

His Majesty's Chargé d'Affaires at Addis Ababa presents his compliments to His Majesty's Principal Secretary of State for Foreign Affairs and has the honour to transmit to him the under-mentioned documents.

British Legation,

Addis Ababa,

15th October, 1933.

Reference to previous correspondence:

Addis Ababa telegram No. 79 of 12th October, 1933.

Description of Enclosure.

Name and Date.

Subject.

To Acting Ethiopian Minister for Foreign Affairs

No. 104 of 15th October, 1933.

Kenya-Ethiopian frontier Affairs.

Also sent to Nairobi No. 32.

COPY

(J 2637/36/1)

No. 173(29/114/53)

His Majesty's Charge d'Affaires at Addis Ababa presents his compliments to His Majesty's Principal Secretary of State for Foreign Affairs and has the honour to transmit to him the under-mentioned documents.

British Legation,
Addis Ababa,

13th October, 1953.

Reference to previous correspondence:
Addis Ababa telegram No. 79 of 12th October, 1953.
Description of Enclosure.

Name and Date.

Subject.

To Acting Ethiopian Minister for
Foreign Affairs
No. 104 of 13th October,
1953.

Kenya-Ethiopian frontier
Affairs.

Also sent to Nairobi No. 32.

Addis Ababa.

October 13, 1933.

Sir,

When I had the honour to discuss with Balatengheta Herui on 19th July certain matters connected with the frontier in the neighbourhood of Lake Rudolf I suggested to him that with a view to avoid all possibility of friction in that region it would be preferable if the proposed appointment of Fitourari Gahre Marian as Ethiopian representative at Hamarapuz should be stopped. Balatengheta Herui promised that my request would be borne in mind when his Outline submitted to the central Government for approval the ~~list~~ of appointments which he proposed to make. In this connection I should mention that Sir Sidney Barton made a similar request to Balatengheta Herui in the presence of the late Governor of Kaji early in January last, and the latter promised that he would not send the Fitourari to Hamarapuz.

2. These requests made by Sir Sidney Barton and myself were based on the knowledge of the unsettling effect caused by previous contact between Fitourari Gahre Marian and tribesmen on both sides of the frontier.

3. According to recent reports received from the Governor of Kenya it appears to be unfortunately the case that conditions in the neighbourhood of Lake Rudolf are unsettled and also that in spite of the requests that have been made Fitourari Gahre Marian is installed at Hamarapuz. In view of the repeated assurances that I have been given of the desire of the Ethiopian Government to have good

/relations

His Excellency

The Acting Minister for Foreign Affairs
of the Ethiopian Government.

Relations on their common frontiers with territories under British administration I trust that the question of terminating the appointment of Pitsurari Gahy Marjan will receive serious consideration.

4. I have further been instructed by His Majesty's Principal Secretary of State for Foreign Affairs to revert to the question of a meeting at Lake Rudolf between representatives of the Government of Egypt and His Detache, the Governor of Hajl, at which numerous matters affecting relations in this region of the frontier would be discussed. Such a meeting was to have taken place early this year but owing to the change in governor it was not possible to arrange it. His Majesty's Consul at Hajl who would accompany His Detache to the lake will be returning to his post from leave about the end of February and His Highness has accordingly instructed me to suggest that the meeting should take place at the lake not later than the first week in April next. In the light of the serious view which His Majesty's Government take of the failure of the Ethiopian Government to control their tribes in the neighbourhood of the lake I trust that Your Excellency will be able to give me an assurance at an early date that the meeting will be able to take place as desired.

I avail myself of this opportunity to render to Your Excellency the expression of my high consideration.

Relations on their common frontiers with territories under British administration I trust that the question of terminating the appointment of Pitourari Gaby Marian will receive serious consideration.

4. I have further been instructed by His Majesty's Principal Secretary of State for Foreign Affairs to revert to the question of a meeting at Lake Rudolf between representatives of the Government of Egypt and His Majesty's Government of Haja, at which numerous matters affecting relations in this region of the frontier would be discussed. Such a meeting was to have taken place early this year but owing to the change in governor it was not possible to arrange it. His Majesty's Consul at Haja who would accompany His Majesty's Consul to the Lake will be returning to his post from leave about the end of February and Sir John Simon has accordingly instructed me to suggest that the meeting should take place at the Lake not later than the first week in April. In the light of the serious view which His Majesty's Government take of the failure of the philippian Government to control their tribes in the neighbourhood of the Lake I trust that Your Excellency will be able to give me an assurance at an early date that the meeting will be able to take place as desired.

I avail myself of this opportunity to render to Your Excellency the expression of my high consideration.

City Organisation 3015/1/33
Kenya

14
15

KENYA.

No. 136.

Confidential.

Government House.

Nairobi.

Kenya.

26th September, 1933.

Sir,

In continuation of my despatch No. 89, Confidential, of the 30th June on the subject of murders of Turkana by Merille, I have the honour to inform you that on the 29th June a further Merille raid on a large scale was made on the Turkana villages at Adingaton, the scene of the original murders reported in my despatch, in the course of which seventeen Turkana were killed and a considerable number of stock captured. The raiders were intercepted North of Loisienaton on their return by mechanised troops who inflicted losses the numbers of which are not definitely known, but which are estimated at between twenty and thirty. Owing to mechanical trouble with the lorries engaged the troops were unfortunately unable to recover the captured stock. No casualties were suffered by the troops and it was reported on the 5th July that the Merille had retired towards the Abyssinian frontier.

Two reports by the Officer Commanding the Northern Brigade covering both phases of the operations against the Merille are enclosed.

2.

THE RIGHT HONOURABLE
MAJOR SIR PHILIP CUNLIFF-LISTER, F.C., G.B.E., M.C., M.P.
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON, S.W.1.

2. You will be aware from my telegram No.142 Confidential, of the 21st July, that on the 19th July, probably as a result of these operations, there was renewed interference with the Turkana fishing at Tolpen beach.

On the 6th July a report had been received from Lokitsung that the Abyssinian representative at Namurapus, one Balambaras Tibabu, had informed the Provincial Authorities that he wished the Turkana fishermen not to go to Tolpen beach as the Merille refused to permit them to enter "Merille country". It was in consequence arranged by the Civil and Military Authorities that fishing should take place under military escort, with the results already reported in my telegram referred to above.

In this connection copies of the marginally noted telegraphic correspondence with His Majesty's Charge d'Affaires at Addis Ababa are enclosed, together with a copy of Mr. Broadmead's despatch No.26 (29/90/33) of the 11th August.

3. In the meantime Fitaurari Gabbra Wariaw, who is reputed to be hostile, had assumed charge of the Abyssinian post at Namurapus and, at a meeting with the District Officer, Lokitsung, had offered to guarantee the security of the Turkana fishing at Tolpen. I authorized fishing to proceed on these lines provided

the

No.241 of 21.7. to Addis Ababa.
No.25 of 28th July from Addis Ababa.
No.255 of 4th August to Addis Ababa.

No.296 of 21st August to Addis Ababa.

No.27 of 22nd August from Addis Ababa.

the Provincial Authorities were satisfied with the offered guarantee, but at the same time I instructed that under no circumstances must any agreement be entered into which could in any way suggest an admission that the Abyssinians have any right to prevent fishing or that this Government recognizes their right to occupying Namurupus.

4. Fishing on the lines arranged recommended on the 29th July, and I enclose a copy of a report by the District Commissioner, Northern Turkana, which gives details of the negotiations which took place with the Abyssinian representative.

Indications were that for the time being the situation was normal, but doubts were expressed by the Provincial Authorities as to the genuineness of the Fitaaurari's attitude.

5. On the 9th September a report was received that a number of Turkana had been killed by Merille on the night of the 8th September one thousand yards south of the King's African Rifles' post at Todenyang and in Kenya territory. Later reports show that in this raid seven men, six women and twelve children were killed and mutilated and two children captured, and that some hours later another party of Merille killed four men and six women and captured three children.

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The Abyssinian representative has reported that prior to this raid five Merille were killed by Turkana on the 1st September at Natade in Merille country.

A final report on these incidents has not yet been received, but from the evidence at their disposal the Provincial Authorities are doubtful of the genuineness of the Abyssinian allegation.

The Provincial Commissioner is now at Lokitaung and you will be informed further when his report is received. The instructions which have been given to him include as the first objective the return of the persons alleged to have been captured.

6. These incidents bring into renewed prominence the questions of the Abyssinian occupation of Namurupus and the disarmament of frontier tribes.

In regard to Namurupus, I understand that discussions may be arranged between Sir Joseph Byrne and Sir Sydney Barton in London. I do not therefore propose to discuss the general question in this despatch beyond observing that there can be little doubt that the Abyssinian commander of the post must have been aware of the Merille concentration preparatory to the raids of the 8th September and should have been in a position, had he so desired, either to disperse it or to give warning to the military post at

Todenyang

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Todenyang

Todenyang in time to allow adequate precautionary measures to be taken.

In regard to disarmament, reports generally indicate the increased possession and use by the Merille of firearms which were in fact extensively used in this raid. It is significant too that the Provincial Commissioner reports that in action the Merille show a knowledge of fire tactics which would suggest some definite instruction from a source familiar with the methods of modern warfare.

You are aware from correspondence terminating with my despatch No.128, Confidential, of the 14th September that the Abyssinian Government have given a specific undertaking to disarm the Gelubba (Merille) who form a part of the Bako Province and who were responsible for the recent massacre of British subjects East of Lake Rudolf.

The more recent events in Turkana give cause for grave doubt as to the sincerity of this undertaking, but a further report will be sent to you on this subject when Major Miles has had an opportunity of discussing the execution of the agreement with the Governor of the Bako Province. In any event I consider the strongest diplomatic pressure should be brought to bear upon the Abyssinian Government to disarm all their subject tribes on the frontier West as well as East of Lake Rudolf.

7. A copy of this despatch is being sent to the Governor General of the Sudan and to His Majesty's Minister at Addis Ababa.

I have, etc.,

(sd) H.M.M. Moore.

Acting Governor.

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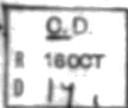
I have, etc.,

(sd) H.M.M. Moore.

Acting Governor.

C. O.

Mr. Davies. 14/11
 Mr. Fraston 14
 Mr. Flood. 14/11
 Mr. Tomlinson.
 Sir C. Buxton.
 Sir J. Shackleton.
 Sir G. Goad.
 Presid. U.S. of S.
 Party. U.S. of S.
 Secretary of State.



By Air Mail

7/2
21

Downing Street,

17 October, 1933.

Sir,

I have the honour to
 acknowledge the receipt of your
 confidential telegram No. 203 of the
 10th of October on the subject of the
 Ethiopian Government's occupation of
 Hamarapus, which arrived on the eve
 of Sir Joseph Byrne's departure for
 the Colony, Kenya.

2. Sir Joseph Byrne had already
 been in consultation with the Foreign
 Office regarding the occupation, and I

take

DRAFT. *Cham*

KENYA.

CONFIDENTIAL.

O.A.S.

TELETYPE
 Sent 5/11

take this opportunity to forward a copy of
a telegram that was sent with his concurrence
from the Foreign Office to H.M. Representative
at Addis Ababa in the matter.

I have, etc.

(Sgd.) P. GUNLIFF-LISTER.

In any further communication on this subject, please quote

No. T3351/3511

and address - not to any person by name, but to

"The Under-Secretary of State," Foreign Office, London, S.W. 1.

22/11

THE Under-Secretary of State for Foreign Affairs presents his compliments to the Under-Secretary of State for the Colonies and, by direction of the Secretary of State, transmits herewith copy of the under-mentioned paper

Foreign Office

11 October 1933

RECEIVED
12 OCT 1933
C. O. REGY

Reference to previous correspondence

A ~~handwritten note~~ dated 7 October 1933

107

Description of Enclosure

Name and Date

Subject

<p><i>Copy sent to Kenya (12)</i></p> <p>1 copy to H. C. [unclear] [unclear] no. 6 of 9 October 1933</p>	<p>copy [unclear] [unclear]</p>
---	---------------------------------

Similar letter sent to

In any further communication on this subject, please quote

No. 73551/3511

and address - not to any person by name, but to

"The Under-Secretary of State," Foreign Office, London, S.W. 1.

211

THE Under-Secretary of State for Foreign Affairs presents his compliments to the Under-Secretary of State for Colonies and, by direction of the Secretary of State transmits herewith copy of the under-mentioned paper

Foreign Office

11 October 1950

RECEIVED
20 OCT 1950
C. O. REGD

Reference to previous communication

Re Minute with subject 7 October 1950

A 21

Description of Enclosures

Name and Date

Subject

By mail to Kenya (12)

1 copy to
2 copies to
1 copy to
no. 64 of 9 October 1950

Major Chapman for his information

Similar letter sent to

Code telegram to Mr. Broadmead, (Addis Ababa),
Foreign Office, 9th October, 1958, 7.10 p.m.
No.61. (A).



Your despatch No. 151 (of 11th August: Kenya-abyssinia frontier relations).

After consulting Colonial Office it is evident that question of evacuation of Hamarupus will require further consideration.

Sir S. Barton and Captain Whalley have seen Sir J. Byrne whose last information from Kenya under date of 9th September indicates that situation regarding fishing at Tolpen is becoming increasingly unsatisfactory.

Sir S. Barton suggests that as an immediate step you might press Minister for Foreign Affairs to recall Gabre Marian from the frontier.

When Gabre Marian visited Addis Ababa last spring with the Duse chiefs from Haji Sir S. Barton pressed Dejessach Mangasha Tiline to forbid his return to Haji on the ground that he was definitely hostile and implicated in past frontier raids. The Dejessach replied that Gabre Marian must take the chiefs back but promised verbally that he should never be allowed out of Haji or on the frontier.

It would appear that the appointment of this officer as new Governor of Haji has realigned the situation at Hamarupus and that his presence there is to be considered as a factor for the present trouble.

Code telegram to Mr. Broadhead, (Addis Ababa),
Foreign Office, 9th October, 1908, 7.10 p.m.
No. 51. (A).



Your despatch No. 151 (of 11th August: Kenya-abyssinia frontier relations).

After consulting Colonial Office it is evident that question of evacuation of Samurapus will require further consideration.

Sir S. Barton and Captain Whalley have seen Mr. J. Byrnes whose last information from Kenya under date of 9th September indicates that situation regarding fishing at Tolpen is becoming increasingly unsatisfactory.

Sir S. Barton suggests that as an immediate step you might press Minister for Foreign Affairs to recall Gabre Marian from the frontier.

When Gabre Marian visited Addis Ababa last spring with the Bush chiefs from Maji Sir S. Barton pressed Dejazmach Mangasha Tiliu to forbid his return to Maji on the ground that he was definitely hostile and implicated in past frontier raids. The Dejazmach replied that Gabre Marian must take the chiefs' head but promised verbally that he should never be allowed out of Maji or on the frontier.

It would appear that Governor of Maji has read his presence there is the present trouble.

If you see no objection you should press Minister for Foreign Affairs to recall Sabre Marian without delay and also press for a date not later than first week in April next to be fixed on which the new Governor Gustacho will arrive at Lake Rudolf with Captain Whalley for a meeting with the Kenya representatives.

Captain Whalley expects to reach Naji on return from leave about end of February and arrangements will if possible be made for him to visit Addis Ababa en route about 20th December.

You will of course continue to impress on the Ethiopian Government the serious view which His Majesty's Government take of their failure to control their tribes in the neighbourhood of the Lake.

If opportunity offers you might suggest that Haile Marian or his son would be suitable substitute for Sabre Marian.

If you see no objection you should press Minister for Foreign Affairs to recall Sabre Marian without delay and also press for a date not later than first week in April next to be fixed on which the new Governor Gustacho will arrive at Lake Rudolf with Captain Whalley for a meeting with the Kenya representatives.

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If opportunity offers you might suggest that Haile Marian or his son would be suitable substitute for Sabre Marian.

Downing Street,

925

7 October, 1933.

Dear Peterson,

Your letter of the 2nd of October (J.2351/35/1) on the subject of the Ethiopian Government's post at Hamurupus. I have consulted Byrns, who came in here after the meeting the other day, and we agreed to the telegram with the exception of the second sentence. Byrns thinks that it would not be advisable to suggest that evacuation of Hamurupus by the Ethiopians should be deferred until the frontier has been demarcated. He might think it advisable to get them out of the place before then. For that reason he suggests that the second sentence should be altered to read

"After consulting the Colonial Office, I consider the question of evacuation of Hamurupus will require further consideration"

Otherwise we have no comments on the draft.

Yours sincerely,

Downing Street,

925

7 October, 1933.

Dear Peterson,

Your letter of the 2nd of October (J.2361/36/1) on the subject of the Ethiopian Government's post at Hamurupus. I have consulted Byrne, who came in here after the meeting the other day, and we agreed to the telegram with the exception of the second sentence. Byrne thinks that it would not be advisable to suggest that evacuation of Hamurupus by the Ethiopians should be deferred until the frontier has been demarcated. He might think it advisable to get them out of the place before then. For that reason he suggests that the second sentence should be altered to read

"After consulting the Colonial Office, I consider the question of evacuation of Hamurupus will require further consideration"

Otherwise we have no comments on the draft.

Yours sincerely,

8
26
FOREIGN OFFICE, S.W.1.

2nd October, 1933.

(J 2351/35/1)

9.
RECEIVED

23 OCT 1933

REGY

Dear Flood,

No 5

You will remember that in our official letter No. J 2002/35/1 of the 9th August we said that we should prefer to postpone consideration of the question whether the Ethiopian Government should be requested to withdraw from their post at Namurupus and proposed to ascertain the views of Barton and Whalley on this subject. We now understand from Barton that he and Whalley have had a talk with Byrne as a result of which Barton has suggested that we might telegraph to Broadmead at Addis Ababa on the lines of the accompanying draft. We gather that a further incident took place recently in the Lake Rudolph area and that some 20 Kenya tribesmen were killed by the Marilla. We feel that the attached draft represents all that can be done at the moment,

especially/

J.E.W. Flood, Esq., C.M.G.

8
16
FOREIGN OFFICE, S.W.1.

2nd October, 1935.

(J 2361/35/1)

RECEIVED

- 3007 333

REGY

9.
Dear Flood,

No 5

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J.R.W. Flood, Esq., C.M.G.

especially in the absence of the Consul from Maji.

If you concur in the draft we will send it off.

For
Rami-Return

especially in the absence of the Consul from Maji.

If you concur in the draft we will send it off.

*For your
Ramin*

October 1935.

Draft.

Mr. Broadmead,

ADDIS ABABA.

Telegram.

No.....

Your despatch No. 131 (of 11th August: Kenya-Abyssinia frontier relations).

After consulting Colonial Office I consider that question of evacuation of Namurupus will probably have to wait until demarcation of frontier takes place.

Sir S. Barton and Captain Whalley have seen Sir J. Byrne whose last information from Kenya under date of 9th September indicates that situation regarding fishing at Tolpen is becoming increasingly unsatisfactory.

Sir S. Barton suggests that as an immediate step you might press Minister for Foreign Affairs to recall Gebre Marian from the frontier.

When Gebre Marian visited Addis Ababa last spring with the Bume chiefs from Waji Sir S. Barton pressed Dejazmach Mangasha

Yilma.....

October 1953

Draft.

Mr. Broadmead,

ADDIS ABABA.

Telegram.

No.....

Your despatch No. 131 (of 11th August:

Kenya-Abyssinia frontier relations).

After consulting Colonial Office I consider that question of evacuation of Namurupus will probably have to wait until demarcation of frontier takes place.

Sir S. Barton and Captain Whalley have seen Sir J. Byrne whose last information from Kenya under date of 9th September indicates that situation regarding fishing at Tolpen is becoming increasingly unsatisfactory.

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Yilma.....

Yilem to forbid his return to Maji on the ground that he was definitely hostile and implicated in past frontier raids. The Dejezmach replied that Gabre Marian must take the chiefs back but promised verbally that he should never be allowed out of Maji or on the frontier.

It would appear that in violation of this promise the new Governor of Maji has sent Gabre Marian to Namurupus and that his presence there is to some extent responsible for the present trouble.

If you see no objection you should press Minister for Foreign Affairs to recall Gabre Marian without delay and also press for a date not later than first week in April next to be fixed on which the new Governor Gustecho will arrive at Lake Rudolf with Captain Whalley for a meeting with the Kenya representatives.

Captain Whalley expects to reach Maji on return from leave about end of February and arrangements will if possible be made for his

519

In any further communication on this subject, please quote

No. J 2002/35/1.

and address—

not to any person by name.

but to—

"The Under-Secretary of State,"
Foreign Office,
London, S.W.1

FOREIGN OFFICE

S.W.1.

9th August, 1933.

Handwritten marks: a large 'L' shape and the number '20'.

Vertical handwritten note: (6) Annex

Sir,

With reference to Colonial Office letter No. 3015/3/33 of July 28th regarding frontier relations between Kenya and Abyssinia, I am directed by His Majesty's Principal Secretary of State for Foreign Affairs to state that, in view of the fact that His Majesty's Consul at Maji is at present absent on leave from his post, he would prefer to postpone, for the moment, consideration of the question whether the Ethiopian Government should be requested to withdraw from their post at Namurupus.

Vertical handwritten note: No 2

2. It appears from Mr. Broadhead's telegram No. 49 of August 3rd, a copy of which was sent to the Colonial Office on August 5th, that the immediate question of fishing rights on the northern shores of Lake Rudolf should be settled by the orders which have been issued by the Ethiopian Government.

Vertical handwritten note: Copy signed?

Vertical handwritten note: No 4

3. The Secretary of State would propose to take an opportunity of obtaining the views on this question of Sir Sidney Barton and of Captain Whalley, who will be in London next month.

I am,
Sir,
Your obedient servant,

Handwritten signature: W.A. Mack

C. O.

301572/33

230

Mr. Erasmith 28/7/33
Mr. Freestone 28/7/33



Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

Amended by No 3149

28 July 1933

SJ

DRAFT.

19
18065/33

The U.S. of S.
Foreign Office

Copy 1/7

Sir, with reference to the letter from this Department of the 1st November, 1932, No 18065/33, on the subject of Kenya-Abyssinia frontier relations, I am etc to request you to inform the S of S for F.A. that the O.A.F. Kenya has reported by telegram that a party of Turkana fishermen accompanied by an escort of King's African Rifles were threatened with hostility by the Abyssinian post, reinforced by Marille tribesmen, at Namurupus on the 19th July and that a difficult situation may develop at any time. He states that representations

FURTHER ACTION.

C. O.

301572/33

230

Mr. *Erasmith* 287/33
Mr. *Freeman* 28p.



- Mr. Parkinson.
- Mr. Tomlinson.
- Sir C. Bottomley.
- Sir J. Shuckburgh.
- Permt. U.S. of S.
- Parly. U.S. of S.
- Secretary of State.

Answered by No. 3749

28 July 1933

DRAFT.

19
18065/33

The U.S. of S.
Foreign Office

Copy 7/7

Sir, with reference to the letter from this Department of the 6th November, 1932, No 18065/32, on the subject of Kenya - Abyssinia frontier relations, I am etc to request you to inform the S of S for F.A. that the O.A.F. Kenya has reported by Kolepsam that a party of Turkana fishermen accompanied by an escort of King's African Rifles were threatened with hostility by the Abyssinian prob, reinforced by Marille tribesmen, at Namurapue on the 19th July and that a difficult situation may develop at any time. He states that

speculations

FURTHER ACTION.

Representations for the strongest
diplomatic pressure have been
made to Hon. Ministers at
Addis Ababa.

(2) The Acting Governor urges
strongly that an end
should be made of the
constant hostile attitude
of Abyssinians at Naamrupus,
which in the view of the
Govt of Kenya, can only
be achieved by the withdrawal
of the Abyssinian part in
Kenya territory.

(3) His Party Committee further would
be glad to learn whether
the Govt for F.A. would
be prepared now to instruct
Hon. Chargé d'Affaires at
Addis Ababa to demand the
withdrawal of the Abyssinian
part at Naamrupus.

Flood etc.

(Signed) J. E. W. FLOOD

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should be made of the
constant hostile attitude
of Abyssinians at Namarapas,
which in the view of the
Govt of Kenya, can only
be achieved by the withdrawal
of the Abyssinian post in
Kenya territory.

(3) Sir Philip Curzon's letter would
be glad to learn whether
the Govt for F.A. would
be prepared now to instruct
His Charge d'Affaires at
Addis Ababa to demand the
withdrawal of the Abyssinian
post at Namarapas.

Lam etc.

(Signed) J. E. W. FLOOD

RECEIVED

FOR REGISTRAR

31
GAP

TELEGRAM from the Officer Administering the Government of Kenya to the Secretary of State for the Colonies.

Dated 21 July 1933. Received 3.5 p.m. 21 July 1933.

No. 142. Confidential. Reference to correspondence terminating with Governor's telegram No. 199 Confidential of 1932. Turkana fishermen accompanied by escort of K.A.R. threatened with hostility by Abyssinian post reinforced by Marille tribesmen at Namurupus on 19th July and difficulty of the situation may develop at any time. Representations for strongest diplomatic pressure have been made to the Minister at Addis Ababa and I trust that you will be able to induce the Secretary of State for Foreign Affairs to instruct the Minister that it is essential that an end should be made of constant hostile attitude of Abyssinians at Namurupus which in this Government's view can only be achieved by withdrawal of their post in Kenya territory see also Acting Governor's despatch No. 89 Confidential 30th June.

RECEIVED

FOR REGISTRATION

31
GMD

22 JUL 1933

TELEGRAM from the Officer Administering the Government of Kenya to the Secretary of State for the Colonies.

Dated 21 July 1933. Received 3.5 p.m. 21 July 1933.

No. 142 Confidential Reference to correspondence terminating with Governor's telegram No. 199 Confidential of 1932.

Turkana fishermen accompanied by escort of K.A.R. threatened with hostility by Abyssinian post reinforced by Marille tribesmen at Namurupus on 19th July and difficulty of the situation may develop at any time. Representations for strongest diplomatic pressure have been made to the Minister at Addis Ababa and I trust that you will be able to induce the Secretary of State for Foreign Affairs to instruct the Minister that it is essential that an end should be made of constant hostile attitude of Abyssinians at Namurupus which in this Government's view can only be achieved by withdrawal of their post in Kenya territory see also Acting Governor's despatch No. 59 Confidential 30th June.

Wart
16 Dec 1/33

1933
16 Dec 1/33

State representations have been made for further assistance to the maize industry, & memorandum by the Kenya Finance Assoc. & a report for discussion. States that subsidy to the Railway could not be agreed to, but a reduction in conditionally fees has been authorized & also certain temporary concessions at the Port.

Trans. a copy of a letter to Messrs. P. A. Stansfeld Conference together with their reply regarding shipping freight on maize, & would welcome any action which could be taken with a view to securing acceptance of proposals for reduction in ocean freight.

NOT. The representations of the industry we have already seen vide the minutes on 12/10/32.

The port as was proposed should approach the railway further see as regards reduction of conditionally charges and the Railway is also consenting by reduction of port storage charges.

The method adopted on this occasion by the port, to reduce charges by the amount required to cover in kind and so that the port contributes, seems sound. The principle previously approved for collection and refund ensures that the subsidy will be limited to the year in question whereas the port will now have to take specific action to raise the rate.

Suggested that this be reviewed at the end of the year with a view to placing the rate on a permanent basis and that the

1. Revenue Opine 617 _____ 22 Dec 32

State representations have been made for further assistance to the rice industry vide memorandum by the Rice & Commerce Assoc. & a card for discussion. State that subsidy to the Railway could not be agreed to, but a reduction in landing fees has been authorized & also certain temporary concessions at the Port.

2. Revenue Opine 6 _____ 7 Jan 33

There is copy of a letter to Mr. Justice P. A. Stansfeld Conference together with their reply regarding shipping freight on rice, & would welcome any suggestion which in connection with a view to securing acceptance of proposals for reduction in ocean freight.

NOT 1. The representations of the industry we have already seen vide the minutes on 12/10/32/32.

The port as well as the railway cannot assist the industry further save as regards reduction of landing charges and the Railway is also assisting by reduction of port storage charges.

The method adopted on this occasion by the port, to reduce charges by the amount required to cover interest and sinking fund contributions, seems sound. The principle previously approved of collection and refund remains the same. The subsidy will be compared to the year in question whereas the port will now have to take specific action to raise the rate.

I suggest that this be reviewed at the end of the year with a view to placing the port on a sound basis as to the

Question of subsidy which may be
announced to the subject of your
reference to 29/3.

As regards No 2 the information here
with the temporary basis was indicated
presently by Mr. Holden who was then in charge
of it in 17/12/31. It seems important
that much can be done here to reach
the question might be discussed
with a representative of the temporary
basis in the presence of Mr. Stoddard & Mr. Dale.

Mr. Prosser
18/1/33.

[Faint, mostly illegible handwritten notes]

the Committee perhaps of the 5/21 in 30
anything to get the Shipping Conference to
when the freight is raised, but I agree
with the Committee that it is important
to have a representative of the temporary
basis in the presence of Mr. Stoddard & Mr. Dale.
The question might be discussed
with a representative of the temporary
basis in the presence of Mr. Stoddard & Mr. Dale.

Shipping Conference
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anything to get the Shipping Conference to
when the freight is raised, but I agree
with the Committee that it is important
to have a representative of the temporary
basis in the presence of Mr. Stoddard & Mr. Dale.

Shipping
20/1/33

(p. 5 of No. 1)

I agree that on the main question it would be premature to interfere until we have the views of the Railway Council, which were to meet - early in January. It is for that Council to undertake - the first instance - a scrutiny of the G.M.R. figures which the industry sends to control.

No. 11 - 27052/32
EAF

As regards No. 2, the response - in answer of Swift reply to the E.A. Delegation on the question of bringing forward to bear on the Conference lines. It may still be doubted whether anything will be gained by approaching the lines on behalf of - single units - a single territory; there would always be the danger that any concern in respect of changes might be offset by an equivalent concern on the rails on some other E.A. office community.

? Ask out, by next week's meeting, of No. 1 & 2; say in regard to former that Swift will await the views of the Railway Council, but would approach the

action already taken by Dept. As regards 2, 4 write reference to the relevant papers in the record of discussions with the E.A. Delegation continue on the lines of X above and say that in the case Swift has not felt obliged to reply on the suggestion contained in the last sentence of the 1928 report.

~~1/1/33~~
22/1/33

7 Dec 1932
25/1

I should like to see 2000 G X the work done! I think the railway that the response would refer to at least to some extent because they would not need, a, and necessarily towards the line.

The E.A. reply in 1932 was 2000 G X which was not a reply but a mere statement.

As proposed?
Wed 26.1.33.

W.A. 28/1/33
at one

(May I see them H again after action has been taken?)

2A Mitchell letter No. 20 19 Jan 33
2B to Gifford (Mitchell letter) No. 20 (21/Jan 33)

6
Mr. Ormsby Gore S.O. — 3.5.35
Encls. apply note from Mr. Stubbs re: marketing
specimens as to K.V.R. freight rates being
Mr. Flood
Mr. Stockdale

Please see letter from Mr. Ormsby Gore attached. The Secretary of State would be grateful if you would ^{consider} prepare the draft of a reply ^{file: agent}

E. Stoyd
4.5.33.

I thought it best to dig out some papers and see whether there were any observations which I could usefully make. Unfortunately the papers do not help very much, though they do show that Government has given substantial assistance to the maize industry in Kenya at various times.

As regards the railway rates, which is the point made in the memorandum and emphasized by Mr. Ormsby Gore, one can hardly do better than quote Mr. Gibb's report. There is, of course, a demand from the farmers that the railway shall be used as an instrument of policy to give what amounts to an indirect subsidy to the growers of maize and wheat. Any such proposal would have to be resisted by Government because it would mean that the railway would not be carrying on as a commercial proposition.

J. L. King
14.5.

The memo. which accompanies the Ormsby Gore letter follows my mind along the lines of Mr. Gibb's description memorandum attached & despatch 1 in 1929 - these representations from maize growers are dealt with in this despatch. I agree with Mr. Gibb that - Mr. Gibb's report sets out the facts clearly - should be followed in the reply and

6
Mr. Ormsby Gore S.O. — 3.5.35
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specification as to K.V.R. freight rates to
Mr. Flood
Mr. Stopdale

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A. J. G. King
16.5

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description memorandum attached to despatch 1
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was dealt with in this despatch. I agree with
Mr. Gibb that - Mr. Gibb's report sets out the facts
clearly - should be followed in the reply and*

of the farmers' difficulties
would have been a matter of
time had been so quite
system or if the Railway
had been able to frame their
position with complete
accuracy.

Y. Purdy

W.C.S.

30.9.23

Mr. Boyd.

I think Exec of State would
be interested to see.

B.H.G.

6.10.23.

Learn. On the old idea of unscientific
rates is I think the Railway is
right. I am however not so sure
if it is fair of the Harbour Board
to charge high storage rates, since
the crop has to be stored in order
to comply with the Ry's justice system.
The latter was I think introduced,
because the Ry is not carrying all
the crops & cotton stored at the House
producers would be left poor.

M.L. 12/10

Mr. Hood.

We do not know what value
the Harbour Board have taken from
the effort. It will be well to
ask the Income S.O. what happened,
and to suggest the form of our
petition as the S.O.'s minute,
but (I think) without at all referring it
to the S.O.

W.C.S. No 10 23

By Mr. 10 To H. M. Moore 1/10 done 2/10/23

H. M. Moore (S.O.) 16 Nov. 23

Give details of meetings of the Harbour Board
in connection with removal in the subject of storage of maize
at Harbour, & state how appeared in general of the Harbour
Board.

This is very satisfactory.

? The substance of No 11 might
be communicated to Mr. O'Connell, J.P.
(reference to No 11)

? P. Purdy - Mr. O'Connell, J.P.'s comment
we shall be in our way of info

B.H.G.

Yes. Please not the family by not removing the
whole storage charge on the 'producers' charge.

Mr. Boyd leave
then Purdy
19/10

W.C.S. 13.12.23

11
10

GOVERNMENT HOUSE,
KENYA,
EAST AFRICA

16th November, 1933

RECEIVED
NOV 20 1933
C. O. OFFICE

Dear Flood

No 10

Your letter No. 3019/33 of the 21st October 1933 on the subject of storage of maize at Mombasa: I presume that the memorial sent in by the Kenya Farmers' Association Limited dated 19th July was a copy of a memorial which they put before the Harbour Advisory Board at their meeting on the 26th of July, 1933. The Board asked Colonel Griffiths, the Chairman of the Kenya Farmers' Association, to be present so that he might explain in detail any questions that arose. The Board discussed the memorial at that meeting but found they had not all the information they required and adjourned the question for reconsideration at the next meeting which was held on the 27th September.

The Board, on reconsideration at this second meeting, recommended that an *ex gratia* refund be granted to the Kenya Farmers' Association of the difference between the amount paid and an amount calculated at 50 cents per ton per week or part thereof for the complete period involved in the

"Fjordheim"...

J. E. W. FLOOD ESQ., C.M.G.,
COLONIAL OFFICE.

11
10

GOVERNMENT HOUSE
KENYA
EAST AFRICA

16th November, 1933

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The Board, on reconsideration at this second meeting, recommended that an ex gratia refund be granted to the Kenya Farmers' Association of the difference between the amount paid and an amount calculated at 30 cents per ton per week or part thereof for the complete period involved in the

"Fjordheim"...

J.E.V. FLOOD ESQ., C.M.G.,

COLONIAL OFFICE.

11
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KENYA
EAST AFRICA

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COLONIAL OFFICE.

GOVERNMENT HOUSE

KENYA

EAST AFRICA

"Fjordheim" shipment. The Board further recommended that if this concession was approved by me, the Kenya Farmers' Association should be informed that the refund was not to be regarded as a precedent for demanding further relaxation of the charges laid down in the Harbour Tariff Book. I approved the ex gratia refund with the rider that it was not to be considered a precedent.

As this refund meant a return of about £1,500 to the Kenya Farmers' Association I think you will agree with me in thinking that their memorial was most sympathetically treated.

Yours sincerely,

A. M. Lawrence

GOVERNMENT HOUSE
NAIROBI

11
1951 APR 24

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Yours sincerely

J. H. K. [Signature]

1000 1/2 Street
21st October, 1911.

3019/11

Not draft
Approved N.H.

Dear Moore

The Secretary of State has received, through Mr. Urmsby-Gore and a constituent of his, a copy of a memorial sent to the Chairman of the Harbour Advisory Board by the Farmers' Association, Limited, dated the 27th of July, on the subject of the storage of maize atombasa.

It should be pointed out in due course what the upshot was, but whether the Harbour Board has found itself able to do anything or not, it possibly be argued that it is not fair to charge high storage rates when the reason why it is necessary to store the crop was that it had been moved in order to comply with the railways quota system. But that, no doubt, has been taken into consideration.

Yours sincerely

H.B.E. MOORE, ESQ., C.M.G.

913

18th September, 1933.

Dear Barker,

I am much obliged to Mr. Ormsby-Gore for letting me see the letter from Mr. Stubbs, with its enclosure from the Kenya Farmers' Association (Co-operative) Limited about maize storage in Kenya.

I will return the papers to you in a few days, as I am keeping them to show to our East African Department.

Yours sincerely,

(Sgd.) E. B. Boyd.

R. A. BARKER, ESQ.

913

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(Sgd.) E. S. Boyd.

R. A. BARKER, ESQ.

814

H. M. OFFICE OF WORKS.

Westminster,

16th September, 1933.

Dear Boyd,

The First Commissioner thought you might care to see this letter and enclosure from Mr. Stubbs.

Yours sincerely,

(Sgd.) H. A. Barker.

ansd. (9)

E. S. BOYD, ESQ.
COLONIAL OFFICE.

15
Westfield,

Sandown.

Isle of Wight.

13th September.

Dear Mr. Ormsby-Gore.

I enclose you a report received from Kenya and it makes clear the two points raised - That (Rhodes) the General Manager's Quota Scheme for carrying maize was a very unbusinesslike one and that Kenya is handicapped against Rhodesia and South Africa in Mail and Port charges. The latter countries realising the value of keeping the industries alive. Both countries though have had a very bad drought.

Yours sincerely,

V. Stubbs

THE KENYA FARMERS' ASSOCIATION (CO-OPERATIVE), LTD:

P.O. Box 35.
NAKURU.

19th July, 1933:

The Chairman,
The Harbour Advisory Board,
MOMBASA.

Dear Sir,

MAIZE STORAGE:

We are grateful to you for allowing us to submit this memorandum and receive our General Manager at your meeting in order to discuss the question of Maize storage. We feel sure that, after considering the position in the light of the facts disclosed by this memorandum, you will agree that substantial relief is necessary in connection with the charges imposed this season, and that some alterations may fairly be made in the existing rates; thus obviating the necessity of representatives of the industry being compelled to interview you to obtain refunds of charges imposed under circumstances not anticipated when the regulations were introduced. We feel sure that your Board is anxious that the Port Regulations should be reasonable, have at least some relation to those existing in other modern ports, and that users of Kilindini Harbour should not be unfairly handicapped in marketing their produce.

NON PEAK TRAFFIC MOVEMENT : The Railway Administration, as an economic measure, decided to handle Maize and Cotton Seed for export on a definite quota basis, allotting to each a stated monthly export railage tonnage. Although we were opposed to the scheme, when it was decided to introduce it this Association informed the Railway Administration that

they

they would do their utmost to assist in making it a success, and that undertaking has been loyally carried out at very great expense to the Maize Industry.

STORAGE AT COAST:- We anticipated difficulty in the question of storage at the Coast and wrote you on this matter in September last. Your Board, realising the justice of the case submitted, graciously agreed to amend for the time being the rate to be charged. Circumstances have since arisen which were not contemplated at the time and in view of these we approach you for a reduction in the charges which have been imposed.

CONDITIONING CHARGES:- In order to assist the Railway Administration in carrying out their scheme, we railed in December and early January Maize which, under normal circumstances, would have been railed at the end of January or early February. This Maize arrived at the Coast in too wet a condition for export and had to be conditioned.

In December 1931 and January 1932, there were no charges for reconditioning and the total reconditioning charges for the whole season's export crop of 179,000 bags amounted to £27 ONLY. With this season's Maize, in December 1932 and January 1933, the reconditioning charges amounted to £2,429 out of a total of £2,994, with an export crop of 560,000 bags. These figures show the very considerable extra expense the Maize Industry incurred in complying with the Railway Quota System.

From these figures it will be seen that, had the Maize been railed later, the conditioning expense would have been saved.

RAILMENT:- The imposition of stated

railments at certain periods introduced an entirely new factor in the marketing of the Maize crop. In the past it has been the custom of growers to start shelling their crop and complete the business of shelling and delivering at once, then discharging their surplus labour. The rationing system necessitated their maintaining labour for a long period in order to deliver their monthly quota of Maize for export. This method of arranging deliveries necessitated a complicated detailed allocation of export quota being made monthly to each individual grower and greatly increased the labour, transport and administration costs of delivering Maize for export. The Railway Administration found, in practice, that they could move a larger monthly quota, and at various times asked us on short notice to increase our railments, which we did at considerable inconvenience to ourselves and our members, and these extra railments despatched at short notice added materially to our storage charges at the Coast. However, we had agreed to do our best to make the Railway quota scheme a success and clear the position so that Cotton Seed should have available as large a tonnage as possible when requiring it. We, therefore, accepted as far as possible every truck offered to us for Maize railment.

It must be realized that the effect of Railway scheme was that, irrespective of shipping facilities or any other questions, Maize railway export tonnage allocated had to be used, thus, the dominating factor in Maize export this season has been the use of this tonnage when offered and all other considerations have been made subservient to it.

SHIPPING:- The movement of Maize during December, January and February being greater than was anticipated, shortage of shipping tonnage became a difficulty. The original allocation by the Railway of tonnage for export Maize during the three months in question amounted in all to 28,500 tons, while on account of the added allotments from time to time we, ourselves, - apart from other exporters - actually railed over 41,000 tons during these months. Despite the fact that this Association reserved all the available tonnage on out-going vessels and pressed shipping companies to obtain further tonnages by cabling their South Africa offices, there was insufficient space available. However, we were able to arrange for the s.s. "SANDGATE CASTLE" to call on January 6th, and to charter the s.s. "DARTFORD" on January 24th, as well as the s.s. "QUEENMOOR" on February 17th, somewhat relieving the position.

During the whole of this shipping period, we were endeavouring to charter suitable tramps of 4,000 to 5,000 tons, but charters of this size were not available and we were reluctantly compelled to charter the larger vessels such as the s.s. "FJORNHEIM" (6,000 odd tons) and the s.s. "WESTSEE" (7,000 odd tons), still giving all normal ships using the port what freight they could accept. It is obvious that with the limited railment allowed, stocks had to be accumulated to fill these larger chartered ships, thus incurring some storage. Even by making the most careful arrangements these charges were bound to be somewhat heavy, but a very serious problem presented itself when we received a telegram that the "FJORNHEIM" was delayed by heavy storms in Norway and would be late in arriving at Kilindini. We immediately (on the

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the 20th March) interviewed the General Manager of the Kenya and Uganda Railways and placed our difficulty before him. A portion of the cargo for this ship was already at the Coast, but would not have come up to the penal storage rate had she been able to make the port at the anticipated date; the balance we had already for railment.

Two alternatives presented themselves:-

- (a) To stop railage to the Coast and try to rush down the balance for this ship so that it would incur no storage;
- (b) to continue railing in accordance with our export railage allotment and ask for a remission of the heavy storage charges bound to be incurred.

The General Manager, Railways, advised us that the wisest course would be to continue railing, incur the ⁶⁰ storage and apply to the Harbour Advisory Board for a refund. He stated he could not speak for the Board, but was sure our application would receive sympathetic consideration. He informed us that if we were to stop railment, we would forfeit the allocations we had received and possibly find difficulty in filling the ship when she arrived. We, therefore, accepted the the advice of the General Manager and incurred storage amounting to £2,250 for Maise lifted by this ship alone.

We would like to inform you that we used every endeavour to expedite this ship, we, ourselves, paying a substantial part of her canal dues so that her arrival on berth was earlier than would have been the case had she sailed via the Cape.

For your information, the following schedule of comparative storage charges shows the amounts actually imposed, even after taking into consideration the benefits derived from your altered scale:-

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For your information, the following schedule of comparative storage charges shows the amounts actually imposed, even after taking into consideration the benefits derived from your altered scale:-

1/12/30 to 30/11/31	- £613.	- Export:	958,419	bags.
1/12/31 " 30/11/32	- £121	- "	173,443	"
1/12/32 " date	- £3,156	- "	560,843	"

MAIZE GRADING AT THE COAST:- It must be

remembered that the Maize exported this season is from crops often very badly damaged by locust, and a glance at the grading returns, compared with normal years, shows that the Maize generally was of inferior quality. The different grades have to be shipped under separate Bills of Lading and it frequently takes time to collect at the Coast a sufficient quantity of one grade to make up a parcel large enough to be of interest to an importer overseas.

Most of the ordinary steamers serving Kilindini carrying grain are northward bound, and if, as is generally the case, they already have parcels of Maize which have been shipped from southern ports, they will not accept slightly weevily twos from Kenya.

Again, Maize arriving at the Coast underweight can only be shipped in bulk and the steamers which are able to accept freight in this form are very few.

In November of last year, Italy entered into a trade agreement with Rumania regarding the importation of Maize, putting us out of that market, while France so increased the import duty against British African Colonies as to virtually prohibit the export of our Maize to Marseilles, and both these countries were fairly large consumers in the past. All these are factors increasing the difficulty of export and having the effect of materially increasing the storage charges incurred on Maize for export.

ASSOCIATION OF PORT & K.U.R.:- It is realised, of course, that any loss in the Administration

22

of the Port is a first charge on the Kenya and Uganda Railway. We have no doubt that the introduction by the K.U.R. Administration of a system which enabled them to handle the export Maize more cheaply, thus returning to them a larger profit, was not designed also to increase the Port revenue by adding to the storage charges imposed, but unfortunately this, as we rather anticipated, has been the result.

COMPARATIVE STORAGE CHARGES:- (For one ton of Maize):-

<u>Days.</u>	<u>Kenya.</u>	<u>South Africa.</u>	<u>Rhodesia.</u>
19.	.50	-	-
20.		.21	
21.			Free
26.	1.00		
30.		.42	2.25
40.	4.80	.63	4.75
50.	12.50	.84	7.25

To the Kenya storage has to be added the surcharge of 5%. The above figures refer to storage in bags. The South African bulk storage is much less. Even the reductions made in local storage do not bring these figures into parity with those imposed in other ports. The 21 days free storage at Beira and the fact that the Railway place complete trains at the disposal of exporters in order to rail direct to ships, even where there are full cargoes to be carried to the Port, has eliminated the port storage charge and the Maize Control Board have paid no storage for the past two seasons.

The comparison, therefore, comes down to that between Kenya and South Africa, and, in the light of these facts, we feel that looking into the future, there are grounds to ask your Board to revise the whole question

question of storage charges on Maize.

When considering this question the period at present allowed of 48 hours free storage from arrival in the port area for rejected Maize should be reviewed with a view to materially increasing the period.

As an instance of the actual storage charge imposed at Kilindini, a number of bags in ones and twos from fifteen trucks had been waiting shipment in bulk for the s.s. "FJORDHEIM". There were 29 bags in all and the storage charged is Shs. 79/62, with a surcharge of Shs. 2/28.

COMPARATIVE RETURNS TO THE GROWER, THE RAILWAY and THE PORT:- The Maize farmer, during the year which has just closed, produced a short crop due to locust damage. He had to face a higher railway rate, a higher port charge and a higher ocean freight. He will not average Shs. 3/20 per bag, free on rail, and from this 3/20 he will have to pay for bag, 71 cents, and cartage, 60 cents, so that his net return for the grain on his farm will be Shs. 1/89; while in the case of growers using Branch Lines, a further 25 cents per bag has to be deducted, leaving him only Sh. 1/64 per 200 lbs. of grain on his farm. It is interesting to note that apart from conditioning and storage charges, the Maize exporter pays in Railway freight and port charges Sh. 1/84 per bag.

STEAMER FREIGHT:- Your Board will remember that, early in the year, when on account of the low price Maize was realising on the world markets we appealed for slight reductions in Port charges and freights, the Shipping Conference, in order to help the industry, agreed to reduce their freight charge

if the Port or Railway would make some concession. As no concession was forthcoming from the Port and Railway, the ocean freight was not reduced and the marketing costs were higher than would have been the case otherwise.

IN CONCLUSION:- Owing to the quota scheme introduced by the Railway, the Maize industry were bound to rail their export quota to the Coast, irrespective of available ocean tonnage. These railments greatly exceeded the yearly estimated quantities. After using every ton of ocean freight available the Maize exporters were compelled to charter bottoms to move the Maize accumulated at the Coast. Suitable sized tramps were not available and the larger tramps chartered were delayed by storms. It may fairly be stated, therefore, that the storage charges incurred were the result of a series of circumstances which could not have been foreseen and over which the Maize exporters had absolutely no control.

These high storage charges could not have been included in the Port Estimates of Revenue. The fact that Maize was stored at the port incurred no increase in the costs of running the port. It did not inconvenience the port or cause congestion of any kind whatever.

This season's Maize export crop has already materially increased the Port revenue. Five extra ships have visited the port for the sole purpose of lifting this freight and these vessels would not have called had the Maize not been available.

In view of the above facts and the very small return the grower has received this season, we trust

your

your Board will see its way to very materially reduce
the storage charges which have been imposed.

726

Mr. Flood 168

Mr. *Shindler* 7/5

Mr.

Mr. Perkins

Mr. Tomlinson

*I have included this copy
Revised 24 June
L.A. 27/3*

*24 June,
May, 1933.*

X Sir C. Bannister, 29.5

Secretary of State,
Foreign Office,
Parliament Street,
London, W. 1.

*1/6/33
P*

My dear Billy,

DRAFT.

THE RIGHT HONOURABLE
W.G.A. GREBBY-COBE, P.C.

A.P.

I have now looked into the question of railway rates on maize in Kenya about which you sent me a memorandum on the 3rd of May. You know, of course, that there has been a demand from time to time in Kenya that the railway should be used as an indirect means of subsidising various crops, and you also know that the whole thing has recently been examined by Mr. Roger Gibb in his report on Railway Finance in Kenya, Uganda and T.T., which was published last September as Cmd.4236. In para.14 of his report he mentions the view put forward by the Kenya representatives on the Railway Council that railway rating problems should be approached more as problems

of Colonial development than as purely railway problems, and he goes on to discuss this point of view through several paragraphs.

Later on - in paras. 55 and 68 - he discusses the special rates in force on maize and cotton and says that the decision in Kenya to adopt the South African rate of 10/- per short ton was clearly wrong in view of the different railway conditions in the two countries. He says it was wrong from a railway point of view and unfair to the settlers who were encouraged to base their calculations on a railway rate which could not be maintained. With regard to the comparison with rates in the Argentine Republic, he points out that in Argentina the railway track is of easy grade which is not the case in Kenya and, further, the average haul is 100 miles or

G. O.

Mr.

Mr.

Mr.

Mr. Parkison

Mr. Tomlinson

Sir C. Hollisley

Sir J. Shackleton

Parat. U.S. of S.

Parly. U.S. of S.

Secretary of State

*The principal
maize-growing
districts in/-*

*past period during
the same months of
February to May.*

DRAFT.

*and at the same time
to give an indication
of operating difficulties,*

*on account of its association with cotton and
is of more value for a more valuable crop to the railway
at a railway point of view
than maize, even at the rate of 15/-
a ton for the latter product.*

or thereabouts as compared with ~~100~~ ⁴⁵⁰
or 500 miles in the case of Kenya.

He also ~~lays stress upon the~~ ^{refers to the difficulty}
~~difficulties caused by the fact that the~~
~~from Uganda requiring transport in a~~
~~massive crop comes all at once.~~ The

Kenya-Uganda Railway can only afford
to carry maize at its present ^{average} rate of
15/- per ton (long ton) if the quantity
of it does not exceed approximately
110,000 tons, and the general
conclusion is that the only way to
tackle the problem of fixing railway
rates on maize and cotton seed is to
approach it from the purely railway point
of view. ~~He~~ ^{He} says that, if this is done
and one traffic has indeed to be
sacrificed, that traffic must be maize

As you may know, the Government of
Kenya

Kenya has given a good deal of *financial*

assistance from time to time to

maize growers, and it is, I am

afraid, clear that nothing more

can be done in that direction.

*by subsidy, advances and
expands of conditioning charges* /-

Yours truly

(Sgd.) P. CUNLIFFE-LISTER

Ames
28
H.M. Office of Works,
Storey's Gate,
Westminster, S.W.1.

Heard
3rd May, 1933.

Dear Philip,

Ames (S)
A rather wild constituent of mine named Stubbs, who is a Corn Merchant, came to see me last week. He has been for a trip to Kenya, the two Rhodesias and South Africa. He appears to have been got at by the Kenya Maize Growers Association at Nakuru, and left me the enclosed note. His point is that the Kenya growers of maize have to pay higher railway freight to port than do the Rhodesians and Union of South Africa growers. I naturally do not know what changes have taken place since I left the Colonial Office regarding the maize rates on the Kenya-Uganda railway, but I forward his representations to you for what they are worth.

Yours ever,

W. Hurley Jones

The Rt-Honr Sir Philip Cunliffe-Lister, G.C.B., M.C., M.P.,
Colonial Office,
S.W. 1

In the Railway inception - and to protect it from hostile native rising - land in Kenya was sold, or leased, to settlers who undertook to form a Defence Force; this Force is still a potent factor in the Colony.

The Government pledged that all grain should be carried to the Port at 12/2d per ton.

In 1922 the Railway said this service did not result in loss and they would release the Government from this responsibility.

In 1930 - 31 the Railway said the rate must be raised to 15/6d per ton, and in addition to this, 2/6d per ton from Feeder lines, making Maize from Branch and Feeder lines 16/3d per ton, plus 5/6d port dues.

Maize thus pays a large proportion of the up-keep of the Port.

In 1931 - 32, an announcement was made that the Railway would only carry a portion of the crop at this price, the remainder must pay a prohibitive rate, or wait until a later date. This was a crippling blow to the maize growers, as bids could not be accepted for steamers on account of the uncertainty of getting the maize down in time, and if left on the farm it would become "weevilly".

Maize is in constant demand for Europe. More than half the world's requirements are supplied by the Argentine. Statistics show that Kenya grows more maize per acre than the Argentine, and of better quality.

Ocean Freight is not prohibitive and Ocean S.S. Lines have agreed to reduce their rates if Railway and Port will do the same.

Rhodesia maintains a flat rate of 8/- per ton, and 6d per each port dues from any part of Rhodesia to Beira.

E. Africa have reduced their flat rate on milled Maize to 10/6 per ton to Durban or Cape Town, plus 3/6d per ton port dues.

Each Colony recognizes the necessity of keeping the land in cultivation.

All Railways are state owned and Kenya should not be placed in a worse position than the other Colonies.

Opinion is that the Railway in Kenya is badly managed - the expenditure excessive - and that the General Manager, who was raised to that position from an Engineer, should be replaced.

The institution of the Flat Rate would place Kenya in a good position with the other Colonies, and would only be fair, as the farmers who invested their money in the land, under these promises, consider that they have been let down by Government, and the land is going out of cultivation.

C. O.

Mr.
Mr.
Mr.
Mr. Parkinson.
Mr. Tomlinson.
Sir C. Bristow.
Sir J. Shackleton.
Pres. U.S. of S.
Pres. U.S. of S.
Secretary of State.

6/2/32
J.S.

DRAFT.

J. Z. Croome
Imperial Economic Council
2 Queen Anne's Gate Buildings
S.W.1

For Sir J. Shackleton's sign: J

7-FEB
8 8

31
8 Feb '32

My dear Croome,

It has occurred to me that the enclosed copy of a recent despatch (with enclosures) from the Governor of Kenya might be of interest to the Sub-Council of the Imperial Economic Council. If you agree, perhaps you could be so good as to arrange for

No. 617, 22 Dec 1932 with encl.
(No. 1... on file 3019)

Imperial Economic Council. If you agree, perhaps you could be so good as to arrange for

for its circulation to
members of the Sub-Committee
for their confidential
information.

I mentioned to Mr. Davis
when I was yesterday (7 Feb) that I was
communicating this doc. to you
confidentially.

(Sgt.) J. K. Shackburg

C. O.

30/9/33

Key a
32
R 2-FEB
D 34

Mr. Creamy 1.2.33

Mr. Frank 1

Mr.

Mr. Parkinson

Mr. Tomlinson

Sir C. Bottomley

Sir J. Shuckburgh

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State

Post to C. Butt outlay Sign

8 Feb 1933

Dear Sir,

DRAFT.

for mem.

H. E. Cripps Esq.

(26)

h my letter of 15
21st of Feb
let you know I have
received the 2nd
copy of the
report
from the
committee
to
the
Secretary
of State
I am
very
truly
yours
The Secy - h

J. Shuckburgh

H. E. Cripps 2/3

for its circulation to
members of the Sub Council
for their confidential
information.

I mentioned to Mr. Davis
when I was getting (7 Feb) that I was
communicating this doc. to you
Yours sincerely,

(Sgt.) J. K. Shackburgh

C. O.

3019/33 Kenya

31 Jan 1933

Logos air mail of 31st.

- Mr. Priestman 28/1
- Mr. Cressy 29/1/33
- Mr. Farrant 23/1
- Mr. Parkinson
- Mr. Tomlinson
- Sir C. Bottomley
- Sir J. Stuckburgh
- Permt. U.S. of S.
- Partly. U.S. of S.
- Secretary of State

30 January, 1933.

[Handwritten signature]

C. O.
 R. 30 JAN
 1933

Sir,

I have etc. to acknowledge the

DRAFT.

KENYA
Confidential
GOVERNOR

(2)

Abstract (para. 5) to Angara (2 on 4092/33EA)

- (1) receipt of your despatches No. 617 of the 22nd of December, ~~1932~~ and
- (2) No. 6 of the 7th of January, on the subject of the representations made to the Government of Kenya for further assistance to the maize industry.

2. As regards the former despatch, I propose to wait the views of the Railway Advisory Council on the general question of railway policy at issue, but meanwhile I approve the action already taken as regards the temporary reduction of conditioning charges.

3. ~~As regards the latter despatch~~ *On the question of shipping freight,*

Recommends to
Sir J. Stuckburgh

and by you as High Commissioner to transport as regards the freight of temporary concession to the port

comparison with the ...

... of the ...

... of the ...

...

...

...

Signed W. G. BOTTOMLEY

you will recall that in the
I would invite your attention
to the record of the departmental
discussions with the East African

(27/07/32
copy at 11:27/52/1/181)

the official Delegation on the 9th

and 10th of November 1930 on

the question of the reduction of

shipping freight, where it was

suggested to the Delegation that

before the question of approaching

the Imperial Shipping Committee

could be considered, they would be

well advised to initiate, on the

return of their members to East

Africa, formal representations from

the interests concerned, embodying

a carefully reasoned presentment

of the case as a whole which should

be forwarded by the Delegation

concerned.

It may well be doubted whether

anything will be gained by approaching

the Conference Lines on behalf of a

single

C. O.

Mr.

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Biddisley.

Sir J. Shackburgh.

Form. U.S. of S.

Privy U.S. of S.

Secretary of State.

DRAFT.

34

single industry in a single Territory:
there would always be the danger that
any concession in respect of Kanga
maize might be offset by an equivalent
increase in the rates on some other
East African commodity, and there
would also be the risk, if not the
certainty, that the Conference Lines
would refuse special treatment to
maize because ^{of the probability} that
sisal and other industries would
immediately demand the same treatment.

I have etc.

has not yet justified in anything
the suggestion outlined in the
last paragraph of your 2nd
of 7th of Jan'y.

I have etc.

(Sgd) P. CUNLIFFE-LISTER

3019/112B
35

Downing Street,

21 January, 1933.

Dear Sir,

I have received your letter of the 19th of January in the matter of the maize industry in Kenya. I shall hope to let you know in a few days whether it will be necessary to take advantage of your offer to call here, but in the meantime, I send this acknowledgment of your letter.

I am sorry to hear of Mr. Hamilton's ill-health.

Yours very truly,

scs

H. R. CHIPPS, ESQ.

RECEIVED
23 JAN 1933
TELEGRAPH OFFICE

ack'd w/f

2A
36

TELEGRAMS TO BE SENT BY THE FOLLOWING OFFICES: LONDON, HONGKONG, SHANGHAI, PEKING, TIENTSIN, HANKOW, CANTON, HONGKONG, SHANGHAI, PEKING, TIENTSIN, HANKOW, CANTON, HONGKONG, SHANGHAI, PEKING, TIENTSIN, HANKOW, CANTON.
Cable: BENTLEY'S (FIRST CLASS) CODES, BRADSHAW'S A.B.C. (ALL EDITIONS), WESTERN UNION.
TELEPHONE N° AVENUE 1904 (THREE LINES).

MITCHELL GOTTS & CO LIMITED.

INCORPORATED IN ENGLAND
A. S. MITCHELL GOTTS
LONDON & CARDIFF

AGENTS
FOR THE EAST AFRICAN STATES

Agents for
MITCHELL GOTTS & CO (LIMITED) LTD
CABLES: BENTLEY'S (FIRST CLASS) CODES, BRADSHAW'S A.B.C. (ALL EDITIONS), WESTERN UNION.

W. S. GOTTS & CO LTD

MITCHELL GOTTS & CO
HONGKONG, SHANGHAI, PEKING, TIENTSIN, HANKOW, CANTON.

MITCHELL GOTTS & CO
LONDON & CARDIFF.

3, St. Helen's Place.

London, E.C.3 19th January 1933.

Sir W. Cecil Bottomley, K.C.M.G., C.B., O.B.E.,
Colonial Office,
Downing Street, S. W. 1.

Dear Sir,

MAIZE INDUSTRY IN KENYA.

Referring to your favour dated the 3rd instant in
to our Mr. Hamilton's letter of the 20th ult., a
cable readings-

"Referring to your letter of 14th instant read
Maize Conference Reports sent you early 1930
before in interview (with) refer them (to) Governor's
speech opening Maize Conference 1923 when he
guaranteed 1/- flat rate".

was received from the Kenya Farmers' Association addressed to
Mr. Hamilton about the time he was taken unwell, so that,
unfortunately, he was not able to advise you of same immedi-
ately. When Mr. Hamilton learned he would not be returning
to business for a few weeks he sent a message asking the
writer to communicate the contents of the cable to you. We
regret further slight delay has taken place in complying
with Mr. Hamilton's instructions, but the writer has since
been indisposed with influenza.

Referring to the cable from the Kenya Farmers'

101-2
16344/32
1933
Jan 25/33

Sir W. Cecil Cottonley, K.C.M.G., C.B., C.B.E.,

19. 1. 33.

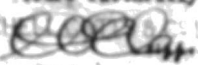
37

Association, we presume the Colonial Office has the same information on file, and the writer is at your disposal if you would like him to call.

Since Mr. Hamilton's absence letters have come to hand by air mail from the General Manager of the Kenya Farmers' Association dated the 23rd and 30th ult., and we enclose extracts from these two letters. Copies of the correspondence exchanged with Colonel Tucker and the letter from Mr. Bargman referred to in the Kenya Farmers' letter dated the 30th ult. are also attached.

Yours faithfully,

WITCHAMPS LIMITED



MC/XSC.

COPY OF LETTER FROM THE KENYA FARMERS' ASSOCIATION.

23rd December 1933.

I confirm my telegram yesterday, asking you, before you have the interview with the Colonial Office, to have a look at the Maize Conference Report and also get the Colonial Office to look at the statement made by the Governor at the Meeting of the Maize Conference in 1928.

As a matter of fact, this was the first Maize Conference we had in this Colony, and the statement made by the Governor was of very material importance indeed. In his statement he said that the Government guaranteed the Maize Industry a flat rate of Sh.1/- per bag railage.

I have asked Nairobi to send you cuttings from the paper reporting the Debate on Railway estimates, from which you will see that Mr. Holm, the Director of Agriculture, was prevented from speaking by His Excellency, the Governor, because it was well known that Mr. Holm considered that General Rhodes had acted most improperly in connection with the Maize industry and was likely to seriously damage, if not entirely ruin, the industry.

I think it is most necessary, you should take every possible opportunity at Home to bring before the powers that be the necessity of a change in their attitude towards the Maize Industry in this Colony, if it is going to live at all.

We are writing to the Empire Marketing Board asking them to obtain for us a statement with reference to the Maize Industry within the Empire, with special reference to its importance so far as East Africa is concerned. We believe they might give us some interesting statistics and figures to assist us in our attempts to get the Government to give the industry a chance.

The general feeling here is that Roger Gibb, who came out to report on the Railway, being a free trader and the first, will give a report white-washing General Rhodes and entirely ruining the importance of the Industry within the Colony. As a result of this we anticipate an even greater disability in moving our next year's crop, as we believe it is more than possible General Rhodes will take the opportunity when the Report comes out of further increasing the Maize rate.

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COPY OF LETTER FROM THE KENYA FARMERS' ASSN.

30th December 1932.

Our challenge of General Rhodes' figures has produced the interesting fact that they are based on the 1930 working and not on the 1931 working. Why, at a Conference at the end of 1932, we should be confronted with figures for 1930 instead of 1931, I do not know.

For your information I enclose copy of a letter I wrote to Colonel Tucker, who is on the Railway Council, & a copy of his reply. My figures to Tucker are the figures for 1931, without making any deduction whatever for passenger traffic and are actually lower than General Rhodes' own figures after deducting certain items for passenger traffic from the 1930 figures. From these figures it will be seen that the cost per ton mile on the same basis as General Rhodes arrives at his figures, in 1930, was 2.562 cents. If you make the deduction which should be made for passenger traffic, it will be readily seen that the cost must be considerably lower.

After our interview with the Governor, the Nairobi Chamber of Commerce discussed the maize question and send herewith copy of a letter from Mr. Bargman, Chairman of the Nairobi Chamber of Commerce, with a resolution passed by them in the matter, which will give you some idea of the local feeling.

Brought Forward..... 1.20007

VII.	<u>WATER:-</u>	
	221,830.16.73 divided by 316,086,486.....	.13613
I.	<u>BUILDING STORES:-</u>	
	411,894.12.56 divided by 316,086,486.....	.07619
II.	<u>MAINTENANCE - RIGIDITY:-</u>	
	897,176.15.15 divided by 316,086,486.....	.62752
IV.	<u>MAINTENANCE - GOOD STICKS:-</u>	
	267,364. 6.30 divided by 316,086,486.....	.29969
	Add his stated UNLOADING COST.....	<u>.16360</u>
	<u>TOTAL (if these are correct) PER TON MILE:-</u>	<u>2.56220</u>

The method by which this figure can most easily be varied is a mis-statement as to total ton miles. The higher this figure is, the lower the cost per ton mile, assuming the charges are correctly allocated.

Look at Statement No. 36 - "Goods Vehicle Use" - and take SOME "average number of vehicles available for traffic" and multiply by "Net ton mileage per vehicle available for Traffic", and we get 305,372,342. Deduct this from 316,086,486 and we get 10,814,203, as the ton mileage for coaching traffic. This is 3.42%, quite obviously too small an allowance if you take into consideration the train and engine mileage figure.

The enormous proportion of non-paying traffic makes one consider the cost of wood fuel and if the empty mileage run by fuel trains is included in the total ton mileage of the year, a very careful investigation of wood fuel costs, as against coal costs, would reveal some interesting figures and in this item we probably have one of the solutions to the peak traffic problem. If the Railway ran entirely on coal, then there would be ample tracks available @-country if fair heavy stocks of coal were imported during the first three

months of the year and the enormous empty truck mileage necessitated by wood fuel would be done away with. After all, the railway contention of Haige costing 3 1/2 per ton because of empty truck movement must apply to the wood fuel cost.

It might be said we should use our local fuel, but the goldfields if they develop will soon require the importation of pit props and this local timber will all be rapidly used.

Haige's figure for fuel is the highest in his costs. He stated in his remarks at Nairobi that it was 1.0404 cents per ton mile, yet on the calculation above it only works out at .99013 cents per ton mile, while on page 42, Section 145, he states that per 1,000 ton miles fuel costs are 5/74, or .674 cents per ton mile. It seems difficult to reconcile these figures.

Now turn again to Page 90 - Fuel:- The coal used works out at 25/47 per ton. Actually the cost is about 14/25 per ton c.i.f. plus 1/4 wharfage and 2/75, or 22/31 alongside the line at Mombasa, and the cost of loading it into trucks at Mombasa is 65 cents, so that its free on rail Mombasa cost is not more than 22/71; therefore, the price on which the ton mile cost is calculated is 3/50 more than free on rail Mombasa, or 12.225 more than cost.

Quite obviously, the ton mile costs when gone into with reference to the largest item - fuel - can be revised.

The next largest item is Engine Repairs. Look at Page 24, Section 125, 54 units repaired at an average unit cost of 17.221/-, - gives us a figure of 924,304 - and when divided by 24,000,000, gives .3851 cents per ton mile, or just half the maintenance included in Haige's cost per ton mile figure.

I do not know if these figures interest you, but
as the investigation of these discrepancies may reveal some-
thing of importance, they may be worth following up.

Yours sincerely,

W.S. [unclear]

P.O. Box 496,
NAIROBI.

Dec. 13th, 1932.

Lieut.-Col. G.C. Griffiths, C.M.G., D.S.O.,
P.O. Box No. 35,
NAIROBI.

Dear Griffiths,

RE RAILWAY:

Referring to yours of the 9th instant, I devoted a good deal of time to your figures and to the subject generally during the weekend. The first thing that struck me was that you had erroneously confined your calculations to the 1931 Report, whereas Rhodes was obviously working upon the 1930 ones because, if you will remember, the major investigations and negotiations took place eighteen months ago. As a matter of fact, it is astonishing to find how closely the two years harmonise seeing that in the former year the ton-miles were 342,969,345.

PASSENGER TRAFFIC:- My records show that about 20% of the expenses or mileage as the case may be, was deducted under this head, which may not be unfair. I give this as a reply to your calculations where you arrive at 3.32%.

FUEL:- The discrepancy between pages 32 and 42 is accounted for by the fact that the one figure does not include the cost of service trains and other handling costs, being merely based on the price of fuel paid to contractors for the purpose of Departmental comparison. These factors also enter into the specific figures for coal.

ENGINE MAINTENANCE:- There is a distinction between this description and that of "Engine Repairs", - this latter phrase only referring to the costs incurred in the Workshops, whereas the larger figure which goes to make up the "Maintenance" includes certain expenditure in the running sheds which are to be found at different points of the Line.

While reluctantly taking the view that Rhodes' figure of 2.62 cents cannot be appreciably shaken, I feel that the most helpful line to take is to concentrate pressure upon the 170,000,000 ton-miles which to-day may easily be 25% more or less than actualities. If he has under-estimated, it means that that amount of trucks will be lying idle in the next three months, and even if he is right there should be sufficient elasticity over a system where conditions vary from day to day to allow the non-peak ratio to be increased by that percentage, which I suggest to you would very largely overcome your difficulties and very likely enable you even now to put the local market on its proper basis.

I may add that I am supplying Lord Francis with a number of arguments along these lines in the hope that he will be able effectively to use them in next Thursday's debate.

Yours sincerely,

Agis- W. A. TUCKER.

19th December, 1932.

Colonel G. J. Griffiths, C.M.G.,
General Manager,
The Kenya Farmers' Association (Co-op.), Ltd.,
NAIROBI.

Dear Sir,

Deputation to H.E. the Governor - re
THE MAIZE INDUSTRY.

I have to acknowledge the receipt of your letter dated December 15th. Would you please thank your Directors and inform them that it has been a pleasure to endeavour to assist in a matter that is so vital to your Members and the Colony as a whole.

On Thursday last I conveyed your kind message to my Chamber at their Monthly General Meeting, and I also reported the arguments I was able to use at the meeting at Government House. Your Memorandum on that interview having appeared in that day's issue of "The East African Standard".

My Chamber felt that something further must be done to endeavour to obtain Government's aid urgently, and the following Motion was unanimously passed by the Meeting, proposed by Major Cavendish-Bentinck and seconded by Capt. Schwartz:-

*That this Chamber views with alarm the prospect of large quantities of exportable Maize being refused carriage to the Coast, even at the increased Export Rate of Sh. 15/00 at Main-line Stations, and Sh. 16/20 at Branch Lines making an average of about Sh. 15/-, and urges the Railway to reconsider the decision of limiting the export of Maize and of restricting its movement.

It is hoped sincerely that a solution to the impasse may still be found, and I would assure you of my Chamber's further assistance if called upon by your Association,

Yours faithfully,

Sd/- H. BARKMAN.



KENYA.

NO. 6

BY AIR MAIL.

RECEIVED

18 JAN 1933

COL. OFFICE

452
GOVERNMENT HOUSE.

NAIROBI.

KENYA.

January, 1933.

Sir,

Forward (3)

Not

I have the honour to refer to paragraph 3 of Kenya despatch No. 617 of the 22nd December last in regard to shipping freights on maize and to enclose for your information a copy of the Colonial Secretary's letter of the 15th December addressed to the Mosbata Secretaries of the East African Steamship Conference, together with a copy of their reply dated the 19th December.

It will be observed that the local Secretaries have found themselves unable to recommend to the London Conference the removal of the condition that any reduction in ocean freights should be contingent upon further assistance being given to the maize industry by the Transport Administration or the Government.

2. Their reply, in so far as it deals with the concessions already made by the Government and the Railway, reveals an incomplete appreciation of the position. It is assumed in the reply that the sum of £26,950 referred to in paragraph 3 of the Colonial Secretary's letter represents assistance by way of Port storage charges, whereas this figure includes the Government's share of actual Railway freight reductions on the 1929 - 30 crop, estimated in Kenya

telegram ...

THE RIGHT HONOURABLE
MAJOR SIR PHILIP CHILIFFE-LISTER, P.C., G.B.E., M.C., N.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON, S.W.1

No 2
16265/30

telegram No. 254 of the 7th August, 1930 to amount to £35,000 (including wheat and barley) and approved in Lord Passfield's telegram No. 150 of the 22nd August, 1930. The direct contribution made by the Railway in respect of the carriage of the 1929 - 30 maize crop, which amounted to some £28,983 in addition, is not included in the statement contained in the Colonial Secretary's letter of the financial assistance given by the Government.

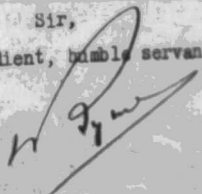
The apparent attempt to show that the shipping lines have contributed during the last three years a proportionately greater measure of assistance to the industry than the Government and the Transport Administration is a line of argument which is neither, so far as this Government is aware, strictly relevant to the case for a reduction in shipping freights nor in accordance with the facts.

3. I am transmitting these papers for your information, but I should welcome any action which it may appear to you proper to take towards the London Conference with a view to securing acceptance of the representations already made to their local Secretaries.

I have the honour to be,

Sir,

Your most obedient, humble servant,



BRIGADIER GENERAL,
GOVERNOR.

MOMBASA.

19th December, 1932.

Ref. No.F.

Sir,

We have the honour to acknowledge receipt of your letter AGR.A/1/3/88 of the 15th instant, in connection with the correspondence which has passed between the Director of Agriculture and the Conference Lines regarding the rates of freight on maize. Your letter will be transmitted to the Lines in London for their further consideration.

We note the statement of the General Manager of Railways, as quoted in paragraph 2, but we would point out that there is no relation between the 1% surcharge made by the Conference Lines and the increase in rates or the 5% surcharge made by the Railways and Harbours.

We assume that the General Manager of Railways has all the information passed by the Shipping Lines to the Director of Agriculture and, if so, he, and also the High Commissioner for Transport, must be aware of the conditions which rendered it necessary for the Shipping Lines to impose a surcharge of 1%. Such conditions do not and cannot apply to the Railways, which are operated entirely in a Country adhering to British Sterling. The General Manager's statement is, therefore, liable to mislead those who have not the full facts before them. It should not be forgotten that the 1% surcharge is not applied to Coastwise traffic.

The Shipping Lines have made it clear that, for a number of years, they have constantly reduced maize rates to assist the growers and, while the Lines are prepared to assist further if it is possible by joint action with the Railways and Harbours to save the industry, the representatives in Mombasa cannot see their way to recommend to their Principals that the full burden of any further assistance should be borne by them.

In order to make the position clear to you, as we see it, we would like to add the following remarks :-

In December, 1930, a Maize Conference was held in Nairobi, at the request of the Government, under the Chairmanship of the Acting Colonial Secretary, at which all interests were fully represented.

The first resolution, carried unanimously, stated inter-alia that the Maize Industry should be regarded as a permanent industry both for European and Non-European growers, and of great importance to the Colony. In all the subsequent proceedings of that Conference this view dominated the resolutions. In paragraph 21, page 12, of the report of the above-mentioned Conference it is stated that - it was generally agreed by all the interests concerned that if one interest did not give some measure of assistance in some concrete form it would be unreasonable to expect the others to make up the deficit which such a refusal would entail, and it was agreed too that it would not be reasonable or fair to expect the general funds of the Colony to carry the whole burden in order to bolster up the security of directly interested parties. On this basis and on the assumption that, if one party would give its contingent agreement to make some contribution, each

of the others would also so co-operate concrete suggestions were discussed with the various representatives referred to and are embodied in the resolutions referred to later. It was agreed that any relief given by the Shipping or fuel companies should not be considered repayable.

As the result of this Conference, the Government made a loan to the Industry in accordance to the number of bags exported, this loan to be repayable by a cess on the export of future crops after the price of Maize had reached a certain figure. We assume that the figures in page 2 of your letter under reply (ii Maize subsidy on 1930-31 crop £81,020.) is really the loan above referred to and not actually a subsidy. The Government and the Railway and Port made a refund of certain amounts which had been debited or charged to Maize Exporters (1) the accrued profit on grading, and on the conditioning plant (2) certain heavy storage charges on reconditioned maize, which were admittedly in the nature of penalty charges for using the transit sheds over and above the free storage period. These refunds are, we assume, those referred to in (i) and (iii) quoted in your letter.

The Agricultural advances amounting approximately to £50,000, are, we understand, subject to an interest of 4%, and are secured by mortgages on farms. So far as we are aware, no help has been given to the Industry by any outside interest with the exception of the Shipping Companies who reduced their rate in accordance with their undertaking from 20/- to 17/6d. per ton. Railway rates and Harbour charges have since been increased.

As matters now stand, since 1926 the Shipping Companies have reduced the rate on Maize from time to time to assist the Maize Industry from 27/6d. to 17/6d. per ton; the latter rate subject to 1% surcharge only amounts to Sh. 20/12.

The view which the representatives of the Shipping Lines in Mombasa take is that they alone cannot save the Industry.

If the members of the Maize Conference of December, 1930, which was fully representative, were unanimously of the opinion that every effort should be made to save the Industry, has the position entirely changed in two years? If it has not changed, then the Shipping Lines are willing again to bear their share, but the most they can do would not save the Industry unless the Government or the Railways and Harbours also assist and, therefore their offer to reduce the rate of freight is contingent on other assistance being forthcoming. If the Industry is allowed to go out of existence, it appears to us that the prospect of the Government ultimately recovering their loan of £81,020 will be lost; the security of the farms will be depreciated in connection with the mortgages to the Land Bank; the Commercial Banks will also suffer and the large Oil Companies; a large sum of money will cease to circulate, and it will affect the whole trading and financial position of the Colony.

We are aware that the Railways and the Government are showing deficits; so also are the Shipping Companies, as will be shown from the published reports of the various Companies; but if the Railways and harbours and/or the Government are prepared to take a long view and render

further assistance, the offer of the Shipping Companies will stand.

In the meantime, as we have said, a copy of your letter will be forwarded to the London Conference, although you will understand, to our regret, we cannot accompany it with a recommendation to make the reduction unconditionally

We have the honour to be,
Sir,
Your obedient servants,

For THE UNION CASTLE MAIL STEAMSHIP COMPANY LTD
MOMBASA AGENCY.

ALEC. M. CAMPBELL.

Secretaries,
East African Steamship Conference.

The Honourable,
The Colonial Secretary,
The Secretariat,
Nairobi.

AGR. 1/1/3/88.

15th December, 1932.

Gentlemen,

I have the honour to refer to correspondence between yourselves and the Director of Agriculture terminating with your letter of the 6th December on the subject of freight rates on the 1932-33 maize crop.

It is noted from your letter of the 26th November to the Director of Agriculture that the Conference Lines are willing to reduce rates for maize and maize meal for specific bookings under present conditions to Shs.16/- and Shs.21/- (without and with options respectively), per ton plus surcharge, on condition that the Railway and Harbours Administration reduces its charges.

2. As regards this condition, the High Commissioner for Transport has been unable to agree to any reduction on maize freight rates as the rate on maize only just covers out-of-pocket costs. The General Manager states that, although certain rates have been increased, the Railway has not raised its general rates to an extent equivalent to the 15% increase adopted by the Conference Lines in December, 1931. The increase in harbour charges introduced at the Port as from the 1st May last amounts to 5% only, against which considerable reductions as regards storage charges have, as you are no doubt aware, recently been made.

The General Manager also states that the increase on maize was justified by an increase in the length of haul and should have been introduced some four or five years ago as the Administration found itself paying out money to move this crop.

3. You will, no doubt, be aware that considerable financial assistance has been given to the maize industry during the last three years. Measures of an exceptional character have been taken and considerable expenditure incurred with a view to maintaining production and export of maize. The following figures indicate the extent of the assistance given by this Government:-

(i) Government share of refund of Railway and Port charges on 1929-30 crop.	£ 26,950
(ii) Maize subsidy on 1930-31 crop	81,020
(iii) Refund of conditioning charges on 1930-31 crop	<u>15,071</u>
	£ 123,041

In addition advances at present outstanding against maize farmers under the Agricultural Advances Ordinance amount to approximately 250,000.

It has, moreover, now been decided that the conditioning charges on the 1932-33 crop should be reduced by 15 cents per bag, representing an estimated total rebate of £1162.

The Government appreciates the concessions made by the Conference Lines to help the ~~sea~~ industry in past years and the offer which is now made, but in the circumstances expresses the hope that, in view of the extent to which the industry has already received and is still receiving assistance from the Government and the Railway, the Conference Lines will not find it necessary to place any such condition, which must render their offer of assistance nugatory, on the introduction of lower freight rates in the interests of the industry as a whole.

I have the honour to be,
Gentlemen,
Your obedient servant,

H. M.-M. MOORE.

COLONIAL SECRETARY.

The Secretaries,
East African Steamship Conference,
P.O. Box 66,
Mombasa.

KENYA.

No. 617



GOVERNMENT HOUSE,
NAIROBI,
KENYA.

RECEIVED
12 JAN 1933
COL. OFFICE

29th December, 1932.

52

*Forward (3)
Copy to Mr. ... (Mr. ...)*

Sir,

I have the honour to inform you that strong representations have recently been made to the Government for further assistance to the maize industry. I enclose for your information a copy of a memorandum submitted by the Kenya Farmers' Association, together with a record of the discussion which took place at an interview granted to a deputation from the Association on the 29th November.

It will be observed that these representations were directed primarily against the Transport Administration, and that the Government was urged to consider the payment of a subsidy to the Railway which would enable the Railway to undertake unrestricted movement of maize (i.e. under peak conditions) at present rates, which average Shs.15/- per ton for non-peak conditions, without loss. It appeared that such a subsidy, according to figures furnished by the General Manager, Kenya and Uganda Railways and Harbours, might amount to £42,000.

2. The question was discussed in Executive Council

THE RIGHT HONOURABLE
MAJOR SIR PHILIP CUNLIFFE-LISTER, P.C., G.B.E., M.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON, S.W.1.

Council on the 10th December, when attention was drawn to the fact that the following financial assistance has already been given to maize farmers:-

(i) Government share of refund of Railway and Port charges on 1929-30 crop	£ 28,950
(ii) Maize subsidy on 1950-51 crop	<u>81,020</u>
Total recoverable under (i) & (ii)	£ 107,970
(iii) Refund of conditioning charges on 1950-51 crop (not recoverable)	<u>15,072</u>
	<u>£ 125,041</u>

Agricultural Advances at present outstanding against maize farmers (47) £49,714.

It was pointed out that, apart from the facts that the Colony's financial sources are already depleted and the Colony is ultimately responsible for the Transport loans, the sum of £48,000 suggested would more than suffice for the purchase of the additional tonnage by the Government and that, in any case, owing to the dismissal of staff, the General Manager of the Railway and Harbours Administration had stated that, even if subsidised, the Railway would be unable to deal with unrestricted movement of maize during the peak period, January to March, 1955. I concur with the advice of Executive Council that the payment of any such sum cannot be agreed to by the Government.

3. I may say that, in the debate on the 15th December in Legislative Council on the Railway Estimates for 1955, attention was devoted by unofficial members almost wholly to the position of the maize industry which it was represented would be destroyed if the Railway policy were pursued

pursued.

The repercussion on other industries and on the Colony generally of the destruction of the maize industry will not be inconsiderable and the view is widely held in unofficial circles that from the general economic standpoint the Railway policy is unsound. It is the intention of this Government to direct its representatives on Railway Council to bring the policy under review, and I have requested the Director of Agriculture to prepare a case for presentation to the Council early in January.

It is also the case that the Conference Shipping Lines have offered a reduction in shipping freights on maize conditionally upon some assistance being given by the Railway. I have, however, caused representations to be made to them that any such condition should be reconsidered in the light of the assistance already given by this Government and of the General Manager's statement that the proposed Railway freight rates on maize will only cover actual cost. In any event the maize industry must suffer considerable losses owing to the inability of the Railway to provide transport during the first part of next year.

4. Whilst this Government is unable to afford major assistance to the maize industry, it appeared reasonable to my advisers to make a reduction in the conditioning charges on the basis that, as a temporary measure, the interest and sinking fund charges on the conditioning plant should not be covered by this charge. It will be recalled that

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Now
16.265/30.

in 1930, with Lord Passfield's approval, vide his telegram No.145 of August 16th, 1930, a refund of 4/5ths of the grading and conditioning charges was made. The same principle is now involved, but it appeared preferable and simpler that any action taken in this connection should be by way of reduction of fees rather than by collection and subsequent refund.

5. The fees prescribed for conditioning are at present 50 cents per bag in the case of maize consigned direct to the conditioning plant and 60 cents per bag for other maize. These charges represent a considerable proportion of the value of maize at ruling prices and I have been advised that the encouragement provided by a reduction of 15 cents per bag will probably yield actually more revenue than would be forthcoming if the existing tariff were maintained. On the anticipated conditioning of 155,000 bags the 15 cents rebate will amount to £1162 and the position will be shortly as follows:-

<u>1932-35 Export Season.</u>		£
Estimated revenue from reduced fees.		5,158
Estimated expenditure.		<u>4,907</u>
Surplus of revenue over expenditure.		<u>£ 251</u>

I have, therefore, authorized a reduction of 15 cents a bag in respect of maize exported during the 1932-1935 export season.

6. As High Commissioner for Transport, I have authorized, on the recommendations of the Harbour Advisory Board, certain temporary concessions at the Port to the maize industry this year. These include reduced storage charges

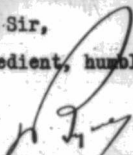
for

for maize consigned to the conditioning plant and transit sheds, and lower charges for conveyance between the transit sheds and the plant.

I have the honour to be,

Sir,

Your most obedient, humble servant,



Brigadier-General.
GOVERNOR.

24th November, 1932.

MAIZE MEMORANDUM - 1932.

1. GENERAL IMPORTANCE OF THE CROP:-

The very important place Maize takes in those Agricultural Countries which have climatic conditions suitable to its production is not always realized.

Taking the United States of America, for instance, during 1931 the area under Wheat (the second largest acreage under one crop in the country) was 54 million acres, while there were 104 million acres under Maize.

The Maize producing countries of the world exported a total of 41 million bushels of Maize, while the consumption in the U.S.A. alone amounted to 298 million bushels.

These figures are quoted to draw attention to the economic importance which the greatest agricultural country in the world places on Maize.

2. IS MAIZE AN ECONOMIC CROP TO GROW IN KENYA?

In December, 1930 the Maize Conference reported to Government. The General Manager of the Kenya and Uganda Railways was a member of this Conference which was very representative in character and carefully considered the question of Maize production in Kenya as an economic proposition when compared with other countries of the world.

The Conference Report contains many facts of great importance. The following short extracts are of interest:-

"We have no hesitation in expressing the conviction that Maize-growing should be regarded as an industry of permanent character, both for the European and Non-European growers in the Colony."

Again:-

"Upon the data furnished in Appendix 3, it is evident that Maize-growing in Kenya has already achieved a remarkable degree of success, when a comparison with other countries is instituted. The average yield per acre is immeasurably higher than that of the Union of South Africa, considerably greater than that of Southern Rhodesia, and already approaches closely that of the United States of America and the Argentine. Under even less favourable conditions than those which obtain in Kenya, Maize has been grown as an economic crop over a long period of time in different countries on the continent of Africa. Throughout a great extent of this Colony, soil and climatic conditions are favourable to the production of a heavy crop, and Kenya Maize already enjoys a high reputation, in respect to its quality on the world's markets."

No knowledge is at present available of any economic crop which could displace it, except to a limited degree, over a large part of the highlands, and time alone can prove whether other economic crops can be as, or more, profitably grown on an extensive scale, but certain it is that, here as in other countries, changes in any farming system can only be gradually brought about.

3. IMPORTANCE OF MAIZE. (Native Maize omitted) :-

(a) AREA: In 1921, the area under Maize was 53,000 acres. From this time a very progressive increase in the area under Maize has taken place. The highest point was reached in 1929/30 when the area under Maize amounted to 233,975 acres and represented 41.47% of the total area under cultivation in the Colony. Due to economic pressure of low prices and locust damage, the area has fallen to 195,000 acres, representing 37.54% of the total area under cultivation. During the past six years Maize has represented 37.30% of the total cultivated land in the Colony.

(b) POPULATION: The total number of farms, including stock farms, at present producing in the Colony is approximately 2,250; of these, over 800 are producing Maize. From these figures - realizing, in addition to the Europeans engaged in Maize production, the large number of natives employed - the very serious results following any general collapse of the industry may be visualized.

(c) VALUE OF CROP: A glance at the yield of Maize and its value during the past few years shows quite definitely that its production has created wealth in the Colony frequently over £750,000 per year.

(d) EXPORT VALUE: The value of Maize exported varies from year to year, dependent on price, local demand and yield, but taking the past five years, (including the value of that sold to Uganda) the Maize sold outside the Colony represents 16% in value of the total exports. The highest figure was reached in 1929/30 when it amounted to £602,024. The lowest figure was £361,970. This creation of credit outside the Colony, to enable it to meet its heavy overseas commitments, is a matter of supreme importance to the Colony as a whole. The value of European-grown Maize exported during the past five years has been greater than the total value of native exports.

(e) VALUE TO OTHER INDUSTRIES: European grown Maize has for some years supplied the local market with an average of 400,000 bags of Maize. Up to 1930 the average export of native Maize was less than 100,000 bags, and since that date there has been no export from Native grown Maize, as they have sold on the higher local market, while the European grower has sold on the lower export market. The highest annual average price Maize realised during the last five years was 12/40 per bag and yet this high price was not inducement enough for the native grower to produce sufficient Maize for the internal market.

The Railway, Government Departments, Coffee, Sisal and Tea Estates, as well as all commercial undertakings in the Colony, have to face the cost of supplying their labour with Maize meal. Were the European Maize to go off the local market or the production of European Maize to fall to nearly the internal demand, then all these purchasers would have to pay very high prices for their supplies of native food. The future of the sisal industry, particularly, is very dependent upon reasonably low-priced labour rations. The gold discoveries in Kakamega will result in reduced production in that native reserve and a demand for Maize meal, making the danger of any shortage a very real one in the Colony, to the detriment of other industries.

The European grown Maize enabled Uganda to carry through the 1926 famine and the position in Kenya itself during 1929 would have been indeed serious had the European grown Maize not been available to supply the shortfall, due to the failure of native crops.

The exportable surplus of European grown Maize, more than any other factor, maintains production costs of other crops, as well as general expenses, at a reasonable level, and, were this steady influence to be removed, the effect would be very serious, affecting all costs of production, manufacture, building and transportation.

(F) TO THE RAILWAY. If we take the Railway figures (excluding coal, which is mainly Railway fuel), the total tonnage moved during the past six years has been 4,679,054 tons. Of this total tonnage, Maize and Maize meal have constituted 888,661 tons - or 19.2%. These figures give some idea of the very important part Maize takes in the Railway working in the Colony and Protectorate.

Of the 888,661 tons of Maize and Meal products transported by the Railway, only 444,159 tons were moved at the export rate, the majority (or 444,522 tons) being carried at the internal rate.

The internal rate is based at 15.1 cents per ton mile up to 17 1/2 miles. Thereafter the ton mile rate falls, as the maximum of 1/- per 100 lbs. is reached. The all-in cost to the Railway, including interest and sinking fund, except to 10.64 cents per ton mile, so that the rate at which the great majority of the internal transportation of Maize and Meal is carried shows a profit above the all-in per ton mile cost, and, even when Maize is moved such a distance as from Kisumu to Nairobi, it pays 9.4 cents per ton mile. It will be realized that internal Maize and Maize meal movement on the Railway, representing 9.1% of the total tonnage transported, pay the Railway very well indeed.

For a grant, glance at the cotton railment. The total ginned and unginned cotton moved by the Railway during the past six years has been 206,095 tons. This valuable product is hauled a much greater distance than Maize moved internally, yet the basis of the rate is 10.64 cents per ton mile, so that the movement of cotton, paying as it does just the actual all-in per ton mile cost, cannot be claimed to bear any of the loss (if such exists) in the export railment of Maize. The relation to the value of the product and its ability to pay transportation costs is generally a factor considered when a rate is fixed.

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- 4 -

The export value of cotton, moved at 10.64 cents per ton mile, for 1931, was Shs. 891/45 per ton. The value of Maize moved at 13.1 cents per ton mile was only 80/- per ton.

The tonnage of Cotton Seed railed during the past six years has been 273,855 tons. Consideration of these figures shows that in the case of Maize, just over 50% pays the high railrage, while under 50% pays low export railrage. In the case of Cotton, only 42.05% pays the higher railrage, while 57.95% pays the low railrage.

A review of the position indicates very clearly the great importance of Maize to the Railway and, were it not for this traffic, it would appear difficult to justify the heavy expenditure which has been incurred.

(g) TO THE PORT (Excluding Coal):- Export Maize has for some years constituted the heaviest tonnage of any single item passing through the Port. Of the total import and export traffic through the Port during the past six years Maize export has represented 13.09% while, of the total export traffic, including that from Uganda and Tanganyika, Maize has represented 29.16%, and during the past four years has contributed 19.62% of the total revenue derived from exports; in addition to which, the quantities available have increased Port revenue generally to a considerable extent in many ways. In view of the fact that the working of the Port is done by contract, it will be seen that Maize at the present very high wharfrage of 5/25 per ton pays about 1/50 per ton to the depreciation and interest charges of the Port. In view of the present position, this is a very heavy burden.

These figures indicate the very great assistance Maize has been to the Port in the past. Looking into the future, were the Port to lose this heavy annual Maize tonnage, material increases would have to be made in the rates charged on other commodities passing through it to provide the necessary annual revenue to meet expenditure; otherwise the shortfall will be a charge on the Railway, and ultimately on the Colony.

4. HISTORY.

You will remember that in 1921/22 we were passing through a serious financial depression and the Bowring Committee was appointed to make recommendations. This Committee definitely discarded the idea of allowing Industries to develop in the normal way and deliberately adopted the principle of encouraging suitable industries as the foundation of the economic policy of Kenya. The Railway rating policy was altered, and rates were fixed to stimulate production for export.

In proof of this policy and to encourage the free flow of capital into the Maize growing industry, the Government made an arrangement whereby the Railway was to carry Maize from any Main Line Station to the Port at 1/- per bag, and the Government paid to the Railway an annual sum to cover any loss it was anticipated would be made in such agreement. Later the Railway Administration, after going fully into the figures, being convinced that the Maize industry as a whole did not incur losses to the

Railway, relieved the Government of its liability, and continued to carry Maize at 1/- per bag for export.

The Hon. Colonial Secretary in presenting the 1925 Budget stated that the subsidy to the Railway would be discontinued, but that the Railway would continue to carry Maize at the flat rate.

There can be no doubt that Kenya Colony on the recommendation of the Bowring Committee definitely adopted as a policy the 1/- per bag rate on Maize, and subsequent events proved the wisdom of this policy, to which in no small degree can be attributed the subsequent Railway Profits and general financial stability of the Colony. There can be little doubt that the settlement of such distant areas as the Trans Nzoia, with the consequent Railway profit and additions to general revenue brought about by their development, could never have taken place had the 1/- per bag policy not been accepted on in the Colony, nor could the Branch Lines to Solai and Kitale have been justified except as feeders to the Main Line to carry Maize. It has been suggested that the ton mile total of Maize has been increased. This is only natural and was of course foreseen by the General Manager of Railways in 1925 when accepting the liability (if any exists) for the shilling rate, but it must be realized that this increase in ton mileage, due mainly to these Branch Lines, pays over them a high rate railrage. Can it be fairly stated to-day that Maize would have developed as it has done had those about to invest their capital or purchase land anticipated the increase in the export rate, or the introduction of a policy of restricted movement?

5. MARKETING COSTS AND VALUE OF GRAIN:

The value of K2. Maize on the world market to-day is 18/60 per quarter, C.I.F. European Ports. The fixed marketing costs are:-

	<u>Per Ton.</u>
Railage	Shs. 15. 50
Siding Charges	Shs. 7. 20
Grading	Shs. 1. 55
Freight	Shs. 20. 12
Charges	Shs. 5. 25
Coast Agents, Ho-sawing, Superintendence, Cables	<u>Shs. 1. 55</u>
	<u>Shs. 40. 95</u>

Commission, Insurance,
Interest, Exchange and
Loss on Out-turn represent .. 4.19%

Maize @ 18/60 per qr. represents ..	86. 33	p. ton
Debit Expenses as above ..	40. 95	
	45. 38	
* 4.19% on Shs. 86.33 ..	3. 61	
	41. 77	
* K.F.L. F. ..	1. 72	
	<u>40. 05</u>	p. ton.

Shs. 40, 05 per ton represents	Shs.	3.63 per 203 lbs.
Deduct Bag	Shs.	<u>.70</u>
	Shs.	<u>2.93</u>

From this Shs. 2/93 for the nett grain free on rail Main Line Station must be deducted the Branch Line cost of 25 cents per bag on all Maize railed from Branch Line areas and also the cost of transportation from farm to rail.

These figures present a gloomy picture, but it must be realised that any reduction which may be effected in marketing costs, as well as any advance in price, are a nett gain to the grower.

The Maize Conference in 1930 went fully into the question of production costs in Kenya, but since that date very material reductions in costs have taken place which make the crop an economic one at prices below those foreseen at that time.

It is of interest to note that in 1922 the marketing costs to C.I.F. value represented 25.27%, while to-day they represent 51.77%, and the only increases in these costs which have taken place are in the case of export railage and wharfage.

These figures give some idea of the heavy burden imposed on the industry by the internal transportation charges.

6. MAIZE MARKETING COMPARISON:-

Kenya (K2) Maize is sold on the world's markets in competition with, and exchangeable with, Rhodesian and South African Twos. The facilities granted to the producer in South Africa are considerable. The stores and silos at his up-country stations are provided. Good cheap storage is provided for almost unlimited quantities at the Coast, and his railage and wharfage are lower than ours, while his average haul to the Coast is longer than that in Kenya.

Rhodesia has a maximum Maize export rate of present of 8/- and a wharfage rate of 4/-.

In Kenya the export railer pays a high purchase price to the Railway for his land, in addition to an annual rent, and builds his own Godowns. The K.F.A. alone has paid to the Railway for godown plots over £3,000. In addition to which, it pays the Railway annually rents amounting to over £300. - apart from the £10,000 it has invested in Godowns. All these are additional expenses paid by the Maize Exporter of this Colony, not paid in South Africa, apart from which the railage and wharfage costs are heavier.

Surely if the Maize industry of the Colony is to prosper to the general benefit of the Colony, then the producer must be placed on better terms to compete with his African neighbour? It is difficult to understand why this cannot be done.

7. RAILWAY COSTS:-

The following extract from the General Manager, K.U.R. 1931 Report is interesting as supporting a policy in accordance with the present difficulties:-

"Provided due care is exercised to keep expenditure down to a minimum, until all reserves have been re-established, there should be no undue concern regarding the capacity of the Railway and Harbour Administration to meet its financial obligations in full when general world conditions return once more to a state of prosperity.

In the meantime, nothing should be done that might hinder or delay development and production. It would be wiser temporarily to finance deficits, if they arise, by loans or grants-in-aid, if necessary rather than to shut down completely all services which at the moment may not be paying their way but which, if abandoned, will definitely reduce the productive powers of a district, while involving heavy losses due to depreciation of assets which are not fully maintained.

The Maize Industry in its struggle for existence has reduced every possible item of expenditure and finds only the items of railage and wharfage charges increased. Naturally the argument is:- "If all these other costs are reduced since 1922, when everything was at a high level, why is it that the actual cost of haulage by rail to the Coast has not come down in common with every other charge?" It is hoped that the method of arriving at this figure, with the details, will be made public in order that they can be frankly criticised.

The Railway attitude towards the question of export rate is that no Railway in the world carries any commodity at a rate lower than its cost of haulage. Surely this is not so in the case of Maize in Rhodesia or South Africa? If these countries, with their greater experience, can see the wisdom in times like those existing at present, of reducing their Railway export rate, the policy cannot be very unsound, taking the long view.

8. RESTRICTED MOVEMENT.

In addition to the imposition of heavier Railway charges, the Non-Peak Traffic Policy virtually imposing restricted movement on Maize is having and will continue to have a damaging effect on the Maize grower of the Colony, out of all proportion to the benefit it can possibly have on Railway finance.

The policy is entirely a new one, compared with other countries, and it imposes an unheard of burden. In Australia the Wheat, after harvest, is stacked without covering of any kind for miles alongside the Railway. It all has to be moved before the rains commence and is in fact moved by Wheat trains within a period of three to four months. The Wheat of Canada is threshed and carted at once to rail. Very few of the Wheat farms have storage for a big proportion of their grain. Maize shipments from the Argentine show their Maize movement must be a reasonable one and varying, as they have from

7,000 quarters a week to 1,888,000 quarters in another week during the same year.

A review of the marketing period over a number of years in practically every grain exporting country in the world shows that the movement of their crops is definitely seasonable.

The imposition of restricted movement is so detrimental to the interests of the grower that were it a policy designed to kill the industry it could not have a more serious effect.

It prevents Maize from being marketed at the period when it is of the greatest value on the world's markets; it prevents growers from putting their Maize on those markets of the world where it can be sold at the best price; it eliminates the possibility of taking ready advantage of cheap carters which may become available (the ability to do this in the past has materially increased the nett return to the grower); it forces growers to hold Maize until it is weevily - thereby greatly reducing its value; it prevents the early cashing of the grower's crops; retards his ability to discharge commitments incurred in growing the crop, to the serious detriment of trade; it entirely ruins the internal value of Maize and will probably result in wealth which has been created in the growing of Maize by natives never being turned into cash with which to purchase imported goods, losing revenue to the State in Customs; to the Railway in valuable freights, and to the commerce of the Colony.

In the past, the minimum value of Maize was its export parity. To-day there is no minimum in the Colony and Maize has changed hands at as low a figure of 2/- per bag. The normal internal sale of Maize represents 800,000 bags. The effect of restriction will enforce big supplies being kept in the Colony, and the average reduction in the internal price will be not less than 2/-, probably more, resulting in loss of at least £80,000 to Maize growers, - an amount which would be spent in the case of the native population in paying taxes and purchasing imported goods and in the case of Europeans in maintaining their Maize areas and mainly devoted to native wages. How difficult it is to establish confidence in the farmer when the policy of Kenya is to force the price of internal Maize down as low as possible, while South Africa by the Quota System and Rhodesia by the Control System pass legislation to put the internal price above its export parity; and how strangely it compares with the policy adopted by the Imperial Government at present in power who have not only introduced the Wheat Quota System, but guaranteed their farmers a price equalling twice the present import parity.

If further statement is required as to the disastrous effect of this policy, it is to be found in the case of those farms who in the past have been in the habit of shelling in January and carting direct to Railway. They have no stores to hold their Maize; cannot afford to build them, and will have quantities of Maize rotting for want of Railway trucks.

The psychological effect is very serious on the producer who has accounts to pay and is being worried to liquidate them. He has maize to rail which he cannot

move, but must watch it deteriorating in value through weevil destruction, knowing the price he is to finally obtain, when he can rail it, will be small. With this example continuously before him, will he plant again?

The real facts are that unrestricted movement would mean :- a total increase in export railroads of 20 to 25 thousand tons during January, February and March, bringing tens of thousands of pounds to the producer which he will otherwise surely lose.

The maintenance of the non-peak traffic policy will result in this wealth which has been created being thrown away.

9. WHAT ACTION CAN BE TAKEN TO ASSIST THE INDUSTRY? :

(a) Revision of Rates: In 1922 certain rates were in existence on the Railway. The Policy definitely decided upon was to maintain high import rates and assist production with low export rates - this policy was unsuccessful. Many of the rates, since the enunciation of that policy, have been reduced. Why, when losses had to be faced, were not all these rates put up to the 1922 level and the policy maintained, instead of drifting into a new policy of reducing the import rates and increasing the export rates?

Surely the justification for the prohibition of road competition with Railway is the maintenance of the 1922 policy? Therefore, it is reasonable to suggest that, realizing the necessity of maintaining the Maize Industry as other countries have realized it, a revision of rates, causing no real hardship and relieving the Maize Industry of its 19% increase in export rate and restricted movement, would be a wise solution.

(b) Wharfage: reduction in the wharfage charge, which is admitted to produce a profit, would give great relief and, in fact, be an insurance to all other users of the Port against higher charges.

(c) Subsidy to maintain free movement and 1/- per bag rate:

If in 1922, when every economy was necessary, it was a wise policy (and subsequent events have justified that policy), to provide funds to subsidize the Railway to move Maize at 1/- per bag for export, then under existing conditions that policy is doubly justified, as the machinery and equipment is now on the farms waiting to produce the Maize which will be required to pay our overseas interest.

It is not difficult to visualize the comparative position of a large Maize export and £500,000 credit overseas, with ruination to more than 50% of the Maize producers in the Colony and no Maize export.

NOTES OF DISCUSSION WITH DEPUTATION FROM THE
KENYA MAIZERS ASSOCIATION.
29th NOVEMBER, 1952. 66

PRESENT : His Excellency the Governor
The Hon. Colonial Secretary
The Hon. Director of Agriculture
The Hon. General Manager, Kenya and Uganda Railways
and Harbours.
Colonel Walker.

Mr. James Mackay - Chairman, K.F.A.
Colonel Griffiths.
Colonel Pudsey.
Mr. Powles.
Mr. A.J. Simpson.
Mr. Bargman - Chamber of Commerce.
Colonel Tucker - Railway Council.

The Private Secretary.

(1) MAIZE:

His Excellency stated that he had very carefully considered the K.F.A. memorandum on Maize dated 24th November. Everyone was anxious to do anything which was really justifiable to assist the Maize Industry to remain active. His Excellency referred to the large sums already advanced to this end out of the Colony's very small surplus balances, and said that he was anxious to hear what the deputation really wished the Government to do in order that he might be able to put the position before his Executive and possibly Legislative Council, and if necessary before the Secretary of State.

(2) After more than two hours discussion the essential requirements of the industry were stated to be :-

- I. that the Railway Administration should abandon the non-peak period policy and agree to carry all maize available at the flat rate of Shs. 15/- per ton; the Government to decide how the Railways actual loss was to be reimbursed. The deputation agreed that in effect this would be the equivalent of a subsidy to the industry.
- II. that Port charges (wharfage dues) should be reduced at least to actual cost incurred for the service rendered.

(3) During the discussion on I, among the points made were the following :-

Mr. Mackay and Colonel Griffiths strongly challenged General Rhodes's assertion that the flat rate for maize was the bare cost of transportation and suggested that it included percentages for depreciation, staff salaries etc. General Rhodes replied that the only costs taken into account were trip allowances (not salaries or passages), fuel, water stores, maintenance charges for locomotives and rolling stock (but not depreciation) and unloading costs at the Port. And General Rhodes was emphatic that Colonel Griffiths's suggestion that the cost should be re-assessed on the proved running expense of a special maize train from Kitale through to the Coast was quite unsound and that he would certainly have to add to a figure obtained in this way the cost of

66

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KENYA FARMERS ASSOCIATION.
29th NOVEMBER, 1932.

PRESENT : His Excellency the Governor
The Hon. Colonial Secretary
The Hon. Director of Agriculture
The Hon. General Manager, Kenya and Uganda Railways
and Harbours.
Colonel Walker.

Mr. James Mackay - Chairman, K.F.A.
Colonel Griffiths.
Colonel Pudsey.
Mr. Powles.
Mr. A. J. Simpson
Mr. Bargman - Chamber of Commerce.
Colonel Tucker - Railway Council.

The Private Secretary.

(1) LAIZE:

His Excellency stated that he had very carefully considered the K.F.A. memorandum on laize dated 24th November. Everyone was anxious to do anything which was really justifiable to assist the laize industry to remain active. His Excellency referred to the large sums already advanced to this end out of the Colony's very small surplus balances, and said that he was anxious to hear what the deputation really wished the Government to do in order that he might be able to put the position before his Executive and possibly Legislative Council, and if necessary before the Secretary of State.

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conveying the train (or part of it) empty to the loading point, and something for maintenance of loco, and wagons.

(4) The Hon. Director of Agriculture said he could not understand how the proportion of the flat rate representing maintenance costs could possibly be 33% of the whole, and the deputation enquired how it was that certain railways in other parts of the world could carry maize at lower rates than the Kenya and Uganda Railway. The General Manager replied that the answer to both these questions was to be found in the fact that whereas specially low rated traffic was generally only a very small part of the total traffic of a railway, this low rated traffic in Kenya amounted to 52% of the whole. It would be comparatively easy to (say) 9% higher rated traffic a loss on the (say) 3. low rated traffic. And as regards the cost of loco. and wagon maintenance, the low rated traffic had to bear its share as the wear and tear of rolling stock and locomotives was the same for high and low rated traffic. The General Manager also pointed out that the percentage of the flat rate on maize to cover maintenance would not appear nearly so high were the normal overheads of the railway taken into account in fixing the flat rate.

(5) General Rhodes stated that the railway administration did not particularly favour the non-peak policy. It had only been adopted by the Railway Council because the only alternative entailed a much increased rate. If 50,000 tons of maize were carried at the flat rate of Shs. 15/-, the balance could be carried on a rate of Shs. 60/-, or if there were to be unrestricted traffic the flat rate would have to be Shs. 30/- or thereabouts. This balance for export, over and above the 50,000, available between 1st January and April was estimated by Colonel Griffiths at 15,000 tons. General Rhodes said that even if an immediate subsidy were provided, the Railway could not now guarantee to carry without delay this balance to the Coast during the peak period: the repair workshops and operating staff having been so reduced - the whole of the 1933 Budget was based on the understanding that only locomotives and rolling stock essential for non-peak period traffic were to be maintained in running order. The General Manager also pointed out that his administration had no funds to meet any loss on maize traffic: he was indeed budgeting for a deficit of over £200,000 in 1933. He would do his best, but could give no guarantee, such as the deputation claimed was indispensable if the maize growers were to be in a position to make forward contracts and take advantage of any price improvement.

(6) In discussing II the deputation referred to the offer of the Conference Lines to reduce the freight on maize to Shs. 16/- without options, Shs. 21/- with options both rates being per ton of 20 cwt plus surcharge but not subject to deferred commission always provided the Railway Harbour Administration reduced their charges. The deputation pressed for an early decision in their favour in order that the maize now about to be shipped might obtain the benefit of this offer of the shipping companies.

Colonel Tucker asked whether it might be possible that Port charges should be bare working costs only. It was pointed out that this in effect would increase the charges to other exporters, as the Harbour, far from working at a profit, was already incurring a serious deficit.

(7) In bringing the discussion to a close His Excellency said that he would, as soon as possible, submit his Executive Council, putting the L.A.A. memorandum before them. He had no objection whatever to the L.A.A. making their memorandum public.

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END

His Excellency emphasized once again that as the Railway was jointly owned by Kenya and Uganda, Uganda would insist on Kenya reimbursing the Railway Administration for any special relief which at the present time it might give to the Maize Industry, and pointed out that he had absolutely no power to commit Government to any further financial assistance being given to the Maize Industry; that any such assistance would have to have the prior approval of the Secretary of State; and that he would have first to submit the proposal to the Executive and possibly Legislative Councils.

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T. CLINTON WELLS.

PRIVATE SECRETARY

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T. CLINTON WELLS.

PRIVATE SECRETARY

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