

1936

38173

38173

4 KENYA CO533/471

Report of the Financial Commissioner

Miscellaneous Correspondence

Previous

Mr. Flood 30

Sir C. Bottomley 4/12

R. 297 3/12

R. 80 7/12

R. 298 8/12

297

Subsequent:

R. 297 7/x

Re Mr. Flood 10-10

Sir C. Bottomley 12-10

Sir J. Mackay 12/x

Mr. Boyd 12/x

Secretary of State 12/x

L. C. Bottomley /

R. 297 16/x

Mr. Flood 16-x

Sir C. Bottomley 16-10

Sir J. Mackay //

Mr. Boyd 22/x

Secretary of State 22/x

Sir C. Bottomley 22/x

R. 297 18/11

- 2
1. Wade.----- s/o ----- 7.9.36.
Transmits press report of speech by Lord Francis Scott dealing, inter alia, with the recommendations of the Pim Report.
2. Byrne.----- s/o ----- 27.9.36
Comments on the main recommendations of the Report and action taken to consider them; encloses press cutting regarding local reactions to the taxation proposals.

I got these things registered for record.

I have acknowledged the one from Mr. Wade.

Lord Francis Scott's speech has not got very much in it except the cheap sneer at Government House, talk about the Government trying to trick us, and the remark that "we cannot trust them". Not, I think a very hopeful augury for any policy of cooperation, but I suppose it is inevitable in the case of Kenya. Lord Francis Scott has to say not what he really feels, because I don't think he can be quite such a fool, but what he thinks will go down among his supporters.

The other letter has more in it. It would be quite impossible in the first place to resist Sir Alan Pim's recommendation that native taxation should be modified and the age raised. We have managed to stick out against it so far, but, in the face of Sir Alan's definite recommendation, I do not see how the Secretary of State could be expected to acquiesce in the continuance of the present state of affairs. Nobody likes the proposal to raise small loans, but there is nothing else for it.

With regard to the Treasurer and the position of the financial secretary, that question has now been decided and despatches are going out to all Colonies urging the adoption of the financial secretary scheme in the Colonies.

Income tax is already settled.

The leading article from Mr. Couldrey's paper is, I think, a pretty sensible production. It will be seen from it that the Elected Members' claim to represent everybody in Kenya would by no means be accepted by Mr. Couldrey.

J. S. W. Hand

It would be accepted by a large number of people, but we can never form any opinion as to how many.

Sir J. Maffey.

The reduction of administrative staff is perhaps the most doubtful point of Sir A. Pim's report. I think that experiment - trial & error - is the only way of dealing with it.

A. J. J. J. J.

Sir J. Byrne.

W.S. 12.10.36

J.M.

Secretary of State

13/1/36

1/1/36
may be
glance at H. 13.

3. Byrne.----- s/o ----- 22.9.36.
Transmits extract from the "Kenya Weekly News" commenting on the Pim Report.

4. To Byrne.----- 3 and. ----- 10.10.36.

5. Byrne.----- s/o ----- 3.10.36.
Reports that Income Tax Bill is being introduced immediately; expresses difficulties of the Native Taxation proposals and requests guidance in dealing with any questions in the Council; enquires whether Inland Revenue Officer is being selected.

With regard to No.5 there is a good deal of meat in it. It appears from it that, as we expected, the Bill and the memorandum which had been prepared, were published simultaneously. Unfortunately, the expectation of the usual outcry has been fulfilled. Criticisms of the Bill are, of course, legitimate and proper, and, as the Governor says, they can be debated in Council; but it is to be hoped that they will be debated fairly and openly, and that nobody will try to take refuge behind the Secretary of State. The Governor says at the end that he will keep us informed of unofficial opinion and he has just received a further request to do so, so that we should get something.

Whatever may be thought locally, there can be no doubt whatever that Sir Alan Pim's recommendation regarding native taxation must be implemented, and must be implemented at once, and with as good a grace as they can screw up. It simply won't do to say that Government views the proposals benevolently and will try to do something on those lines in 1938. That savours far too much of "jam tomorrow, but not today." If, to suit the book of the European, Government is being urged to adopt the recommendations put forward by Sir Alan Pim, it is obviously necessary that Government should adopt whole-heartedly the recommendation which gives relief to the black man.

Otherwise,

Otherwise, the position will be that the officials will be relieved of the salary levy and the European community relieved of various taxes which they don't like (it is true they will have Income Tax instead, but that won't hurt them), but the black man, though equally recommended for relief, will get nothing. This simply won't do. Relief of native taxation has been ^{discussed} ~~considered~~ by several people for several years, and Government cannot get out of it now. If the budget does not balance owing to reduction in native taxation, then they will have all the better cause for adopting the admittedly unsound suggestion of borrowing. On this point, one can be in entire agreement with everything that is said in the Treasurer's memorandum which is interesting and well-written, and yet one can face the fact that borrowing is the only way of doing it. As to this point, however, we have not yet got Treasury consent, and, further, it may very well be that, in practice, owing to expanding revenue - about which we are hearing a lot now - there will not be the need to borrow.

With regard to the memorandum a good deal of it is special pleading. I do not suggest for one moment that Kenya is ^{yet} ~~still~~ in a sufficiently flourishing condition to resume further ^{extra} payments to sinking funds and put by contributions in other directions; and that is why it is necessary to consider the question of borrowing. If Kenya was in a position to meet the various liabilities which are specified, there would be no need to borrow because ^{if necessary} it would suffice to defer contributions as at present, in order to make up for a loss of revenue.

4

Paragraph 14 of the memorandum appears to contemplate the issue of regular loans to be redeemed at 25 years or less. I do not think that that is really what is in Sir Alan Pim's mind, but that, rather than have the Colony piling up more debt charges at a high rate, he would prefer to have these casual loans extinguished by a small Sinking Fund operated over as long a date as possible. As the loans will ^{not} need to be put on the market, arrangements could probably be made in this direction.

What Mr. Walsh says in paragraph 16 about the purchase of present ease at the cost of future discomfort is perfectly true, but that is what Kenya has been getting at for the past four years.

I think, then, that Sir Cecil Bottomley might reply that they must face a reduction of native taxation as proposed and must face it at once; that we are consulting the Treasury with regard to the loan proposals which, like everybody else, we recognize to be opposed to really sound finance, but hope will not be required; and say that we are trying to get an Inland Revenue officer, though we have doubts whether the terms offered will prove satisfactory.

As regards (a), (b), and (c) in the Governor's letter, it would be hopeless to propose to cut down the native services in any way, and the choice would appear to lie between an unbalanced budget, and floating loans up to the amount of the deficit which apparently is put at about £40,000 a year. We could observe in regard to this that if revenue exceeds the estimate, as it may be expected to do if trade revives, the unbalanced budget will, in practice, turn out to be balanced; so that there would

would be no need for borrowing. In that case, the effect on the credit of the Colony would be negligible since it is only the actual figures that count, and Kenya's credit will not become a live issue until they want to float some more loans.

J. L. G. Flood
16.10.36.

There is no doubt that the Govt. is in for a hot time. It is true that a large number of Europeans will not be hurt by income tax, but they will not see it in that light. They will say - 'we get income tax, the African gets relief, & savings on expenditure will be gradual.'

But they would be just as unhappy if income tax alone were pushed on.

I agree with Mr. Flood. In effect they will budget for a deficit, with the assurance (if we can get it from the Treasury) that they will be allowed to borrow to the extent necessary to make good. If they borrow, the loan will not be a first charge on any future surplus, & will be paid off by instalments.

Mr. Boyd.

I have just noticed that this paper with its incomplete minutes has been in the bundle underneath the top sub-file.

The Governor's main points are really covered by the despatch of 8th October (No.17 in the main file) but I ought to answer the letter and I have put up a letter which, if you can obtain the Secretary of State's concurrence, I will send by tomorrow's air mail.

W.C.B.

28.10.36.

Secretary of State

yes

W.C.B. 29.10.36

Letter sent
Copy attached.

W.C.B. 24.

6 To Byrne.----- s/o----- 5 ansd.----- 28.10.36.

Sir J. Maffey

(7)

You should see the attached letter from Mr. Freestone. We don't write Kenya policies to each other as a rule but this is an exceptional case.

I. Is I believe quite true. Major Cavendish Bentinck told us to-day that hardly anyone objected in principle though they would try to delay it. This may be a trap because if they do delay it Major Brogan & Co. may start the idea that it must never be introduced and get away with it.

II. There is nothing in this anyhow as we have pointed out.

- a) Is true: but the last words are ^{very} ~~likely~~ true. Sir J. Byrnes has done his best to govern.
- b) Is quite true also. Capt Schwartze makes a large income & would pay more and Major Brogan's expenses - such as pay at all - would be affected
- c) Is also I think true. The Elected Members' stock is very low.

by the results:- A is ~~more~~ ^{more} likely forecast though I doubt the elected members walking out. People would only laugh at them if they did it again. If there are fireworks and the Govt. stands firm the opposition will die. It is largely a "try-on" to scare the Colonial Office. If Govt. gives in, then the position of the new Gov. & the S. ops. will be awkward.

Mr. Freestone's letter is of great importance at the moment. J.S. will be interested in this see his notes.

J.S. 23.10

Sir C. Bottomley has seen.

Woly 26.10.

26/10

8. C.J. Wilson.----- 15.10.36.
States that the general feeling in the Colony is in
favour of Income tax.

Sir C. Bottomley

MR. FLOOD

I return the letter from Dr. Wilson to
Mr. Ormsby Gore which the Secretary of State
has seen, and to which we have sent a Private
Secretary's acknowledgment.

At the same time, I ^{attach} ~~enclose~~ [?] a copy of the
letter from Dr. Wilson to Mr. Pickthorn, which
Mr. Pickthorn handed to Mr. Assheton and
Mr. Assheton handed to Mr. Boyd.

Mr. Assheton ^{*} will want to have this letter
back in due course.

*
Now
returned to
Mr. Pickthorn
P.W.
29/11

W. Davis

28.10.36.

Dr. Wilson is well known to us all as a
sane & fearless person.

J. E. Flood

28

Good. But "Sole private opinion"
in Kenya is too sole altogether. We
never tries to make its voice heard.

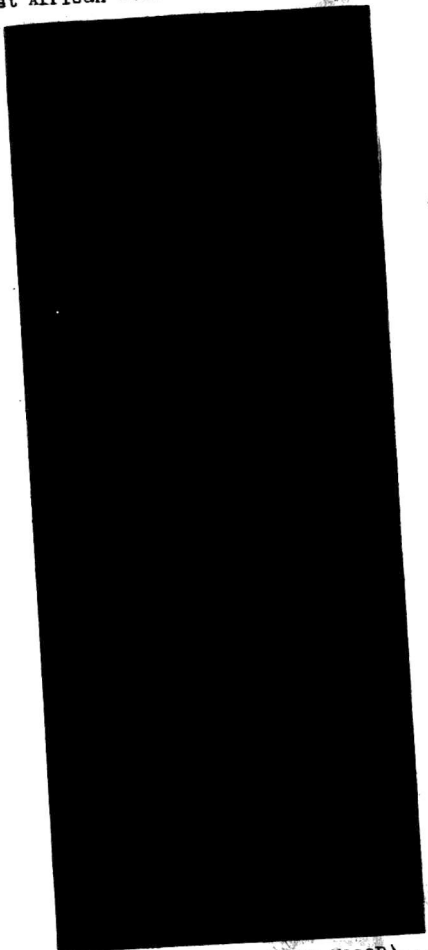
W.D.
28/10

W. Davis

9. To Dr. Wilson.----- 8 a/crd.----- 28.10.36.

DESTROYED UNDER STATUTE

10. SIR J. BYRNE (S/O TO SIR C. BOTTOMLEY).....20.10.36.
States that the Convention was held on 9th Oct.
and comments thereon stating that the Platform
Campaign is now ended: encis. cuttings from the
"East African Standard."



11. MAJOR T. C. WELLS (S/O TO MR. FLOOD).....29.10.36.
Trs. extract from a Personal & Conf. letter which
he has rec'd. from a Professional man at Mombasa.

12. SIR J. BYRNE (S/O TO SIR C. BOTTOMLEY).....29.10.36.
Encis. cuttings from the "East African Standard"
giving a fair outline of his Address and leading
article based thereon. Comments on introduction
of Income Tax and reduction of Native Taxation.

Sir C. Bottomley

This has been out with other papers. Sir J. Maffey (I think the 5 of 6.) has seen No 11 which shows how ~~well~~ Mayor (and) Bentinck gets his stuff and what at least one unofficial friend of (a) the local politicians (b) Sir J. Byrnes. On the latter point his view is mine as you know.

You may wish to answer No 12 before Sir Joseph leaves.

J.S.O. Flood
30.11.

12 Shows that he was going to wait for the Finance Committee before finally deciding on Income Tax. It is a foregone conclusion that the Treasury have also put it in as part of their understandings over the P.M. borrowing proposal.

* On my inspiration, or rather, the S. M's through me; but it was inevitable.

Have you? no 12

Purdy W.C.S.
17/12/26
ans

120: 1, 2, 3, 10, 11, 12

R 298: 4, 6, 9.

PERSONAL & PRIVATE.

AIR MAIL.

5877/4
192
GOVERNMENT HOUSE,
KENYA,

EAST AFRICA.
29th October, 1936.

721137E
C.O. REC.

My dear Bottomley,

I enclose herewith cuttings from this mornings East African Standard giving a very fair outline of my Address and the leading article based thereon.

To my surprise the speech was applauded by the Elected members. The Hansard copy will be sent to you as soon as it is ready.

If Mr. Ormsby Gore could spare the time I should be grateful to him if he would glance through the speech.

It is in effect my Swan Song and it records - as best I could - the difficulties of the past worrying six years and the determined efforts made during that period not to let the Colony drift back but quietly to build a foundation ready for the turn of the tide.

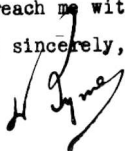
In this direction I think it will be admitted that we have done much, at least in the Native Reserves.

The ground is now clear for a settlement of the Income Tax question. If, as I expect, the majority of.....

of the Standing Finance Committee produce a clear and reasoned report showing that Income Tax is ⁱⁿ the ~~best~~ interests of the Colony as a whole, ² the best solution, then I believe the country will accept it. Of course, the Grogans, etc., will squel¹ but the people at large will be only too thankful to see an end to this constant bickering over these direct taxes. Frankly, I am rather too befogged over the reduction in Native Taxation and I have rather slurred over the issue in my speech.

As I have already indicated we cannot possibly allow for this reduction in 1937 unless the Treasury come to our aid - no doubt the Secretary of State will send me definite instructions which should reach me without delay.

Yours sincerely,



Sir W.C. Bottomley.
 K.C.M.G., C.B., O.B.E.
 The Colonial Office.
 LONDON. S.W.1.

Governor Opens Budget Session

(continued from page 8)

of a complete Squadron as soon as circumstances permit." I must emphasise these considerations

it is only right that I should warn you that there are considerable commitments ahead of us, especially those connected with re-arming the King's African Rifles and the Kenya Police. When you are considering the Budget, I hope you will bear these in mind." Having dealt with the defence measures at Mombasa and paid tribute to the new Coast Defence Unit and to the Royal Naval Volunteer Reserve which in the opinion of the Naval Commander-in-Chief of the East Indies Station in his Inspection Report of July last "has attained a most satisfactory standard of training, considering the short time that recruiting has been open to native ratings." His Excellency paid a special tribute to Lieutenant-Commander Noad who has been largely responsible for raising the nucleus European unit and carrying out the scheme of expansion to include non-European personnel. As Executive Engineer in the Public Works Department he has had less leisure than most, and practically all such hours he has devoted to the Reserve throughout the four years of his command.

The defence of the East African seaboard against external aggression was a matter which concerned territories other than Kenya, and the services had been planned in consultation with the neighbouring Governments. Kenya was not being asked to bear more than her fair share of the cost.

But it was not sufficient only to have in the Colony regular units of Infantry and Police, coast defence units and a Squadron of the Royal Air Force. The manpower of the Colony must be trained to act effectively should an emergency arise. Two Bills dealing, as a beginning, with the European man-power would be laid before Council and the Colony was indebted to Colonel Campbell and his colleagues for their admirable report on which these Bills are based. With the help and goodwill of the European community, His Excellency foresaw before long a Kenya Regiment and an Auxiliary Force of which the Colony might well be proud.

The Frontier

"The position on our Northern Frontier (he continued) remains satisfactory but, although the relationship with our neighbours continues to be friendly, it has to be constantly and anxiously watched. Our chief concern is to see that territorial boundaries are respected and that the interests of our border tribes are safeguarded. We are fortunate in having in charge Mr. Glenday, an officer possessing exceptional knowledge of the frontier and its tribes. He has had a most anxious time during the past twelve months and he has successfully and tactfully overcome difficulties which might easily have become incidents."

of medical officers from 72 to 48, the increasing demand for medical treatment has necessitated a great and general expansion of these services, that the number of patients treated annually by the Medical Department has risen from about 800,000 in 1931 to about 1,400,000 in 1935; that in 1935 over 6,000 operations were performed in native hospitals; that the number of native maternity cases conducted in Government Hospitals, apart from the Lady Grigg maternity centres, rose by over 300 per cent, and that a good start has been made in the medical and health training of Africans.

"Nor let us underestimate the importance of the fact that campaigns for the prevention of disease, such as anti-plague measures in the Central Province and the reclamation of malarial-infected areas on the shores of Lake Victoria, are now being carried out in a radical and permanent fashion with the willing co-operation and support of the natives themselves. To the cost of the sleeping-sickness work, both human and veterinary, which is being met partly from the Colonial Development Fund, the South Kavirondo Local Native Council is contributing £1,200 in 1936. New prospects are opened up by this change of outlook towards preventive measures.

"In the field of research valuable additions have been made to knowledge, not only of disease, but also of the physical and mental structure of human life in this Colony. In the work done by Dr. Gordon on the African mind in the conclusions reached by Dr. Gilks and Dr. Orr on the subject of nutrition, and in the medical surveys of rural populations such as the Masai and the Digo we recognize the inter-relation of public health with agriculture and education in the work which is being done to improve conditions of life for the African.

Government Leadership

"The purpose of such research is to enable the Government to exercise a direct and wise leadership in this work of improvement, for it is from the African himself that the demand is coming, and it is the task of Government Officers in the Reserves to guide this advance and to maintain touch with it at all points. The African himself, properly trained and given a practical education—for instance the Jeanes teacher—sets an example which his own community are quick to follow. The duty of the Government, once the social conscience is awakened, is not so much to stimulate as to lead."

Elected Members' Part

"Here I should like to say that, while the magnitude and importance of this task is often temporarily obscured, you, Honorable Members, both official

and elected, have worked and are still working hard on the ever-demanding work which has started in Nairobi about two years ago. It is a work of such magnitude that it is not possible to do it in a few months. The advantages of rotational grazing are being stressed in all pastoral areas, and in all native reserves the question of soil erosion is receiving special attention. A good start has been made on a long-range campaign in the Muchakos area. The whole question of erosion is, as I have said, at present before the Standing Board of Economic Development.

'Years of Movement'

"The point which I have been trying to make is that these five years of financial difficulty have been, in the native areas, years of movement, movement not only towards a more stable prosperity but also, in the main, towards the strengthening of a new and hopeful and trustful outlook on the part of the native himself, which is the indispensable condition for his future progress. We have been anxious to touch His Excellency anxious to bring you to get to full practical use the skilled services of agriculture, education and public health, which the Government and his own people can provide.

"It would have been easy during this time to make too heavy sacrifices in the cause of economy. Economy is always necessary, but never an end in itself. What has been done is to fit constructive thought and endeavour into a strong practical framework, leaving as a background the dual necessity as I quoted at the beginning of my address, of reducing overhead expenditure to a figure which we could bear with confidence and safety and at the same time of maintaining essential services on a basis upon which we could build when more normal times returned."

Before concluding, His Excellency referred with deep regret to the death of Mr. J. H. Gilshan, one of Council's official members, on August 29, and expressed Council's sincere sympathy with the widow in her great loss.

Laid on Table

Following the reading of His Excellency's speech by the Clerk, the minutes of the meeting of June 17 were confirmed and various Papers laid on the table. In addition to various departmental annual reports there were the draft Estimates of the Revenue and Expenditure for the year 1937; memorandum on the Draft Estimates of Expenditure for 1937; report of "the Commission appointed to enquire into and report on the financial position and system of taxation in Kenya;" report of the Committee appointed by H. E. the Governor on April 4, 1936, to consider suggestions for the re-organization of the Defence

and his colleagues for their admirable report on which these Bills are based. With the help and goodwill of the European community. His Excellency foresaw before long a Kenya Regiment and an Auxiliary Force of which the Colony might well be proud.

The Frontier

"The position of our Northern Frontier (he continued) remains satisfactory but, although the relationship with our neighbours continues to be friendly, it has to be constantly and anxiously watched. Our chief concern is to see that territorial boundaries are respected and that the interests of our border tribes are safeguarded. We are fortunate in having in charge Mr. Glenday, an officer possessing exceptional knowledge of the frontier and its tribes. He has had a most anxious time during the past twelve months and he has successfully and tactfully overcome difficulties which might easily have become incidents."

Education

The Governor next turned to education. During the last five years the numbers of children in Government Schools had increased by nine per cent. in the case of Europeans, fifty per cent. in the case of Indians and Goans, and eighty per cent. in the case of Arabs and Africans. During these years attendances in aided and non-aided schools for Europeans and Indians had increased by over a hundred per cent. and a hundred and forty-five per cent. respectively. In spite of this great increase in the number of pupils, Government educational expenditure had fallen from £190,000 in 1930 to £172,000 in 1935. A scheme for the reorganization of teacher training for Africans which had been strongly supported by Sir Alan Pim would be submitted to Council in connexion with the draft Estimates for next year, in which provision for it had been made at an estimated cost of £3,758.

"The curricula in all schools are being carefully examined with a view to keeping our educational system on the most modern lines. While literary achievement must not be neglected, the chief aim must be to train the children to be worthy, in character and accomplishment, of their great heritage as citizens of the Colony. The close co-ordination which has been achieved between the educational, agricultural and medical services in the last few years results from the recognition of the essential unity of the problems with which we are faced in the African Colony in regard to native development. "Reading and writing do not matter until the material basis of living has been assured." Those are not my words, but the words of Sir Daniel Hall, speaking recently not to an agricultural audience but at the London School of Hygiene and Tropical Medicine.

Medical Services

"In considering medical services let us not deny to the following facts their proper value—that during these five years, in spite of economies in expenditure which included a reduction in the number

Government Leadership

"The purpose of such research is to enable the Government to exercise a direct and wise leadership in this work of improvement. For it is from the African himself that the demand is coming, and it is the task of Government Officers in the Reserves to guide this advance and to maintain touch with it at all points. The African himself, properly trained and given a practical education—for instance, the Jeanes teacher—sets an example which his own community are quick to follow. The duty of the Government, once the social conscience is awakened, is not so much to stimulate as to lead.

Elected Members' Part

"Here I should like to say that, while the magnitude and importance of this task is often temporarily obscured, you, Honourable Members, both official and unofficial, have never failed during my term of office to support as generously as possible proposals for native services which have been placed before you. Some misunderstandings die hard, but if any misconception remains as to the attitude of Elected Members towards such proposals and of the communities which they represent, the sooner it is removed, the better.

"As I have said, the scope of the advance is wide. It includes improvements in the prison system, such as the employment of practically all prisoners in the larger centres on productive hard labour, which increases the deterrent effect of imprisonment; arrangements which are being made for the after-care of discharged prisoners; and the institution of approved schools run on Borstal lines. Further reorganization is contemplated on the lines submitted to Sir Alan Pim and recommended by him.

Back to the Land

"But the various stages of development, whether in the form of social services provided by the Government, or in the form of voluntary improvements introduced by the native himself in his standards of living, must, of course, follow and not precede the means to pay for them. This material basis of living is provided by the land. The essentials of the new system include the replacement of shifting cultivation by a fixed agriculture which will maintain continuous production from a smaller area, leading to a more balanced dietary; the prevention of soil erosion; and the reconditioning of the eroded lands. Much is now being done to make the first of these essentials acceptable to African opinion, but it must be remembered that such acceptance involves nothing less than a revolution in native agricultural economy. Small holdings organized within the native system of land tenure, and size to provide a reasonable return to the native and his family, and run on up to date rotational lines, provide the method by which the progressive cultivator can go forward himself and at the same time demonstrate to others the proper use of

returned.

Before concluding, His Excellency referred with deep regret to the death of Mr. J. H. Gittsham, one of Council's official reporters, on August 29, and expressed Council's sincere sympathy with the widow in her great loss.

Laid on Table

Following the reading of His Excellency's speech by the Clerk, the minutes of the meeting of June 17 were confirmed and various Papers laid on the table. In addition to various departmental annual reports there were the draft Estimates of the Revenue and Expenditure for the year 1937; memorandum on the Draft Estimates of Expenditure for 1937; report of "the Commission appointed to enquire into and report on the financial position and system of taxation in Kenya"; report of the Committee appointed by H. E. the Governor on April 4, 1936, to consider suggestions for the re-organisation of the Defence forces of the Colony, and the report of the Commission appointed to enquire into and report upon allegations of abuse and hardships in the Collection of Non-Native Graduated Poll Tax and of Native Hut and Poll Tax.

Notice of motion was given by the Colonial Secretary that the draft estimates of the revenue and expenditure for 1937 be referred back to the Standing Finance Committee, and that the schedules of Additional Provision No. 5 of 1935 and 2 of 1936 be referred to the same committee. The Attorney General gave notice that he would move that it be resolved that the Agricultural Mortgagors Relief Ordinance, 1934, be continued until December 31, 1936, and that the Native Tribunals Ordinance, 1930 as amended by Ordinance No. 35 of 1932 and Ordinances in 1933 and 1934 be continued until December 31, 1937.

The Treasurer (Mr. G. Walsh, C.B.E.) gave notice that he would move several motions, and other notices of motions were given by Mr. H. R. Montgomery, C.M.G. (Chief Native Commissioner), Mr. H. B. Waters (Director of Education); Brig. Gen. Sir Godfrey D. Rhodes, C.B.E., D.S.O. (General Manager K.U.B. and H.) and by Captain H. E. Schwartz, Member for Nairobi South.

Bills

The following Bills were read for the first time:— Foreign Judgments (Reciprocal Enforcement) (Amendment) Bill; Police (Amendment) Bill; Registration of Domestic Servants (Amendment) Bill; 1935 Supplementary Appropriation Bill; Hebden Pension Bill; Alteration of Time Bill; Nursing Sisters (Retiring Allowances) (Amendment) Bill; Juveniles (Amendment) Bill; European Officers Pensions (Amendment) Bill; Non-European Officers Pensions (Amendment) Bill; Local Government (Municipalities) (Amendment) Bill; Savings Bank Bill; Evidence Act (Amendment) Bill; Penal Code (Amendment) Bill; and United Kingdom Designs (Protection) Bill.

The Council then adjourned until 10 o'clock this morning.

TWO CENTURIES AT MACHAKOS

Magadi Beaten by Six Wickets

RAND OVERY AND WOLFF BAT WELL

Magadi's cricket team were visitors to Machakos on Sunday. Magadi batted first and their lunch time was reached had three wickets in hand. Rand Overy was the mainstay of the visitors batting with Pelling Tucker and Wiggins all having useful knocks. Rand Overy took 54 runs, mostly from the middle order, and was assisted when the wicket was in hand by Pelling Tucker, C. W. Wiggins and H. T. Lloyd. The following are the details:

Machakos batted first and their innings was long. They opened with Wolff and N. C. Hill, the latter being bowled by Rand Overy. The match was suspended for a few hours on account of a spell of rain. Pelling Tucker and Haistead were taken in the shape of Rand Overy. At this point Wolff had scored 122. He added six to his total and was then again bowled by Rand Overy. He hit seventeen 4's.

The Magadi total was passed with six wickets in hand, but play was continued until the light failed.

The following are the details:

MAGADI	
J. A. Tate, b. H. D. Hill	20
Tucker, b. H. D. Hill	20
Pelling Tucker, b. Wolff	41
C. J. Rand Overy, not out	31
Wiggins, b. H. Hill, b. Shaw	26
Shotton, b. Shaw	1
Mountaine, b. N. C. Hill	1
Perkins, b. N. C. Hill	2
C. W. Handle, run out	2
H. Tate, b. Benson, b. Haistead	4
N. Rand Overy, lb. w. b. Haistead	1

Extras	
Total	208

BOWLING				
	O.	M.	R.	W.
Shaw	12	1	43	2
Haistead	14	1	45	2
H. D. Hill	11	2	70	2
Bowman	6	1	18	0
Lloyd	2	0	9	0
Wolff	4	0	30	1
N. C. Hill	5	0	30	2

MACHAKOS			
N. C. Hill, b. Rand Overy	30		
J. A. H. Wolff, b. Rand Overy	128		
R. V. Haistead, c. Wiggins, b. Rand Overy	61		
C. M. Drummond, b. Wiggins	3		
H. T. Lloyd, not out	19		
R. de V. Shaw, b. Rand Overy	3		
J. P. Benson, not out	0		
H. D. Hill, F. E. Bowman, G. Button and K. H. Winterbotham did not bat.			
Extras	19		
Total for 5 wkts.	229		

BOWLING				
	O.	M.	R.	W.

BOWLING				
	O.	M.	R.	W.
Shaw	12	1	43	2
Haistead	14	1	45	2
H. D. Hill	11	2	70	2
Bowman	6	1	18	0
Lloyd	2	0	9	0
Wolff	4	0	30	1
N. C. Hill	5	0	30	2

Gymkhana v. Goan Institute
 Played at Gymkhana ground on Sunday. The following are the details:

Gymkhana		Goan Institute	
150	150	150	150

Muthaga v. Muslims
 Played at Muthaga ground on Sunday. The following are the details:

Muthaga		Muslims	
150	150	150	150

Gymkhana A v. Old Cambrians
 Played at Gymkhana ground on Sunday. The following are the details:

Gymkhana A		Old Cambrians	
150	150	150	150

R.I.I. v. Govt Indian School
 Played at R.I.I. ground on Sunday. The following are the details:

R.I.I.		Govt Indian School	
150	150	150	150

Sikh Union v. Govt Indian School
 Played at Sikh Union ground on Sunday. The game was drawn.

Sikh Union v. Govt Indian School
 Played at Sikh Union ground on Sunday. The game was drawn.

To-day's Hockey Matches
 Civil Service v. R.A.F. (Men's League - B Section) on K.A.R. ground, at 5 p.m.
 Gymkhana v. Goan Institute (friendly) on Railway ground, at 5 p.m.
 Sikh Union v. United Goans (friendly) Sikh Union ground, at 5 p.m.
 Civil Service; Manning; Jackson and Bird; Driscoll, H. Tate and Watkins; Lochend, Spiers, Young, Kenus and Pickwell.
 Gymkhana: Rodway; Keatinge and Gordon; A. N. Other, Tanna-

M.C.C. Team on Tour in Australia

Two More Players Injured

Wyatt Has Bone Fractured in Arm

[THROUGH REUTER'S AGENCY.]
 Chere, October 28.

The tale of injuries in the M.C.C. team now touring Australia continues to lengthen. The first day match against Club Wyatt at Harpau were being played by the former was struck by a fast ball by a fast bowler, and it is almost certain that his bone has been fractured, possibly slightly strained, and will, when he slips, be a long time before he will be able to play.

The day was showery from morning when the match commenced. It was declared a forfeit for 4 wickets down. M.C.C. scored 141 runs, the loss of wickets and rain by nine wickets. Evans, 29, and H. T. Lloyd, 20, were top scorers for the tourists. Ray forced the abandonment of the match.

INTERNATIONAL SOCCER MATCH

Scots and Irish Teams for Belfast

[THROUGH REUTER'S AGENCY.]
 Hearts, the famous Tynecastle club, have three players in the Scottish side, which is to play Ireland at Belfast on Saturday, while McCulloch, another member of the Scots team, is a former Hearts player, now with Brefford. Massie is another ex-Hearts man.

The following are the teams: Ireland: Brown (Belfast Celtic), Clark (Everton) and Fulton (Belfast Celtic); McMillan (Manchester U.), Jones (Hibernians) and Mitchell (Hibernians); Kerragh (Belfast Celtic); McCullough (Manchester City); Martin (Not Forest); Coulter (Everton) and Kelly (Derry City).

Scotland: Dawson (Rangers), Anderson (Hearts) and Eno (Newcastle U.); Massie (Aston Villa), Simpson (Rangers) and Brown (Rangers); Muro (Heath Walker (Hearts); McCulloch (Brentford); Napier (Derby County) and Duncan (Derby County).

NEWMARKET RACE MEETING RESULTS

Selections for To-day's Races

Mr. Maurice Rosenston advises the following results:—
Apprentices Plate: 1 Mile
 Mr. B. Jarvis's DOZY, 6.10

N. Rand-Overy l.b.w. b. Hals-	0
Extras	3
Total	208

BOWLING

	O.	M.	R.	W.
Shaw	12	1	43	2
Halstead	14	1	45	2
H. D. Hill	11	2	30	2
Bowman	6	1	18	0
Lloyd	2	0	9	0
Wolf	4	0	30	1
N. C. Hill	5	0	30	2

MACHAKOS

N. C. Hill, b. Rand-Overy	3
J. A. H. Wolff, b. Rand-Overy	128
R. V. Halstead, c. Wiggins, b. Rand-Overy	63
C. M. Drummond, b. Wiggins	3
H. T. Lloyd, not out	19
R. de V. Shaw, b. Rand-Overy	0
J. P. Benson, not out	0
H. D. Hill, F. E. Bowman, G. Button and K. H. Winter, botham did not bat	19
Extras	19
Total for 5 wickets	229

Civil Service vs. Parklands

Played on Service ground last Sunday. Service winning by five wickets. Scores

PARKLANDS

A. D. Chalmers, c. Young, b. Peet	53
D. Powrie, c. Dodd, b. Young	3
J. J. Shade, c. Dodd, b. Cutts	0
C. S. Speight, c. Cutts, b. Pickwell	8
A. M. Goldhawk, c. Noble, b. Dodd	18
R. Brader, c. Pickwell, b. Peet	0
H. J. Thompson, l.b.w., b. Pickwell	1
W. G. Coltman, l.b.w., b. Dodd	16
J. H. Finch, c. Cutts, b. Pickwell	19
I. Edwards, c. Field, b. Pickwell	0
W. J. Wood, not out	4
Extras	12
Total	140

BOWLING

	O.	M.	R.	W.
Cutts	9	2	25	1
Young	4	1	5	1
Pickwell	9.3	0	30	4
Dodd	8	0	28	2
Peet	6	0	25	2
Dixon	8	0	15	0

CIVIL SERVICE

J. R. Cutts, l.b.w., b. Speight	16
Dixon, c. Brader, b. Powrie	13
B. E. Noble, b. Powrie	0
G. Krauss, c. Chalmers, b. Powrie	69
G. M. Smith, c. and b. Speight	6
E. C. Young, c. Chalmers, b. Powrie	17
P. Dodd, b. Goldhawk	16
T. L. Peet, b. Powrie	9
H. Tate, not out	5
F. F. Pickwell, b. Goldhawk	0
A. J. Field absent	0
Extras	25
Total	187

Sikh Union—159 (Mohinder Singh 50; Zulfiqar 3/24).
School—92 for 7 (Quadir 20; Mohan Singh 4/13).

Sikh Union vs. Govt. Indian School

Played on Sunday, the game ending in a draw. Scores:
 Sikh Union—159 (Mohinder Singh 50; Harbans Singh 47).
 School—92 for 7 (Quadir 20; Mohan Singh 4/13).

To-day's Hockey Matches

Civil Service v. R.A.F. (Men's League—B Section) on K.A.R. ground at 5 p.m.

Gymkhana v. Goan Institute (friendly) on Railway ground, at 5 p.m.

Sikh Union v. United Goans (friendly) Sikh Union ground, at 5 p.m.

Civil Service: Manning; Jackson and Bird; Driscoll; H. Tate and Watkins; Leonard; Spens; Young; Krauss and Pickwell.

Gymkhana: Redway; Keatinge and Gordon; A. N. other; Tanna; Hill and Firth; Wood; Fowler; Keatinge; Woodhouse; and Williams.

United Goans: Manuel; Frank and Ferrao; Graeco; Felix (capt.) and Lobo; Dantas; Fernandes; Romeo; Hector and Joaquin.

Goan Institute: B. Lourenco; Alu Ribeiro and Lawrence de Souza; Ben de Souza; M. B. Gama and Bruno Almeida; Peter Lobo; Leo Gama; Ben D'Silva; J. R. de Souza (capt.) and Eddie Rodrigues.

SQUASH COURT OPENED AT KAMPALA

["STANDARD" CORRESPONDENT.]
Kampala, October 26.

The squash court at the Kampala Club was opened last Wednesday evening when His Excellency played the first game against Mr. Justice Gamble, the latter winning by two games to one. Afterwards there followed a number of other games, and then a dance was held in the ballroom in which about a hundred people took part.

The court is playing excellently, and has already become very popular with members. The gallery accommodates some thirty people and onlookers had to go up in batches on Wednesday evening as so many wished to witness the first contests.

INTER-CLUB SQUASH MATCH

Muthaiga Country Club met and defeated Brackenhurst in a squash match at Muthaiga. The home team won by 11 games to 9. The scores are as follow:—

Vernon (Muthaiga) beat Wimbledon (Brackenhurst) 4 games to 1.

Louchars (Muthaiga) lost to Wilson (Brackenhurst) 2 games to 8.

The following are the teams:—

Ireland: Brown (Belfast Celtic); Cook (Everton) and Fulton (Belfast Celtic); McMillan (Manchester U.); Jones (Hibernians); Mitchell (Chelsea); Kernaghan (Belfast Celtic); McCullough (Manchester City); Martin (Not Forest); Coulter (Everton) and Kelly (Derry City).

Scotland: Dawson (Rangers); Anderson (Hearts) and Ernie (Newcastle U.); Massie (Aber Villa); Simpson (Rangers); Brown (Rangers); Munro (Hearts); Walker (Hearts); McCulloch (Breitford); Napier (Dumfries County) and Duncan (Dumfries County).

NEWMARKET RACE MEETING RESULTS

Selections for To-day's Races

Mr Maurice Rosenston advises the following results:—

Apprentices Plate: 1 Mile

Mr B. Jarvis's DOZY, 6.10 (Sadgrove)

Mr A. James's DIMAK, 8.10 (Bunny)

Mr R. E. Cornwall's OMEGAN 6.10 (—)

Winner trained by Owner.

Fordham Welter Handicap

Mr J. B. Joel's BRAVE WARRIOR, 9.7 (Carslake)

Mr J. Hamer's NOTHING DAUNTED, 9.0 (—)

Sir A. Bailey's BERKELEY, HUNT, 8.8 (T. Weston) ...

Winner trained by C. Peck

Result of Cambridgeshire

DAN BULGER

DAYTONA

LAUREAT II

Scarborough Stakes

KIDDERMINSTER

ENSTONE

MORAR

Houghton Handicap

FAIRSHAW

GYNERIUM

OOER

Jockey Club Cup

The following selections for the Jockey Club Cup (2 1/2 miles) to run to-day, were received by cable from Mr. Rosenston:

"Chronicle": Denver, II.

"Sporting Life Weekly": Quashed.

"Dispatch": Quashed.

"Sportsman": Quashed.

"News of the World": Quashed.

"Referee": Quashed.

"Empire News": Quashed.

"Express": Quashed.

Dewhurst Stakes: 7 Furlongs

"Chronicle": Ali Pasha.

"Referee": Scarlet Plume.

"Dispatch": Samalwo.

"Empire News": Hammy.

All other papers select Pacific.

Butman (Muthaiga) beat Howard (Brackenhurst) 4 games to 1.

James (Muthaiga) lost to Forrester (Brackenhurst) 1 game to 8.

GOVERNOR OPENS BUDGET SESSION

Pim Report Regarded as "Incontestably Sound"

BUDGET CANNOT BALANCE WITHOUT INCOME TAX

"OR SOMETHING PROBABLY LESS ACCEPTABLE"

His Excellency's Lengthy Review of Facts in Remarkable Story of Colony's Recovery

His Excellency the Governor was able to open the Legislative Council yesterday to deliver his speech. He has been suffering for some time from the effects of influenza and bronchitis and his address which was an unusually long review of the economic and financial position (and is the last he will make at a Budget session) had to be read by the Clerk to Council.

The Governor set out in striking figures the remarkable advances which had been made in production during the last five years despite the depression and the gratifying extent to which the Colony had already recovered. For instance he mentioned that the domestic exports for the first eight months of this year exceeded in value the total of each of the four complete years 1931-34 while trade imports were now roughly back to the 1930 level.

Among announcements of interest were an enquiry into prevention of erosion by the Economic Development Board, a proposal to a Rhodesian firm to establish a meat extract factory, negotiations with another company interested in frozen meat, a new and modified Dairy Industry Control Bill and the adoption by the Secretary of State of a settlement scheme based on small holdings for Indian Army war block officers. Suitable areas have already been selected near Nairobi, Thomson's Falls and Kitale.

Another task before the Economic Development Board is planning the proper use and development of the Colony's water resources.

The Governor was also granted by the condition of Railway finances which by the end of August were £289,000 more than the revenue estimate. Further concessions to the public are indicated.

Government is proposing reductions in postal charges at a cost of £6,569 dependent upon the Finance Committee's examination of the Budget.

In references to the Pim Report His Excellency disposed of the suggestion that delay in publication had been deliberate or that Sir Alan Pim had been influenced in any of his recommendations by pressure from the Colonial Office.

In regard to the taxation measures His Excellency gave an assurance that constructive criticism would be welcomed by Government who would endeavour to secure the widest possible measure of agreement before giving effect to the Pim Report. That report Government regarded as incontestably sound both as regards expenditure and taxation.

His Excellency invited Council to keep in mind the needs of education, medical services and particularly defence.

Government believed that it would not be possible according to the available data to balance the Budget and ensure financial stability without the introduction of an Income Tax on the lines of the Pim Report or some other and probably less acceptable method of increasing direct taxation.

THE BUDGET

Estimated Surplus £10,777

INCREASED EXPENDITURE £59,300;
INCREASED REVENUE £60,330

The Draft Estimates of Revenue and Expenditure for 1937, laid on the table of Legislative Council yesterday. They are for the following:—

ESTIMATED NET REVENUE £2,228,690
ESTIMATED NET EXPENDITURE £2,217,913
GOVERNMENT IS THEREFORE BUDGETING FOR A SURPLUS OF £10,777

Of the expenditure £2,170,505 is recurrent. On the revenue side customs and excise are estimated to rise by £27,000. The total net revenue increase is £27,400.

The net increase in recurrent expenditure is placed at £2,500. There is a net decrease in non-recurrent expenditure of £5,201, bringing the total increase in expenditure proposed for 1937 to £50,308.

The Budget provides for the substitution of Income Tax for the Graduated Non-Native Poll Tax, the Education Tax and increase on the original Traders and Professional Fees.

It also provides for abolition of the levy on official stamps. Government gave an assurance yesterday, however, that the tax measures will not be introduced until the Standing Finance Committee and the Council have had an opportunity of discussing them. The Draft Estimates, however, represent the Government's proposal for balancing the Budget and will be sent in form to the Finance Committee.

Increases in expenditure include £5,505 for the new Defence Forces and Coastal Defence; Education Department £9,574; Agricultural, £4,591; and Medical, £11,684. There are also additions to expenditure in respect of pensions and gratuities, £1,000 and Public Debt, £11,250.

It may now be built were sound. The position was that during the difficult five years steady expansion of production had been going on with the result that the Colony was emerging from the depression with a volume of agricultural exports exceeding that of 1930 by a margin in the case of many commodities of more than 100 per cent.

His Excellency then proceeded to give Council numerous figures bearing on the comparison. He pointed out that the domestic exports for the first eight months of this year, £2,441,000 exceeded in value the total for each of the complete years 1931 to 1934 and were £25,000 more than those for January-August of the year. Trade imports which amounted to £5,306,000 in 1930 and had fallen in 1934 by nearly £2,000,000 were now back roughly to the 1930 level. Generally speaking the important agricultural exports of the Colony with the exception of wheat and maize showed during the last five years not only a substantial but a very remarkable expansion, only made possible by cutting costs of production to their minimum and by the organisation of industries for the benefit of the producer.

Development had the question under consideration and he hoped they would be able to propose a long range policy. In connexion with overstocking regarding which various remedies had been sought without success he welcomed the proposal now put forward by Liebig's (Rhodesia) Ltd. for a meat extract factory at Athi River to take a minimum of 30,000 cattle per annum. Government had offered the company a lease of 10,000 acres of unalienated Crown farms in the Machakos district and with the agreement of the Masai an equal area of the Masai Reserve near Athi River to provide grazing for susceptible cattle. Representatives of the company were now in the Colony. His Excellency felt sure that the prices which it was proposed to pay for cattle were sufficiently remunerative to ensure that the native would readily bring forward his stock.

Dairying and Meat

Referring to the dairy and meat industries he mentioned that exports of butter this year were estimated to reach 1,200

ments of interest charges and outstandings were by no means inconsiderable.

Commenting on the new Land Bank capital His Excellency said the success of the Kenya offer of a portion of the new loan was particularly gratifying because it marked the confidence of the local investing public in the future of the Colony and also in the way the cost to Government.

Before leaving agriculture he referred to the development of irrigation in which Kenya was backward and mentioned a project for part of the Kaimosi Reserve prepared with a total cost of £1,000 from the Colonial Development Fund. The scheme was designed to enable the natives to grow food crops and thus reduce the need for famine relief. It would form an excellent training ground in methods of irrigation. In the same connexion the Standing Board of Economic Development was considering the cooperation and development of the Colony's water resources in relation to land conservation and the distribution of population. An application had recently been made for a grant of £42,000 from the Colonial Development Fund for the provision, improvement and investigation of water supply in certain native areas.

Gold Mining

Continuing his review the Governor said that had the country been compelled to rely solely on agriculture during the critical period the difficulties would have been enormously increased, but the gold mining industry had become established and was making an important contribution to the wealth of the Colony. Figures he gave were output in 1930 £7,000; in 1934, £88,000; in 1935, £108,000; and for 1936 estimated output £250,000. About £850,000 was spent by the industry last year in the Colony and employment was given to 450 Europeans, 100 Asians and 12,000 Africans. The industry was still largely in the development stage and was passing through a difficult financial phase, but the prospects were on the whole increasingly favourable particularly in Area 2. His Excellency mentioned the prospects of non-metallic minerals such as mica and asbestos between Nairobi and the Coast.

Returning for a moment to agriculture he referred briefly to the difficulty experienced by farmers in meeting their rental obligations and to the help given by Government. Special concessions had been made in Laikipia, North Nyeri and Machakos and the Land Advisory Board was considering further proposals for Sothi.

Good progress continued to be made in carrying out the majority of the recommendations of the Land Commission. The addition of 21,000 acres to the Kikuyu Re-

"Ursus Bado Kidogo" Comes to Light

BRAND NEW ANIMAL FOUND IN LONDIANI DISTRICT

May be Nandi Bear

SKIN OF MYSTERIOUS BEAST NOW IN THE CORYNDON MUSEUM

"Ursus bado kidogo" or the "Missing Lynx" This is the question that is exercising the minds of the naturalists of Kenya, and the cause of it all is a brand-new animal whose skin is now being displayed in the Coryndon Memorial Museum before despatch to the British Museum.

Both Dr. Van Someren, curator of the Coryndon Museum, and Capt. A. T. A. Ritchie, the Kenya Game Warden, are of opinion that the skin is that of a new beast of the lynx class of cats, and one of the most interesting of its many interesting features is that the Wanderobo, among whose haunts in the Mau Forest the creature was killed by Mr. E. Jesser Coope, call it "Kerit" or "Gerit," the name they give to the "Nandi Bear."

An Exciting Discovery

The Londiani Forest Officer Mr. R. M. Graham, who thinks he has twice seen the new lynx at night in the vicinity, produced the skin at a recent Wanderobo baraza.

Out of 150 Natives present only two of the eldest men present claimed to recognise the skin. They said that the "Kerit" grows "big as a leopard" but "sleek" in the body. It has a long drawn cry "like a man howling" and in the past has been known to kill Wanderobos who travelled by night without dogs to give warning of its presence.

The skin is now displayed in the Coryndon Museum between two other skins of the more common types of lynx. The "Kerit" is much bigger, measuring about four feet three inches from nose to tip of tail, against the three feet six inches of the ordinary lynx, and standing about 21 inches, as against the 15 inches of the com-

Expert's Views

Descriptions of the "Nandi Bear" vary tremendously, but Dr. Van Someren remarked: "It is quite possible that this has given rise to the whole story. At all events, the Native names are similar."

(Continued on page 8)

Economic Development Board a proposal by a Rhodesian firm to establish a tannery in frozen meat, a new and modified negotiations with another company interested in frozen meat, a new and modified Dairy Industry Control Bill and the adoption by the Secretary of State of a settlement scheme based on small holdings for Indian Army war block officers. Suitable areas have already been selected near Nairobi, Thomson's Falls and Kitale.

Another task before the Economic Development Board is planning the proper use and development of the Colony's water resources.

The Governor was also gratified by the condition of Railway finances which by the end of August were £289,000 more than the revenue estimate. Further concessions to the public are indicated.

Government is proposing reductions in postal charges at a cost of £6,569 dependent upon the Finance Committee's examination of the Budget.

In reference to the Pim Report His Excellency disposed of the suggestion that delay in publication had been deliberate or that Sir Alan Pim had been influenced in any of his recommendations by pressure from the Colonial Office.

In regard to the taxation measures His Excellency gave an assurance that constructive criticism would be welcomed by Government who would endeavour to secure the widest possible measure of agreement before giving effect to the Pim Report. That report Government regarded as uncontestedly sound both as regards expenditure and taxation.

His Excellency reiterated his keen interest in the needs of education, medical services and particularly agriculture.

Government believed that it would be possible according to the available data to balance the Budget and ensure financial stability without the introduction of an Income Tax on the lines of the Pim Report, a more and probably less acceptable method of increasing direct taxation.

Another announcement of interest is that the present R.A.F. unit in Kenya is to be increased to the strength of a squadron and is to be permanent.

PERMANENT R.A.F. SQUADRON

Delivered at the private ceremony which was held at the Kenyan Legislative Council on the 28th of October, 1936, the Hon. A. W. Wade, Colonial Secretary, announced that the permanent R.A.F. Squadron in Kenya is to be increased to the strength of a squadron and is to be permanent.

The Hon. A. W. Wade, Colonial Secretary, announced that the permanent R.A.F. Squadron in Kenya is to be increased to the strength of a squadron and is to be permanent.

The Hon. A. W. Wade, Colonial Secretary, announced that the permanent R.A.F. Squadron in Kenya is to be increased to the strength of a squadron and is to be permanent.

LEGISLATIVE COUNCIL

TO-DAY'S BUSINESS

Following is the Order of the Day for to-day's session of the Legislative Council:

Prayer.

Confirmation of Minutes' Meetings of October 28, 1936.

Papers laid on the table.

Motion.—Notice of which was given yesterday.

Questions.—(See Supplementary Order of the Day).

Bills

For Second Reading: Foreign Judgments (Reciprocal Enforcement) (Amendment) Bill, Police (Amendment) Bill, Registration of Domestic Servants (Amendment) Bill.

1935 Supplementary Appropriation Bill.

Hedden Pension Bill.

Alteration of Time Bill.

Nursing Sisters (Retiring Allowances) (Amendment) Bill.

Juveniles (Officers' Pensions) (Amendment) Bill.

Non-European Officers' Pensions (Amendment) Bill.

Local Government (Municipalities) (Amendment) Bill.

Savings Bank Bill.

Evidence Act (Amendment) Bill.

Penal Code (Amendment) Bill.

United Kingdom Designs (Protection) Bill.

affected His Excellency's voice that he was unable to read either the opening prayer or his address. He therefore asked for indulgence of Council and asked the clerk to Legislative Council, Mr. Baker Beales to read both.

His Excellency's speech took about an hour and a half to read. It opened at the beginning of the position when he made his first

must be maintained so that it could be built upon again when times became more normal.

Sound Foundation

On this occasion he thought that some comparisons with 1930 which was in some ways a record agricultural year might help them to recognise that the foundation on which hopes for the future

might now be built were sound. The position was that during the difficult five years steady expansion of production had been going on with the result that the Colony was emerging from the depression with a volume of agricultural exports exceeding that of 1930 by a margin in the case of many commodities of more than 100 per cent.

His Excellency then proceeded to give Council numerous figures bearing on the comparison. He pointed out that the domestic exports for the first eight months of this year, £2,441,000 exceeded in value the total for each of the complete years 1931 to 1934 and were £223,000 more than those for January-August last year. Trade imports which amounted to £5,308,000 in 1930 and had fallen slightly to £4,920,000 in 1935 were now back roughly to the 1930 level. Generally speaking the important agricultural exports of the Colony with the exception of wheat and maize showed during the last five years not only a substantial but a very remarkable expansion, only made possible by cutting costs in production to their minimum and by the organisation of industries for the benefit of the producer.

The Main Industries

His Excellency then examined briefly the position of each of the main industries. In regard to coffee he mentioned that for the first time an export of 20,000 tons during the export season July-June had been reached and exceeded but the crop in the coming year would be smaller. The immediate situation regarding maize prices was satisfactory, £2 being 27s 3d per quarter in London compared with 27s at this time last year. He understood the industry was anxious to be in a position to discharge its obligations under the Maize Subsidy Ordinance, 1931. The Maize Control Bill had been referred to the Secretary of State and opportunity would be given to its advocates to remove the duty if they could.

Tea sports in 1930 valued at £8,102 compared with exports valued at nearly £200,000 in the first six months of 1936. Sisal growers were making substantial progress and funds were being set aside to establish a high level research station in Kenya.

Native Agriculture

In native agriculture the most noticeable export development was cotton. In 1930-31 the output of 783 bales compared with the estimate of 20,000 for the present year. £1,500 would be set aside each year for the next few years for investigational work in cotton and agricultural field research methods in South Africa.

Application of marketing and inspection service for native crops were proving of great benefit. He mentioned wattle bark exports as an instance of the value of inspection. Wattle bark exports in 1935 were six times those of 1930 while bales showed an increase of 70 per cent and the Kenya product now enjoyed a well established market of an equal basis with Natal.

Soil Problem

An urgent problem was that of soil conservation and the prevention of erosion which was not confined to native areas. The Standing Board of Economic was not large

Development had been a question under consideration and he hoped they would be able to propose a long range policy. In connexion with overstocking regarding which various remedies had been sought without success he welcomed the proposal now put forward by Liebeg's (Rhodesia) Ltd. for a meat extract factory at Athi River to take a minimum of 30,000 cattle per annum. Government had offered the company a lease of 10,000 acres of the Machakos district and with the agreement of the Masai an equal area of the Masai Reserve near Athi River to provide grazing for susceptible cattle. Representatives of the company were now in the Colony. His Excellency felt sure that the price which it was proposed to pay for cattle were sufficiently remunerative to ensure that the native would readily bring forward his stock.

Dairying and Meat

Referring to the dairy and meat industries he mentioned that exports of butter this year were estimated to reach 1,200 tons compared with 800 tons last year and 390 tons in 1930. The Dairy Industry Control Bill had been examined by the Board of Economic Development which contemplated recommending a modified scheme. In regard to meat 9,000 animals had been shipped to Italian territory since the end of last year. Government was alive to the importance of a meat export trade and tentative discussions had taken place with a company interested in chilled and frozen meat. Proposals from the company were expected. Government assistance would probably be requested and considerable extension of shipping facilities would be required. Some delay was therefore inevitable. A trial consignment of frozen beef was shipped to Palestine and a report would be published shortly. There were indications that a substantial trade in frozen or chilled beef would be developed in the Near East and Mediterranean.

Local Government

The Governor then made a reference to the advance in Local Government since 1929 remarking that the steady and progressive work of the local authorities should not go unrecognised and that Government had good reason to appreciate the keenness and efficiency of these young bodies.

Settlement Scheme

Dealing with the Colony's Public Works programme His Excellency said it was Government's policy to employ wherever possible apprentices of the N.I.T.D. He mentioned that work on the construction of the boarding block of Nairobi Girls' Secondary School was well in hand and the building should be ready in April. There were other buildings unfortunately which had earned the name of public scandals. Preliminary drawings had been prepared for the Nairobi Group Hospital and a schedule of other requirements including a Group Hospital for Mombasa had been made out to be submitted in due course to the Loan Works Committee.

Transport Problems

Transport, said the Governor, was one of the questions which Council would probably be called upon to consider in the near future. The East African Mails had

the London Forest Office. Mr. R. M. Graham, who thinks his important contribution to the wealth of the Colony. Figures for game were output in 1930 £7,000 in 1934 £48,000 in 1935 £163,000 and for 1936 (only a partial output) £250,000. A total of 195,000 was spent by the industry last year in the Colony and employment was given to 450 Europeans, 100 Asians and 12,000 Africans. The industry was still largely in the development stage and was passing through a difficult financial phase, but the prospects were on the whole increasingly favourable particularly in Area 2. His Excellency mentioned the prospects of non-metallic minerals such as mica and asbestos between Nairobi and the Coast.

Returning for a moment to agriculture he referred briefly to the difficulty experienced by the natives in meeting their rental obligations and to the help given by Government. Special concessions had been made in Laikipia, North Nyeri and Machakos and the Land Advisory Board was considering further proposals for Sotik.

Good progress continued to be made in carrying out the majority of the recommendations of the Land Commission. The majority of 21,000 acres to the Kikuyu Reserve was practically complete and most of the blocks were now occupied by the natives concerned. It was expected that the natives occupying Tieni would move next year. Many of the Commission's proposals could not be given legal effect pending the enactment of the new Native Lands Trust Ordinance now before the Secretary of State. The European Elected Members of Council as the accredited representatives of the Highlands have been consulted in regard to all modifications which have had to be made as a result of further investigations on the recommendations affecting the Highlands and I wish to place on record, said His Excellency, "the Government's appreciation of the very reasonable and helpful attitude taken by them towards these questions."

The London Forest Office. Mr. R. M. Graham, who thinks his important contribution to the wealth of the Colony. Figures for game were output in 1930 £7,000 in 1934 £48,000 in 1935 £163,000 and for 1936 (only a partial output) £250,000. A total of 195,000 was spent by the industry last year in the Colony and employment was given to 450 Europeans, 100 Asians and 12,000 Africans. The industry was still largely in the development stage and was passing through a difficult financial phase, but the prospects were on the whole increasingly favourable particularly in Area 2. His Excellency mentioned the prospects of non-metallic minerals such as mica and asbestos between Nairobi and the Coast.

Returning for a moment to agriculture he referred briefly to the difficulty experienced by the natives in meeting their rental obligations and to the help given by Government. Special concessions had been made in Laikipia, North Nyeri and Machakos and the Land Advisory Board was considering further proposals for Sotik.

Good progress continued to be made in carrying out the majority of the recommendations of the Land Commission. The majority of 21,000 acres to the Kikuyu Reserve was practically complete and most of the blocks were now occupied by the natives concerned. It was expected that the natives occupying Tieni would move next year. Many of the Commission's proposals could not be given legal effect pending the enactment of the new Native Lands Trust Ordinance now before the Secretary of State. The European Elected Members of Council as the accredited representatives of the Highlands have been consulted in regard to all modifications which have had to be made as a result of further investigations on the recommendations affecting the Highlands and I wish to place on record, said His Excellency, "the Government's appreciation of the very reasonable and helpful attitude taken by them towards these questions."

Expert's Views

Descriptions of the "Kerri" deer vary considerably but Dr. Van Sandereem remarked that it is four feet three inches from nose to tip of tail, against the three feet six inches of the ordinary Kivu antelope and standing about 21 inches against the 15 inches of the usual



On a hot Summer's day — step into the shade with A LONG COOL DRINK OF White Horse

Stay with WHITE HORSE as the days get hotter. Let the glass get taller and use more ice, more soda. Add a half of lemon or lime if you like a tart taste. But always call for WHITE HORSE.

WHITE HORSE is so soft to the palate, so smooth to the throat, for it is richly composed of excellent Scotch whiskies, carefully matured, then blended, married and again returned to the wood for a further ageing.

To-morrow you'll be glad you said WHITE HORSE to-day. To lift your spirit without lifting your temperature, name your brand: WHITE HORSE, first for hot weather thirst.

WHITE HORSE Whisky

Fine as a fine liqueur
Agents: THE AFRICAN MERCANTILE CO., LTD.
Mombasa, Nairobi, Tanga and Dar-es-Salaam
(Incorporated in England.)

and the country as a whole, is reaping the reward of industry, confidence and dogged perseverance and sacrifice to-day in the fact that both exports and imports (and public revenue) are already practically back at pre-depression levels. The second portion of the speech, dealing with the financial position and the undertakings which Government is anxious to carry out in the next financial year, are closely related to the nature of that recovery. Without it, Government could not have proposed increases in the burden of taxation for the twin purpose of providing stability in State finance and of meeting the new departmental charges which are included in the Estimates of Expenditure. The Budget itself will require critical examination at a later stage. It is sufficient to say for the moment that the Government, through its various Departments, believes that the measure of prosperity brought about by the exceptional strain and vigour of the policy of reconstruction carried out on the own efforts by the producers of the country warrants an immediate increase in the requirements of the State for its administrative machine. His Excellency was careful yesterday to record his conviction that the Elected Members of Council have never been other than helpful in their understanding of the requirements of the Native peoples, but he notes with thought that the House is likely to be raised objections to some of the proposed plans for new expenditure next year. They will be open to the charge of extravagance. The whole point to consider is whether, so soon as the Colony has emerged from unexampled difficulties and before obligations incurred by the private individual have been discharged and reserves built up, it is prudent public policy to raid the limited available margins created by the return to better conditions by increasing the burden of taxation. It is quite clear from the speech made yesterday that with the possible exception of defence requirements and unavoidable expenditure such as increases in pension commitments and the public debt charges, the proposed increases in expenditure are mainly for the maintenance and improvement of Native services at a time when the Government is faced with falling native revenue and is anxious to provide somewhat costly relief. That would mean a transfer of the burden to a limited number of non-native shoulders and it consequently greatly strengthens the claim for increased public responsibility over expenditure and for that close and comprehensive examination of the whole fiscal structure which has been sought but to which His Excellency made no reference yesterday. Indeed, the speech suggested that Government hoped and expected that the present tax proposals would eventually be passed through Council after the existing opportunities for examination have been exhausted, and the only hint that such may not be the case is contained in the phrase which suggests that other forms of increased direct taxation, which in Government's view may be less acceptable, may ultimately provide a basis for agreement. Many people on reflection may be inclined to believe that the astonishing measure of recovery outlined in His Excellency's speech is an argument why there should be no change in the fiscal system and certainly that there is no need in view of the country's powers of recuperation for an addition to the tax burden of this country.

The 12
East African Standard

THURSDAY, OCT. 20, 1936.

THE GOVERNOR'S SPEECH

A Healthy Prospect

His Excellency the Governor was unhappily unable to deliver yesterday his speech on the opening of what, in the ordinary course of events, will be his last session of the Kenya Legislative Council. A few days ago he contracted influenza which developed bronchial complications and his address had to be read on his behalf by the Clerk to

THURSDAY OCT. 29, 1936

THE GOVERNOR'S SPEECH

A Healthy Prospect

His Excellency the Governor was unhappily unable to deliver yesterday his speech on the opening of what, in the ordinary course of events, will be his last session of the Kenya Legislative Council. A few days ago he contracted influenza which developed bronchial complications and his address had to be read on his behalf by the Clerk to Council. The people of Kenya will join with us in expressing the hope that His Excellency's indisposition will be of short duration and that he will be restored completely to health in order that he may carry, without the risk of ill effects, the heavy responsibilities which will rest upon him during the present important session of the Legislature. His speech yesterday, the longest in his Kenya career, falls naturally into two parts (1) the really remarkable story of the recuperation of Kenya despite the abnormal difficulties of the past five years and (2) the new tasks which, in the opinion of Government, will have to be faced in 1937. His Excellency's tour of service in the Colony has been influenced and coloured by the experiences of the years of depression and no one is in a better position than he to evaluate the degree of recovery which has taken place. He was able to show yesterday, by very imposing and striking figures, that as a result of the difficulties which the agriculturists of Kenya, particularly the European section, were called upon to face, the compulsion exercised upon them to reduce their costs of production and to reorganise their methods of management have enabled them, since the bottom of the depression was reached, to make forward and upward progress to an astonishing degree. In some measure that movement has been helped by the Government

point to consider is whether, so soon after the Colony has emerged from unexampled difficulties, and before obligations incurred by the private individual have been discharged and reserves built up, it is prudent public policy to raid the limited available margins created by the return to better conditions by increasing the burden of taxation. It is quite clear from the speech made yesterday that with the possible exception of defence requirements and unavoidable expenditure such as increases in pension commitments and the public debt charges, the proposed increases in expenditure are mainly for the maintenance and improvement of Native services at a time when the Government is faced with falling native revenue and is anxious to provide somewhat costly relief. That would mean a transfer of the burden to a limited number of non-native shoulders and it consequently greatly strengthens the claim for increased public responsibility over expenditure and for that close and comprehensive examination of the whole fiscal structure which has been sought but to which His Excellency made no reference yesterday. Indeed, the speech suggested that Government hoped and expected that the present tax proposals would eventually be passed through Council after the existing opportunities for examination have been exhausted, and the only hint that such may not be the case is contained in the phrase which suggests that other forms of increased direct taxation which in Government's view may be less acceptable, may ultimately provide a basis for agreement. Many people on reflection may be inclined to believe that the astonishing measure of recovery outlined in His Excellency's speech is an argument why there should be no change in the fiscal system and certainly that there is no need in view of the country's powers of recuperation for an addition to the tax burden at this stage.

RAILWAY GOLF CLUB NOTES

Kenya Golfing Society's Open Meeting

The Kenya Golfing Society are holding a foursomes competition over the course on Saturday afternoon and Sunday morning followed by a luncheon at the Club House on Sunday. The course will be closed to members of the Club during this competition and the following clubs have very kindly extended the courtesy of their courses to our members on Saturday and Sunday, details of which are posted on the Club notice board—Royal Nairobi, Kumbui and Muthaiga.

The 1936 Open Mixed Foursomes competition, which takes place annually over our course, is due to be played on the 21st, 22nd, 28th and 29th of next month. Entries for this competition, which is open to any mixed couples in the Colony close at 12 noon on November 16, and should be forwarded together with entrance fee of Shs. 10/- per couple to the Hon. Secretary, P.O. Box 476, Nairobi. Competitors will have the courtesy of the course from November 14.

This competition becomes more popular each year and already several entries have been received, and from the rumours one hears around the various clubs, it is expected that a record entry will be received for this year's competition.

"Marie" Cup

The semi-finals of the "Marie" Cup were played off last Sunday afternoon when G. Wedderburn beat D. Joffe by 5/3, and G. L. Paton beat J. T. Ferguson by 9/8. This competition is confined to members with handicaps of eighteen and over. The final over 36 holes will be played on Sunday next commencing at 9 a.m. and 2.30 p.m.

"McEwen" Cup

The results of the third round played last Saturday are as follows:—

Miss Pearson beat Mrs. Joffe 3/1.

Mrs. Macfarlane beat Miss Watkins 4/3.

Miss Toft beat Miss Guthrie 2/1.

Miss Crockart beat Miss Doveton-Smith 4/2.

The semi-finals will be played on Sunday next at 3 p.m.

tyres

AND

(Up to 10-10)

Arrival Mbeya				
-	4-10	fitted throughout with		Goodyear
-	4-22	"	"	Goodyear
-	4-32	"	"	Michelin
-	4-37	"	"	Goodyear
-	5-14	"	"	Goodyear
-	5-24	"	"	Goodyear
				Dunlop
				Goodyear
				Dunlop
				Firestone
		3 Firestone and 1		Goodyear
		throughout with		Firestone
		"	"	Goodyear
		"	"	Dunlop
		"	"	Dunlop
		"	"	Goodyear
		"	"	Goodyear
		"	"	Firestone
		"	"	Goodyear
		"	"	Goodyear
		"	"	Firestone
		"	"	Goodyear
		"	"	Firestone
		"	"	Goodyear
		"	"	India
		"	"	Goodyear
		3 Dunlop and 1		Goodyear
		throughout with		India
		"	"	Goodyear
		"	"	Firestone

Hon. Members of Council.

Five years ago in my address at the opening of the Budget Session of Council, when we were facing a deficit on 1931 of £150,000 and a further deficit of £110,000 on 1932, I said that we should have to seize every opportunity during the years to follow to lower the overhead charges of this Government to a figure which we could bear with confidence and safety, but at the same time that the framework of the existing essential services must be maintained so that it could be built upon again when times became more normal. The years which followed have been years of almost unremitting anxiety, not only to myself and to the Government, but also to those farmers and others whose efforts to survive the worst economic crisis this Colony has ever seen have won the admiration of us all. The suddenness of the storm and the rapid depletion of the Colony's reserves in face of it have taught us, with a bitter severity, valuable lessons which we should all be slow to forget.

On this occasion some comparisons with the year 1930, which was in some ways a record agricultural year, may help us to recognise that the foundations on which hopes for the future may now be built are sound. During these difficult five years it would not have been surprising if, in face of low prices, locusts and drought, agricultural production had declined. But what are the facts? The position is that a steady expansion of production has been going on, with the result that the Colony is emerging from the depression with a volume of agricultural exports exceeding that of 1930 by a margin, in the case of many commodities, of more than 100%.

The value of our domestic exports was £3,523,000 in 1930 and fell to £1,910,000 in 1934. The domestic exports of Kenya for the first eight months of 1936 are valued at £2,441,000 and so exceed in value the total of such exports

for.....

for each of the four complete years 1931 to 1934. As regards comparison with the corresponding period of 1931, the figure reflects an increase of no less than 2523,000.

Trade imports, which amounted to 21,802,000 in 1934 and fell to 18,362,000 in 1933, are no lower than the 1931 level.

But such bare statements of value, of course, indicate the progress of the last five years in terms of volume and variety of production. In the case of some commodities the disparity is particularly striking. For instance, exports of sisal in 1935, although smaller in value, were more than double the 1931 exports in volume. Cotton exports have risen from 7,500 cwt. in 1931 to 15,287 cwt. in 1935, although the increase in value is only 12.5 per cent. Wattle bark exported in 1935, although its value was 131,000 cwt. exported in 1931. Coffee and hides reflect the same kind of disparity. Sugar exports have increased from 10,000 cwt. to 20,000 cwt., and hides from 45,000 cwt. to 8,564 cwt. Generally speaking the important agricultural exports of the colony, with the exception of wheat and maize, show during the last five years not only a substantial, but a very remarkable expansion.

This development during a long period of low prices has only been made possible by cutting costs of production to a minimum and by the organization of industries for the benefit of the producer, who is thereby placed in a position to gain the full advantage of upward price movements.

The productive equipment of these industries to-day is a sufficient measure of the advance which has been made since 1931 in efficiency and management. The provision of new and up-to-date creameries, cotton ginneries, wattle extract factories and tea factories, reductions in the cost of rail and road transport, the increase and improvement of livestock and the

VARIOUS.....

various technical advances which have been made both in agricultural practice and in research on a great variety of agricultural problems, are all factors of lasting importance to the economic life of the Colony, and should enable the producer to secure the full and richly deserved benefit of the rise in values which he has so long awaited.

Since I last addressed Council in May, there has been further improvement in the markets for most of the products of this Colony. Not only have the better prices for sisal, hides, oilseeds and cotton been maintained, but the cereal situation has been revolutionised as a result of conditions in the United States of America and the Argentine. It is difficult to foresee the effects of the recent European currency agreements, but there is good reason to regard them as a part of the movement towards a revival of international trade, in which East Africa, relying as it does mainly on the production of food and raw materials, must be in a favourable position to share.

Taking the more important branches of agriculture separately and shortly, I wish first to pay a tribute to the work of the Coffee Board, which has led to a great improvement in the organisation of the coffee industry on the marketing side, in addition to helping with research. The Board is working in close co-operation both with the Government and with the Coffee Trade Association in the interests of the industry. For the first time an export of 20,000 tons during the export season July-June has been reached and exceeded. The crop in the coming season will be smaller. Co-operation with neighbouring territories will be assisted by the East African Coffee Producers Committee, the formation of which was decided upon at the Inter-Territorial Coffee Conference on the 24th September. Provision is being made in the estimates for next year for the establishment of a full-time team of research workers on coffee in accordance with the recommendations made by Mr. Milligan and supported by Sir Alan Pim in his Report.

The maize industry, as you are aware, has received from time to time direct assistance from the Government, including, in respect of the last season's crop, a subsidy of £12,500 on exports and a reduction in conditioning charges representing a saving of £1,570 to exporters. The immediate situation as regards prices is satisfactory, K.2 maize being quoted at 27/3d. per quarter in London as compared with 17/- at this time last year.

I understand that the industry is anxious to be in a position to discharge its obligations under the Maize Subsidy Repayment Ordinance, 1931. It is satisfactory to note that in the maize districts of the settled areas the change over to mixed farming is well under way.

The Maize Control Bill which was recommended by the Maize Enquiry Committee has been referred to the Secretary of State. Careful consideration of this scheme for compelling exports disclosed many serious weaknesses. There are, however, arguments on both sides, and opportunity will be given to the advocates of the Bill to remove the defects, if they can.

The tea industry is among those the development of which since 1930 is almost spectacular. In 1930 exports of tea amounted to 1,432 cwt. valued at £8,192; during the first seven months of 1936 the figures were 39,823 cwt. valued at nearly £200,000. The Colony participates, together with the other East African territories, in the international restriction scheme. The Kenya Tea Growers Association works in close and helpful relations with the Government, and an African Tea Growers' Association has now been formed, covering Nyasaland, Tanganyika, Uganda and Kenya.

Sisal growers are making substantial progress under the stimulus of improved prices. The Sisal Industry Committee, appointed in 1934, is engaged, in co-operation with Tanganyika, in important developmental work both overseas and locally. Overseas, research work.....

research work is being done on problems of utilization of the fibre, on fundamental investigation of its physical and chemical properties, and on spinning quality.

Locally, funds are being set aside by the Committee with a view to the establishment of a high-level research station in Kenya in addition to the low-level station in Tanganyika.

In native agriculture the most noticeable development among export crops is the growth of cotton production. In 1930-31 the output was 783 bales. Production for the year ended June last amounted to 15,600 bales, and the estimated production for the present year is nearly 20,000 bales. In the Central Province new ginneries have ^{been} or are being established at Jaganyi, Mera and Itui. Mr. Milligan, after his recent study of the cotton industry in Kenya, has advised that insufficient attention was being given to investigational work for the industry, with the consequent danger of a serious setback. The Government proposes to provide an additional sum of £1,500 for this work for each of the next few years, and an agricultural officer is being sent to the Empire Cotton Growing Corporation's research station at Harberton in South Africa to study methods of breeding and research.

The organization of marketing and inspection services for native crops is proving a great benefit. The Marketing of Native Produce Ordinance, 1935, was applied to certain districts of the Central Province in June, and in other Provinces and districts, although the Ordinance has not yet been applied, considerable improvements have already been made in the system of produce-selling and inspection.

One instance of the value of inspection is the improvement in the quality of wattle bark produced by what is now a well established industry in the Kikuyu Highlands. Exports of wattle extract.....

extract in 1935 were six times the 1930 exports, apart from the exports of bark, which also showed a 70% increase over the same period. As a result of improvement in quality, the Kenya product now enjoys a well-established market on an equal basis with the product of Natal.

Similarly, as a result of these inspection services, which are provided by the Local Native Councils, beans from the Central Province have secured a good reputation in overseas markets in a very short time. Exports of native maize of improved quality have already begun.

Much work is also being done in the trial and establishment of drought-resistant food crops with a view to the prevention of famines.

An urgent problem to which much attention has been given during the past few years and to which I shall refer later in this address is that of soil conservation and prevention of erosion. This problem is not confined to the native areas. The Standing Board of Economic Development have this difficult question under consideration at the present time, and I hope that they will be able to make proposals for a long-range and comprehensive policy of conservation. In the meantime the country is alive to the serious dangers of the situation and active measures have been and are being taken to deal with it. Various remedies for the evil of overstocking and uncontrolled grazing in certain native areas, and various outlets for surplus native cattle have been sought without success, and I therefore welcome the proposal now put forward by Liebig's (Rhodesia) Ltd. for the establishment of a meat extract factory at Athi River to take a minimum of 30,000 cattle per annum. For the purpose of holding.....

7.
19
holding areas which are essential to ensure a continuous supply to the factory the Government has offered the company a lease of approximately 10,000 acres of unalienated Crown farms in the Machakos district, and, with the agreement of the Basai authorities a lease of an equal area of the Basai reserve in the vicinity of Athi River to provide grazing for susceptible cattle brought to the factory from the Basai, Samburu and northern areas. Representatives of the company are in the Colony at the present time and the project is under discussion with them. The prices which it is proposed to pay for cattle are, I feel sure, sufficiently remunerative to ensure that once the initial difficulties have been overcome, the native will readily bring forward his stock to the factory. The operations of such a factory will not only facilitate control of overstocking and to some extent soil erosion, but will also help to stimulate the development of a sound livestock industry in the pastoral native reserves.

This brings me to the question of the dairy and meat industries. Dairying continues to make satisfactory progress and to attract farmers who have hitherto confined themselves to crop-growing. Prices for butter on the London market have on the whole been more remunerative. Exports of butter are estimated to reach 1,200 tons in 1935, as compared with 800 tons in 1933 and 390 tons in 1930.

The Dairy Industry (Control) Bill has been the subject of a comprehensive and detailed examination by the Standing Board of Economic Development. I understand that as a result of this investigation the Board contemplate recommending a modified scheme. The Board's report on this matter will be published as soon as possible after the Government receives it.

So far as....

So far as the meat industry is concerned, exports to Italian territory have continued and, since the trade began towards the end of last year, nearly nine thousand animals have been shipped from Lombasa. This may not be more than a temporary activity. The Government is fully alive to the importance of a meat export trade to the livestock industry, and tentative discussions have taken place recently with the representative of a Company interested in the chilled and frozen meat trade regarding the possibility of developing this class of export from Kenya. I understand that proposals in this connection may be put forward by the Company, but am unable to say anything further at the moment. The project is one for which financial assistance from the Government will probably be requested and for which some considerable extension of shipping facilities would be required, and some delay is therefore inevitable.

Early this year a trial consignment of frozen beef was shipped to Palestine, and a report on this experiment will be published shortly. Unfortunately the shipment arrived at a time when troubles in Palestine led to some dislocation of trade, but there are nevertheless indications that a substantial trade in frozen or chilled beef can be developed in the near East and the Mediterranean.

I am glad to be able to tell you that the Secretary of State has agreed to the adoption of a settlement scheme for the benefit of Indian Army War Block Officers who may desire to settle in Kenya. Briefly, this scheme provides for the allotment of small-holdings of five to thirty acres in suitable areas near Nairobi, Thomson's Falls, Kitale and elsewhere where the amenities offered are likely to prove attractive to retired officers.....

4
21

officers of the Indian Army. It is proposed to offer free grants, subject to nominal rentals and to specific development and occupation conditions. Army Headquarters in India were informed at the end of July of the adoption of this scheme, and they have undertaken to pass the information on to all War Block Officers who have retired or who are likely to retire within the next few years. It is proposed that the closing date for applications under this scheme should be the 31st December, 1936.

As regards the Farmers' Assistance Ordinance, which was passed in June, the requisite machinery was set up with the least possible delay and is available to those farmers who elect to take advantage of it. I understand that although the number of applications to the Conciliation Board is not large, voluntary adjustments of interest charges and outstandings are by no means inconsiderable. I take this opportunity of thanking the members of the Conciliation Board and the Local Committees for the services and generous help which they give as members of these bodies without remuneration.

As regards the Land Bank, the increased maxima of advances are now operative and loans on the extended basis are being negotiated, the necessary additional capital having been provided under the Specific Loan Ordinance, 1936, by an issue at par of £375,000 3% Inscribed Stock, which was offered for subscription in August. The loan is repayable at par in 1961 with the option of redemption on or after the 1st October, 1956. Of the total sum of £375,000, £200,000 was offered for subscription in Kenya, and both the local and London issues were over-subscribed. The success of the Kenya offer is particularly gratifying, for it marks the confidence of the local investing public.....

public in the future of the Colony and also reduces the cost to Government of the issue and of remittances to meet loan charges. The Land Bank and the Nairobi Municipality, on whose behalf the bulk of this money has been honoured, are indeed fortunate in obtaining funds on such advantageous terms.

Before leaving agriculture, I should like to refer to the question of the development of irrigation, in which we are backward in this Colony. An irrigation project for a part of the Kamasia Reserve has been prepared with the help of a free grant of £1,000 from the Colonial Development Fund. The scheme is designed to enable the Kamasia and Njempis to grow food crops and thus to reduce the need for famine relief.

It would also form an excellent training ground in methods of irrigation which can, if required, be applied to other areas where irrigation is feasible. The survey has now been completed and the scheme is under consideration. The proper use and development of the Colony's water resources in relation to land conservation measures and the distribution of population are a part of the wider question of policy which the Standing Board of Economic Development are considering. In this connection an application has recently been made for a grant of £42,000 from the Colonial Development Fund for the provision, improvement and investigation of water supplies in certain native areas.

Had the country been compelled to rely solely on agriculture during this critical period, our difficulties would have been enormously increased. But the goldmining industry has become established and is making an important contribution to the wealth of the Colony. The figures of output of gold are striking. In 1930, 27,000; in 1934, 283,000; in 1935, 2163,000, and for 1936 the estimated output is about £250,000. About £950,000 was spent.....

spent by the industry in the Colony last year, and some 450 Europeans, 100 Asians and 12,000 Africans were given employment. The industry is still largely in the development stage, and is passing through a difficult financial phase, but the prospects are on the whole increasingly favourable, particularly in Area 2. Geological surveys of Area 1, which is shortly to be opened to prospecting, and of a part of Area 2 have recently been published. Both Government Geologists are still engaged in the survey of Area 2, and their advice is at the disposal of the small workers and others in that area.

Prospects of non-metallic minerals, such as mica and asbestos, are also being opened up between Nairobi and the Coast.

In addition to retarding land alienation in general, a result of the prolonged period of financial depression, drought and past locust infestations has been the great difficulty experienced by farmers in meeting their rental obligations. Special concessions have been made to the Laikipia and North Nyeri pastoral farmers, and relief by way of a reduction of rent for a period of five years is now being given in respect of the pastoral areas of the Mashakoe district. Further proposals to ease the difficulties of farmers in Setik are, I understand, under consideration by the Advisory Land Board.

Good progress continues to be made in carrying out the majority of the recommendations of the Kenya Land Commission. The addition of 21,000 acres to the Kikuyu Native Reserve is practically complete and most of the blocks are now occupied by the natives concerned. The demolition of Pangani villages in Nairobi has begun and will proceed as rapidly as alternative accommodation can be prepared with the co-operation of the Municipal Council. Arrangements for the removal of the natives occupying Tigoni are in train and it is expected that the move will be.....

12
24
will be made early next year.

Many of the Commission's proposals cannot, of course, be given legal effect pending the enactment of the new Native Lands Trust Ordinance, a draft of which has been submitted to the Secretary of State. The European elected members of Council, as the accredited representatives of the Highlands, have been consulted in regard to all modifications which have had to be made as a result of further investigation in the recommendations affecting the Highlands, and I wish to place on record the Government's appreciation of the very reasonable and helpful attitude taken by them towards these questions.

Those parts of the machinery of Government which run more smoothly and quietly than others are apt sometimes to escape public comment. But any review of the administration of the Colony's affairs during the last five years would be incomplete without some reference to the advance made in Local Government since 1929, when the present system was introduced. The steady and progressive work of the local authorities should not go unrecognized, and the Government has good reason to appreciate the keenness and efficiency with which these young bodies have tackled their duties. Important municipal projects in Nairobi include the new water supply scheme at present under construction at an estimated cost of £112,000, and sewerage works costing some £30,000. The extension of the District Council system to North Nyeri, Laikipia and Machakos has been contemplated recently, but agreement has not yet been reached. A classification of the district roads in District Council areas is at present being undertaken with a view to the redistribution on a more equitable basis of the basic road grants payable to Councils, taking into account such factors as the importance and cost of maintenance of the roads concerned.

Honourable Members.....

Honourable Members will recollect that a Report entitled "Colonial Loan Expenditure on Buildings, Water Supplies and Roads during the period 1925-34" was laid on the table of Council last May. Of the many works constructed from loan funds the extensions to the Mombasa Water Supply and the new Law Court Building in Nairobi are the largest. The Mombasa Water Supply is now capable of supplying 2,000,000 gallons of water a day, and the sale of water to shipping has increased considerably during the present year.

It is the Government's policy to employ on public works, wherever possible, apprentices of the Native Industrial Training Depot. During the course of the loan programme many buildings have been constructed by these apprentices, including the extensions to the Mathari Mental Hospital, where the standard of workmanship has been high.

Work on the construction of the Boarding Block of the Girls' Secondary School in Nairobi is well in hand, and this should be ready next April.

There are, unfortunately, other buildings which have earned the name of public scandals. Preliminary drawings have now been prepared for the Grouped Hospital in Nairobi after a special study of recent South African advances in hospital design by a medical officer and the Government Architect, who visited the Union for this purpose. A schedule of other requirements, including the provision of a Grouped Hospital for Mombasa, with provisional estimates of cost, has been made out and these proposals will be placed before the Loan Works (Buildings) Committee in due course.

Transport is one of the questions which you will probably be called upon to consider in the near future. The

Report.....

Report of the Transport Co-Ordination Committee was widely circulated throughout the Colony early in August in order that opportunity should be given to public bodies and others interested to acquaint Sir Osborne Mance with their views on the Committee's proposals. Sir Osborne Mance has completed his survey of the transport question as it affects the three territories of Kenya, Tanganyika and Uganda, and his report will be addressed to the East African Transport Policy Board. The cost of his investigations is being met partly from a free grant of £1,500 from the Colonial Development Fund and partly by the three territories concerned and the Kenya and Uganda Railway. Co-ordination of transport in these countries means not only the co-ordination of the various forms of transport but the correlation of the transport systems on an East African rather than a territorial basis. The importance of the wider view was brought home to those who attended the recent Transportation Conference in Johannesburg.

The most important work of improvement being carried out in road communications is the construction of roads serving the mining and tea areas. The survey for the Kericho - Janji - Chemogel - Lolgorien route is being made and the Kisiani - Asambo Bay Port road will be finished by the end of this year. Earthwork is being done on the road from Kisumu to Kakamega. On the Lumbwa - Kericho road all the new bridges have been completed, and the work of formation and surfacing is proceeding at each end. Coast communications are the subject of a special report which is to be considered by the Central Roads and Traffic Board. Under the Ferries Ordinance, which was passed at the last session, tenders have been invited for the operation of the Likoni and Mtongwe Ferries at Mombasa under agreement with the Government from the 1st December next. The draft of the agreement has been considered and approved by the Central Roads and Traffic Board.

13.
27

The general improvement in the trade position, to which I have already referred, is, of course, also reflected in the working results and the finances of the Railways and Harbours Administration.

As an indication, not only of the quantity of the traffic offering, but also of the greater speed with which it has been handled, I am in a position to state that between January 1st and July 31st the tonnage dealt with by the Railway was 585,350 tons, as compared with 506,975 tons for the same period last year.

So far as exports alone are concerned, the tonnage passing through the Port for the first half of the year was 352,667 tons, or 58,682 tons greater than the tonnage for the similar period in 1935. Import tonnages have also strikingly increased.

Honourable Members will share my gratification with the recuperative powers which this Colony shares with Uganda, which these figures indicate.

As a result of this increase in work done, and in consequence of the careful watch being maintained on all expenditure, the financial position of the Transport Administration has shown steady improvement.

In May last, when reviewing in this Council the financial results of working the Transport Services, I stated that the latest returns this year showed the progress achieved in 1935 was being maintained and was well over the estimates.

That position, as I have already shown, has been fully maintained, and, for the period January to August, as a result of the increased traffic, Railway earnings show an increase over the estimate of over £289,000 and the Port over £114,000. Hon. Members will agree with me that these figures are extremely satisfactory.

with the re-establishment of the financial position of the Services and the building up of adequate reserves, the Management have been able to recommend to the Railway Advisory Council and the Harbour Advisory Board rate reductions of considerable magnitude. It will be remembered that reductions totalling £180,000 per annum were approved ~~in~~ in December last and a further £50,000 in August last when the rate on petrol was reduced from Class 4 to Class 5.

In view of the very satisfactory prospects for future years, the Management and the Railway Advisory Council are now investigating the possibility of granting further substantial reductions at the end of the present year.

This position and prospect affords me, personally, particular pleasure, because, when I came to this Colony in 1931, the situation was extremely gloomy. The result of working in 1930, for both Railways and Harbours was, as you know, a deficit of £83,210. This practically eliminated our very small reserves. Nor was this the worst because, by the end of 1932, the accumulated deficit stood at £650,783. Drastic economies and reorganizations had, however, been introduced early in 1931 and as soon as the turn of the tide took place the situation at once improved, with the result that, at the end of 1935, the General Reserve showed a credit of £345,870 which will, of course, be further strengthened as a result of the present year's working.

The Administration, therefore, is now in the happy position of being able to devote all its attention to providing improved services, where justified, and to reducing rates wherever this can be done prudently without unduly jeopardising the future.

One of the outstanding features in the improvement of overseas communications is the adaptation of the radio to the transmission of the human voice. The Kenya - Great Britain radio service was inaugurated in April. The service has since been extended to include all telephone exchanges connected to the Kenya trunk system, and has also been made available to the continents of Europe and America. Locally, telephone trunk lines have been developed or established in the last few years between Nairobi and Nakuru, Mombasa, Dar-es-Salaam and Adoret. Work is now in hand to connect Kisumu, Kisii and Kakamega to the trunk system. It is proposed to effect a reduction in inter-state telegraph rates from Shs. 1/50 to Shs. 1/- for ten words, and also to reduce internal postal rates from 20 cents for the first ounce and 15 cents for the second ounce to 15 and 10 cents respectively for letters and from 15 to 10 cents for postcards. It is intended that, subject to the consideration of the 1937 Estimates by the Standing Finance Committee, these lower rates should be introduced on the 1st January next. The reductions involve the loss of revenue to this Government of 26,560, as compared with 1937 revenue estimated on the basis of the present rates.

Two important Reports will be laid on the table of Council this Session. One is the Report of the Commission appointed, under the chairmanship of Mr. Justice Webb, to enquire into allegations of abuses and hardship in the collection of Non-Native Poll Tax and Native Hut and Poll Tax. It is gratifying to note that, although there are many irregularities, abuses in the collection of the native tax are not as common or as serious as had been alleged. The other Report is a Report by the Treasurer and the Chief Native Commissioner.....

Commissioner on Native Taxation.

At the beginning of this year a system of collection of native hut and poll tax by means of stamps was instituted so as to help natives to accumulate their taxes and to make it easier for them to produce the full amount when the collector came round. Although this system has only been working for nine months, the response has been extremely good, and out of a total of 1,390,000 stamps issued, 927,000 were sold by the end of August. Sales have been made in every district of the Colony. It is confidently expected that increased advantage will be taken of this system, which is designed not only to assist the native taxpayer but also to ensure a steady flow of revenue to the Government.

As regards the Colony's financial position, it is estimated that the surplus on the present year's working will amount to £87,500 and that the excess of assets over liabilities will thus be £345,381 at the close of this year, as compared with £258,881 at the 31st December, 1935. Of these balances a sum of approximately £217,000 is, as you are aware, to some extent immobilized in agricultural advances and loans to agricultural industries, and there is much leeway to be made up.

The long-awaited Report of Sir Alan Pim will undoubtedly occupy much of our time and thought during this Session. I should like at the start to correct one or two erroneous impressions which somehow or other have gained currency.

I refer, in the first place, to the suggestion that there has been deliberate delay in publishing the Report. It is true.....

is true that the Report was not published until September and also that copies were not available to the general public in this Colony until October, although the Report itself bears the date May 25th. But I am authoritatively informed that the maps were not completed and passed by Sir Alan himself until the 1st August; they had then to be printed for inclusion in the Report, which was not completed by the printers in England until towards the end of that month. I have, moreover, the best of authority for saying that there is no shadow of truth in the suggestion that Sir Alan was influenced in any of his recommendations by pressure from the Colonial Office. I understand that after his return to London from Kenya, he studiously avoided contact with Downing Street, except for the necessary purpose of checking a few facts and references. The Report is Sir Alan Kim's alone, and no one else's. Another erroneous impression is connected with paragraph 100 of the Report, wherein is mentioned the Secretary of State's recent decision on all the more important proposals affecting the terms of service of the Administrative Service. I have heard it stated that Sir Alan was debarred from recommending any revision of this decision. This is not so: he was at liberty to make such recommendations as he thought fit and in fact, in paragraph 102, he has given his considered opinion that for more normal times the existing scale is not too high for the Administrative Service, and in paragraph 93 he points out that it has been the practice in Kenya to co-ordinate departmental salaries with those of the Administration.

The circumstances in which Sir Alan was chosen at the instance of the unofficial representatives to examine and report.....

report on our financial position are within your recollection. The choice was, I submit, amply justified for we could not have obtained, for a detailed examination of this nature, a more wise a more painstaking or a more unbiased investigator. The Colony's thanks are due to him for this admirable Report.

I do not at this stage intend to touch on the Report in any detail. Practically all the economies recommended will take time to implement. Such recommendations as are possible of immediate application we have endeavoured to incorporate in the Budget and we have in addition informed the Colonial Office that the five Cadets allotted to us in 1937 would not now be required. It is also the intention of Government to engage as opportunities occur by reason of vacancies in the Administrative Staff, Local Civil Service officers for duty as Tax Officers in certain districts.

In this connection it may interest you to learn that I have been in touch with the Secretary of State who informs me that subject to the Treasury views in regard to the proposal to borrow money for revenue purposes and to the recommendations in regard to the Railway debt, he is of opinion that Sir Alan's recommendations are generally acceptable and ought to be adopted as a whole. He adds, however, that this opinion is necessarily based on information at present available to him and is subject to such reconsideration as discussions in this Council and further examination may indicate to be necessary. He desires me to state that he has no wish to fetter discussion, and that the fact that he is inclined at the moment to accept the Report as a whole will in no way prejudice his careful consideration of any criticism raised during these deliberations.

That, if I may say so, is precisely the attitude which I myself had already adopted. The main principles outlined in the Report.....

the Report, both as regards expenditure and taxation, appear to Government, as at present advised, to be incontestably sound. But before committing ourselves to definite acceptance of Sir Alan Pim's detailed recommendations, we should naturally wish to take the opportunity which this Session of Council affords, to hear the views and note the criticism which will no doubt be put forward by the representatives of the various communities in the country. I have no hesitation in giving the assurance that such criticism, provided that it is constructive, will be welcomed by Government, whose constant endeavour it will be to secure the widest possible measure of agreement before giving effect to the changes recommended in Sir Alan Pim's Report.

Council's first duty at this Session is to consider the Budget for the ensuing year; and, in accordance with precedent, the detailed examination of the Estimates of Revenue and Expenditure for 1937 will be entrusted to the Standing Finance Committee. From the forecast which has already been published in the Gazette, the available data indicate that, in spite of the improved condition of industry and trade, it will not be possible to balance the Budget and ensure that financial stability which is the first requisite to further progress and development, without the introduction of an Income Tax on the lines proposed by Sir Alan Pim, or some other and probably less acceptable method of increasing direct taxation. There are certain increases in expenditure which cannot be avoided; and it must not be overlooked that if the re-adjustment of native taxation to which Sir Alan attaches such importance is implemented, this must entail a reduction in the receipts from this source. It will be the duty of Standing Finance Committee, after examination of all the available data, to advise Council
whether.....

whether they are satisfied with the soundness of Government's view; and not until they have reported, and their Report has been debated in Council, will the Bills, which have already been published, be formally introduced. The next stage, if our usual practice in this Council is to be followed, will be that the Bills themselves ^{if introduced with} after second reading will be referred to Select Committees; and here again the fullest opportunity will be given for such suggestions as may contribute to increasing the efficiency of these measures and eliminating causes of avoidable hardship.

I trust that I have said enough to make it clear that nothing is further from Government's intention than to force these changes into law, intolerant of criticism and impatient of delay. It is my earnest hope that, with the exercise of mutual reasonableness and understanding, my advisers in this Council, both unofficial and official, will succeed in arriving at conclusions of lasting benefit to the Colony at large.

I must now turn to a subject with which almost every Government in the Empire is at the present time deeply concerned. It is a matter which must receive our sustained attention, and which cannot be left to chance or good luck. I refer to defence.

Obviously we with our limited means cannot achieve the impossible, but we are in honour bound to bear our share, and we must not try to thrust the burden on to the shoulders of the hard-pressed British taxpayer more than is absolutely necessary. We are not asked to contribute one penny to the maintenance of the Fleet or towards the Imperial land and air forces which all stand behind us, and when contemplating our expenditure on Defence Services let us remember that Great Britain is being compelled to spend on these services about a hundred.....

hundred and ninety million pounds or over £4 per head of the total population of the United Kingdom. Furthermore, in addition to having loaned during the past year to this Colony and the neighbouring territories the very costly equipments necessary for the establishment of coast defences, to which I will refer again, I am happy to be able to announce this morning that "His Majesty's Government have decided that the "Royal Air Force Unit now at Nairobi will be permanently "retained there and that it shall be raised to the strength "of a complete Squadron as soon as circumstances permit.

I must emphasise these considerations and it is only right that I should warn you that there are considerable commitments ahead of us, especially those connected with re-arming the King's African Rifles and the Kenya Police. When you are considering the Budget, I hope you will bear these in mind.

I am glad to be able to say that during the past twelve months much progress has been made in the direction of putting our local forces into order. The work of establishing shore gun defences at Mombasa has been almost completed and a Coast Defence Unit has been raised and stationed there. The Unit is mainly a regular unit of the King's African Rifles, and I am sure that it will, if called upon, give a good account of itself, and that it will maintain in all respects the high traditions of the regiment.

The Royal Naval Volunteer Reserve on which rests the responsibility for the naval side of the defence of our vitally important harbour, has made excellent progress and His Excellency the Naval Commander-in-Chief of the East Indies Station in his Inspection Report of July last stated: "I

consider.....

"consider that the unit has attained a most satisfactory standard of training, considering the short time that recruiting has been open to native ratings". All praise is due to Lieutenant-Commander Noad who has been largely responsible for raising the nucleus European unit and carrying out the scheme of expansion to include non-European personnel. As Executive Engineer in the Public Works Department, he has had less leisure than most, and practically all such hours he has devoted to the Reserve throughout the four years of his command.

I need hardly remind Honourable Members that the defence of the East African seaboard against external aggression is a matter which concerns territories other than our own, and the services to which I have referred have been planned in consultation with the neighbouring Governments. Kenya is not being asked to bear more than her fair share of the cost.

But it is not sufficient only to have in the Colony regular units of Infantry and Police, coast defence units and a Squadron of the Royal Air Force: we must see that the man-power of the Colony is trained to act effectively should an emergency arise. Two Bills dealing, as a beginning, with the European man-power will be laid before you during the Session. The Colony is indeed indebted to Colonel Campbell and his colleagues for their admirable report on which these Bills are based. With the help and goodwill of the European community, I foresee before long a Kenya Regiment and an Auxiliary Force of which the Colony may well be proud.

The position on our northern frontier remains satisfactory but, although the relationship with our neighbours continues to be friendly, it has to be constantly and anxiously watched.....

watched. Our chief concern is to see that territorial boundaries are respected and that the interests of our border tribes are safeguarded.

We are fortunate in having in charge Mr. Glenday, an officer possessing exceptional knowledge of the frontier and its tribes. He has had a most anxious time during the past twelve months and he has successfully and tactfully overcome difficulties which might easily have become incidents. Mr. Glenday has received most loyal and efficient support from the administrative staff and from all ranks of the military and Police forces stationed on the frontier.

I have left to this late stage the two important services of education and public health.

In education the progress of the last five years is being maintained. During this period the numbers of children in Government Schools has increased by nine per cent in the case of Europeans, fifty per cent in the case of Indians and Gans, and eighty per cent in the case of Arabs and Africans. During these years attendances in aided and non-aided schools for Europeans and Indians have increased by over a hundred per cent and a hundred and forty-five per cent respectively. In spite of this great increase in the number of pupils, Government educational expenditure has fallen from £190,000 in 1930 to £172,000 in 1935.

Progress in African education in schools has been greatly assisted not only by the co-operation of the Missions but also by the grants made by Local Native Councils toward the cost of elementary education. A scheme for the reorganisation of teacher training for Africans which has been strongly supported.....

supported by Sir Alan Pim will be submitted to Council in connection with the draft Estimates for next year, in which provision for it has been made at an estimated cost of £3,756.

The curricula in all schools are being carefully examined with a view to keeping our educational system on the most modern lines. While literary achievement must not be neglected, the chief aim must be to train the children to be worthy, in character and accomplishment, of their great heritage as citizens of the Colony.

The close co-ordination which has been achieved between the educational, agricultural and medical services in the last few years results from the recognition of the essential unity of the problem with which we are faced in the African Colony in regard to native development. "Reading and writing do not matter until the material basis of living has been assured". These are not my words, but the words of Sir Daniel Hall, speaking recently not to an agricultural audience but at the London School of Hygiene and Tropical Medicine.

In considering medical services let us not deny to the following facts their proper value - that during these five years, in spite of economies in expenditure which included a reduction in the number of medical officers from 72 to 48, the increasing demand for medical treatment has necessitated a great and general expansion of these services: that the number of patients treated annually by the Medical Department has risen from about 800,000 in 1931 to about 1,400,000 in 1935: that in 1935 over 6,000 operations were performed in native hospitals: that the number of native maternity cases conducted in Government Hospitals, apart from the Lady Grigg maternity centres, rose by

OVER.....

over 300%: and that a good start has been made in the medical and health training of Africans.

Nor let us underestimate the importance of the fact that campaigns for the prevention of disease, such as anti-plague measures in the Central Province and the reclamation of tsetse-infested areas on the shores of Lake Victoria, are now being carried out in a radical and permanent fashion with the willing co-operation and support of the natives themselves. To the cost of the sleeping sickness work, both human and veterinary, which is being met partly from the Colonial Development Fund, the South Kavirondo Local Native Council is contributing £1,200 in 1936. New prospects are opened up by this change of outlook towards preventive measures.

In the field of research valuable additions have been made to knowledge, not only of disease, but also of the physical and mental structure of human life in this Colony. In the work done by Dr. Gordon on the African mind, in the conclusions reached by Dr. Gilke and Dr. Orr on the subject of nutrition, and in the medical surveys of rural populations such as the Masai and the Digo we recognize the inter-relation of public health with agriculture and education in the work which is being done to improve conditions of life for the African.

The purpose of such research is to enable the Government to exercise a direct and wise leadership in this work of improvement, for it is from the African himself that the demand is coming, and it is the task of Government Officers in the Reserves to guide this advance and to maintain touch with it at all points. The African himself, properly trained and given a practical.....

practical education - for instance the Jeanes teacher - sets an example which his own community are quick to follow. The duty of the Government, once the social conscience is awakened, is not so much to stimulate as to lead.

Here I should like to say that, while the magnitude and importance of this task is often temporarily obscured, you, Honourable Members, both official and unofficial, have never failed during my term of office to support as generously as possible proposals for native services which have been placed before you. Some misunderstandings die hard, but if any misconception remains as to the attitude of elected members toward such proposals and of the communities which they represent, the sooner it is removed, the better.

As I have said, the scope of the Advance is wide. It includes improvements in the prison system, such as the employment of practically all prisoners in the larger centres on productive hard labour, which increases the deterrent effect of imprisonment; arrangements which are being made for the after-care of discharged prisoners; and the institution of approved schools run on Borstal lines. Further reorganization is contemplated on the lines submitted to Sir Alan Pim and recommended by him.

But the various stages of development, whether in the form of social services provided by the Government, or in the form of voluntary improvements introduced by the native himself in his standards of living, must of course follow and not precede the means to pay for them. This material basis of living is provided by the land.

The essentials of the new system include the replacement of shifting cultivation by a fixed agriculture which will
maintain.....

maintain continuous production from a smaller area, leading to a more balanced dietary; the prevention of soil erosion; and the reconditioning of the eroded lands. Much is now being done to make the first of these essentials acceptable to African opinion, but it must be remembered that such acceptance involves nothing less than a revolution in native agricultural economy. Small holdings organized within the native system of land tenure, of a size to provide a reasonable return to the native and his family, and run on up to date rotational lines, provide the method by which the progressive cultivator can go forward himself and at the same time demonstrate to others the proper use of the land. As regards soil erosion, the reconditioning work which was started in Kamasia about four years ago shows excellent results. Large areas which were completely bare are now under grass and will be strictly controlled. The advantages of rotational grazing are being stressed in all pastoral areas, and in all native reserves the question of soil erosion is receiving special attention. A good start has been made on a long-range campaign in the Machakos area. The whole question of erosion is, as I have said, at present before the Standing Board of Economic Development.

The point which I have been trying to make is that these five years of financial difficulty have been, in the native areas, years of movement: movement not only towards a more stable prosperity but also, in the main, towards the strengthening of a new and hopeful and trustful outlook on the part of the native himself, which is the indispensable condition for his future progress. We have been anxious to teach. He is now anxious to learn; and to put to full practical use the allied.....

allied services of agriculture, education and public health which the Government and his own Councils can provide.

It would have been easy during this time to make too heavy sacrifices in the cause of economy. Economy is always necessary, but never an end in itself. What has been done is to fit constructive thought and endeavour into a strong practical framework, having as a background the dual necessity, as I quoted at the beginning of my address, of reducing overhead expenditure to a figure which we could bear with confidence and safety and at the same time of maintaining essential services on a basis upon which we could build when more normal times returned.

Before I conclude, let me refer with deep regret to the death of Mr. J. H. Githam, one of our official reporters, on the 29th August. I should like to express Council's sincere sympathy with the widow in her great loss.

Honourable Members, in now opening this session of Council, I most earnestly trust that with the help of Almighty God its deliberations may tend to the further peace, prosperity and welfare of Kenya.

~~SECRET~~
PRIVATE AND PERSONAL.

43

GOVERNMENT HOUSE,
KENYA,
EAST AFRICA

136

NOV 29th October, 1935.

My dear Flood,

It was really bad luck that His Excellency should have been laid low with bronchitis on the eve of the big Ball here on 22nd (about 100 guests) and of his daughter's wedding on 24th. Of course he insisted on fulfilling his part on both occasions, and seemed none the worse for having done so. However, although he opened the Budget Session of Council yesterday he had not recovered his voice sufficiently to read his address. Baker-Beall read it for him, and very well too. It appeared to be well received. Sir Joseph has sent Sir Cecil Bottomley a copy by this air mail. It is in my view a concise record of a really remarkable achievement.

The real object of this letter is to send you an extract from a Personal and Confidential letter I have just received from a professional man at Mombasa, which is interesting. Sir Joseph thought you would like to have this extract: I am also showing the letter to Wade. I assume that the M.L.C. is Bemister, that the writer of the "original" letter quoted by my informant is probably Grogan, and that.....

and that the addressee is Cavendish-Bentinck. The quotation is as follows:-

Begins:

"A couple of days ago I received a chit from the agent of my landlord - the said agent being an M.L.C. The chit is written on the back of a piece of paper which had obviously been torn off a sheet of foolscap. I am of a somewhat observant nature and read the reverse which is typed - herewith word for word.

.....an Income Tax Bill without thought or consideration merely to satisfy the whim of a disgruntled Governor who hates the settler and everything he stands for.

"It is the greatest possible good fortune that you are at home at present, and I believe Francis is writing to you and informing you that it is the unanimous wish of Elected Members that you should, if possible, stay on in order to be our mouthpiece with the Colonial Office during the very hard fight upon which we are about to embark. If we can only prevent matters being rushed, I have not the slightest doubt in my own mind that negotiations could be opened with Wade which would lead to some satisfactory solution of the problem, and I believe it is clear that it is to prevent this happening which has actuated the Governor in his determination to push things through immediately.

"The Council is probably meeting on the 27th of October for the Budget Session and while we....."

You may, of course, have a copy of the whole in which case forget and tear up this letter.

Personally.....

44
GOVERNMENT HOUSE,
KENYA,
EAST AFRICA.

"Personally I think it absolutely disgraceful and disloyal for any so-called respectable citizen to write such bilge - and I am not the only one who thinks that our present Governor is the best we have had (you needn't tell him I said so).

If you would like the original I still have it but please keep my name out of anything as I can't afford to offend people - especially when one is agent for my landlord."

Ends.

Freeston is a great asset, and it is great fun having him here. I hope you are fit.

With kind regards,

Yours sincerely,



J. E. W. FLOOD, ESQ., C.M.G.,
COLONIAL OFFICE,
DOWNING STREET, S. W. 1.

PERSONAL & PRIVATE.

AIR MAIL.

10
43
GOVERNMENT HOUSE,
KENYA,
EAST AFRICA

REC-
7 DEC 1936
C. O. REC

20th October, 1936.

My dear Bottomley,

I have delayed writing to you until after the Convention meeting referred to in my letter of the 10th October was held. This took place yesterday and I enclose cuttings from the East African Standard -- also a cutting giving the communique desired by the Secretary of State.

This now ends the Platform campaign where unwarranted and incorrect statements were freely made: the next stage will be in Council when Government will be able to state its side of the case.

The Platform campaign lasted exactly three weeks and any success if achieved was mainly due to the oratory of Grogan broadcasted by the East African Standard. The few other association (club) meetings were not enthusiastic. Nairobi has not, as yet, been able to stage a public meeting at all. This is all very different to the last stampede in 1933.

As regards the interview reported in my telegram.....

telegram of the 16th October. Wade was approached by Schwartz, as apparently the Elected Members were anxious to find a "way out". He dined with some of them at Muthaiga on the 15th and found them so anxious to be reasonable that he arranged for them to see me on the following morning. I then met Lord Francis Scott and Schwartz in a most friendly atmosphere. They on their side said that they did not wish to lay a trap for Government by prolonging investigation in order to postpone the introduction of Income Tax till 1938. I on my side said that we never had any intention of forcing the Taxation Bills through Legislative Council without first having a full debate on Pim's Report, on the Budget and on the Standing Finance Committees' Report thereon. I stated that the Taxation Bills would not be introduced until these investigations had taken place.

If you refer to my letter of the 15th October you will see that this was the procedure I outlined to Captain Anderson when I had an interview with him.

The.....

The most important thing that I have heard has been said in the interview with Lord Francis Scott was this. I stated that although the Standing Finance Committee had a perfect right - at their discretion - to examine matters which intimately affected the Budget this should not include a roving commission into the question of indirect taxation. It will involve a long delay as the other Territories will become involved. They are entirely a need with this.

Now as regards the future. As I see it public agitation should not cease. My opening Address will be conciliatory and I see no reason why the debate should not be conducted without bitterness. This of course excludes Morgan who feels that he has been side-tracked by the other Elected Members and will intend to be most bitter and to make, he tells me, a personal attack on myself.

The real and important work will however be carried out by the Standing Finance Committee (Colonial Secretary, (Chairman), the Treasurer, the Chief Native Commissioner, Lord Francis Scott, Captain Schwartz, Major Cavendish Bentinck (or substitute) Dr. Wilson (representing natives),

Mr.....

Mr. Panyaya (Indian Member of Executive Council). Personally I believe that when they go into all the facts and figures that will be laid before them, they (at least a majority) will report to the effect that if the Budget is to be balanced and a small surplus allowed for, there is no alternative but to accept Sir Alan Pim's recommendation regarding Income Tax.

If this happens, although not wishing to commit myself in advance, I consider that the Government should move the adoption of the majority report and then introduce the Taxation Bills.

There will thus have been a full investigation and as I believe a great majority of the Country is in favour of Income Tax the usual opponents will find it difficult to stir up the country again on the issue.

If I am correct in my anticipations I should not be surprised if the Session were prolonged into January but I do not see any great objection to this.


It is true that I leave the country on the 22nd December which perhaps is not a bad thing as Grogan has stated in his speeches.....

It seems that I am the person responsible for forcing the Income Tax issue as I want to boast that I have defeated the Settlers before I depart.

Certainly nothing could be further from the truth. It would have been much pleasanter for me to have proposed a provisional Budget and let my successor face the music afterwards.

I have just heard that the Pim Reports, which should have come by the "Mantola" on the 17th, cannot be found, probably taken off by mistake at Aden!!! This delay really does increase our difficulties here.

Yours sincerely,




Sir W. C. Bottomley, K.C.M.G., C.B., O.M.E.,
The Colonial Office,
London, S. W. 1.

PS. October 22nd. I enclose cuttings reporting the final stages of the Convention - nothing very sensational. The pro-Income Tax people are beginning to get courage and this movement will grow.

@c I also enclose cuttings from Pandya's paper, the "Kenya Daily Mail". He is a clever little fellow and generally hits the nail on the head.

The Pim Reports have been discovered - they were found in modest little parcels addressed to the Treasurer!!!

I am writing this from my bed where I am laid up with 'flu'. To-night I have to rise and shake hands with between 800 and 900 guests attending my Ball. I hope things will be quiet now for the next month or so - nothing much can happen till the Standing Finance Committee reports.



@c I also enclose cuttings from Pandya's paper, the "Kenya Daily Mail". He is a clever little fellow and generally hits the nail on the head.

The Pim Reports have been discovered - they were bound up in modest little parcels addressed to the Treasurer!!!

I am writing this from my bed where I am laid up with 'flu. To-night I have to rise and shake hands with between 800 and 900 guests attending my Ball. I hope things will be quiet now for the next month or so - nothing much can happen till the Standing Finance Committee reports.



Ormsby-Gore's Attitude to Pim Report

**CONSIDERS IT OUGHT TO BE
ADOPTED AS A WHOLE**

Opportunity for Criticism

**DECISION SUBJECT TO DISCUSSIONS IN
LEGISLATIVE COUNCIL.**

The "East African Standard" learns that His Excellency the Governor has been informed of the general view of the Secretary of State on the subject of the Pim Report.

Mr. Ormsby-Gore's attitude is that subject to the views of the Treasury in regard to Sir Alan Pim's proposal to borrow money for revenue purposes and to the recommendations in regard to the Railway debt, he is of opinion that Sir Alan's recommendations are generally acceptable and ought to be adopted as a whole.

Mr. Ormsby-Gore adds, however, that this opinion is necessarily based on information at present available to him and is subject to such reconsideration as discussions in Legislative Council and further examination may indicate to be necessary.

He desires it to be stated that the fact that he is inclined at the moment to accept the Report as a whole will in no way prejudice his careful consideration of any criticisms raised during these deliberations.

tations in the country. Several Elected Members were present, and also various invited guests. The Elected Members were: Lord Francis Scott, D.S.O., Hon. F. H. Wright; Sir Robert de Vere Shaw, Bart., M.C., the Hon. J. G. Kirkwood, C.M.G., D.S.O., the Hon. Conway Harvey, Major E. S. Grogan, Colonel W. K. Tucker, and Captain H. E. Schwartz.

The Convention was opened with a prayer by the Very Rev. W. J. Wright, Dean of Nairobi, and was followed by the chairman (the Earl of Swire's) speech.

The Chairman said: "I know that the first event to which you would all wish me to refer in this opening address, is one which shocked, not only this country, but the whole world, the death of His late Majesty King George V. Perhaps in this Convention of yours anywhere in the Empire, you had regarded him not only as our great friend, but as our great father. The Convention said many a welcome during the time that whatever differences of opinion we may have had with the local or Imperial Government, this never impaired our intense loyalty to our Sovereign. And I am sure that you would wish me to express at this the first Session of Convention in a new reign, that same feeling of loyalty and devotion to His Majesty King Edward VIII. as was accorded to his father."

The War in Abyssinia

An event of world wide importance which affected the Colony to a very great extent was the war in Abyssinia. It has served to make us realise how very vulnerable this Colony might be under certain circumstances, and our defences must entail a very close consideration for some time to come. One effect that the war has had is to bring us into closer co-operation with our strong neighbour to the South. Prominent men in the Union have expressed in public speeches in the last few months their realisation that our frontier dangers are theirs, and during the last few weeks Lord Francis Scott has been visiting the Union, and has made that closer co-operation still more effective. I am not sure, however, whether this alone is sufficient for our security, and I trust that the Imperial Government will give their most careful attention to this problem. They may find that from an Imperial point of view it will be necessary to increase our defences on the Northern Frontier by some very substantial additions to the Royal Air Force, and other military units out of Imperial Defence Funds.

The Pim Report

To come to more parochial matters, it is customary for your Chairman, in his opening address, to review at some length the political events which have ensued since the previous Session of the Convention, but owing to the special nature of this Session, I do not intend to do so, but to confine myself to remarks regarding Sir Alan Pim's Report. Before doing so, however, I think it is only right that I should criticise the authorities for their apparent lack of courtesy to the general public in not having taken the necessary steps to ensure that a sufficient supply of this Report was available for the

port, although it is six weeks ago to-day since its publication in the Home and Local Press.

It would also be interesting to know why this Report, which was sent to the Secretary of State so long ago as May 25, has been so long emerging from the confines of the Colonial Office. I would remind you in this respect that we are still working under what is known as a "provisional Budget" and you will, no doubt, remember that Government in a Memorandum which they published together with the Draft Estimates for 1932 definitely stated that "the Budget which is now presented is provisional so that it may require amendment in the course of the year." These two points, or to be more precise both of them, have naturally aroused in the opinion of a large number of members of our Legislature a just suspicion

What Convention Asked For

The first suggestion that a Special Commissioner should be invited to come to Kenya was mooted by the Convention at its last Session, and in view of this I think it only right that I, as your Chairman, should try at once to define a statement which I have heard on various occasions. The statement of Elected Members asked for by Sir Alan Pim that he got him, they should take what he gives them for words to that effect. But I would remind you that the resolution which you passed unanimously in this respect at the last Session of Convention reads as follows:—

That this Convention wholeheartedly supports in principle the recommendations made by the Select Committee on Economy, and trusts that Government will see fit to implement the majority of these so that they may be incorporated in the 1932 Estimates. In particular the Convention urges that a re-organisation of the machinery of Government on the lines proposed in Chapter 9 of the Report should be undertaken without delay, and that an impartial Commissioner, approved by European Unofficial Members of Legislative Council, should be appointed to give effect to this recommendation forthwith.

Now the intention here is quite obvious to all and what Sir Alan Pim was asked to do is more or less covered by his first term of reference. The second term of reference, however, was presumably inserted at the instigation of the local Government, and was never acquiesced in by the Unofficial community. In fact, Lord Francis Scott immediately on publication of the terms of reference wrote a letter of protest to Government pointing this out, and disassociated the European Unofficial community from any responsibility for the acceptance of any recommendations made under the second term of reference.

"Sir Alan Pim found himself in immediate difficulties with regard to the first term of reference. He goes so far as to say so in Section 100 of his Report, when he considers himself to be debarred from making any recommendations affecting the terms of service in view of the fact that we consider that the Secretary of State had already made a definite decision in this

read in Saturday's local Press.

Cause of Crisis

In spite of this however, I think it essential for me to review quite shortly the policy which the Elected Members decided to follow, and I do want to stress, here and now, that this political crisis was brought about by Government's tactics and their declared intention to rush through the Income Tax proposals without further investigation, and not by your representatives. The method Government used appeared to severe criticism, and I earnestly hope that this will be the last time that we shall have the spectacle of the local Government using the "Official Gazette" as a medium of propaganda, to add insult to injury, the simple unembellished sum contained in their historical document, appears to be false.

It should be made quite clear that the Elected Members' policy was no blind opposition to the imposition of Income Tax, quite Income Tax, but was based on various grounds. For one thing they did not consider that Government should attempt to perpetuate what are known as the "Alternate Emergency Taxes" by the superimposition of Income Tax over and above the level of taxation in 1932, and you will remember that at the last Session of Convention you unanimously passed a resolution demanding the immediate repeal of these taxes. They also held that the financial position of the Colony had greatly improved since Sir Alan Pim was here. At that time the surplus balance upon which he had to rely was a small one of £10,000, since then, however, we have been credibly informed that this balance at the end of the year will be probably about ten times as great.

These are, therefore, not the same urgency for the introduction of the taxation proposals today as there was when Sir Alan Pim was here, and they therefore objected to these proposals being rushed through in the manner Government intended.

"In this respect I should also like to point out that Sir Alan Pim, in paragraphs 263 and 264 particularly stresses the importance of the most careful consideration being given to the Income Tax Ordinance, and I would remind you that Sir Philip Curle Lister, when Secretary of State for the Colonies in 1932, laid down that: 'Where the choice lies between alternative means of taxing particular sections of the community, that method is to be preferred which is the more acceptable to those upon whom the tax is to be levied.' Both of these theses had apparently been entirely ignored by Government.

"You will see in to-day's Press a letter which has been addressed to the Secretary of State by Lord Francis Scott at the request of the European Elected Members. It puts their policy clearly and it is unnecessary for me, at this stage, to stress it any further.

Public Opinion

It has been made quite apparent that a vast majority of unofficial opinion in the Colony was in agreement with the Elected Members' request to Government that these taxation proposals should be postponed until a close investigation of the whole issue had been carried out. (Continued on page 6).

Johannesburg

udebaker 6 (Sedan).
 No. 25.—R. R. Forrester, Nyaland; R. R. Forrester (35) and P. Christowitz (43); East African; Chevrolet 6 (Coupe).
 No. 26. W. H. Davis (Junr.); Cape; W. H. Davis (Junr.) (29); and M. D. Brohi (41); South African; Ford V 8 (Coupe).
 No. 27. E. F. Clifford, Gatooma; R. Clifford (36); and B. H. Turner (36); Rhodesian; Chevrolet Two seater.
 No. 28. Pörry - Service Station Johannesburg; A. F. Terreböuche (40); and J. White (21); South African; Buick 8 (Sedan).
 No. 29. A. J. Haak, Johannesburg; J. van den Berg (24); and A. G. van Vuuren; South African; Skoda 4 cylinder (Roadster).
 No. 30. Austin Sales (Perkins), Pretoria; A. S. Perkins (41); and L. Smovich (25); South African; Ford V 8 (Sedan).
 No. 31. R. Evans, Johannesburg; R. Evans (41) and D. McFadyen (23); South African; Auburn 8 (Sedan).
 No. 32. Die Vaderland, Johannesburg; J. M. van der Heever (29) and S. G. Smidt (25); South African; Lincoln Zephyr 12 cylinders (Sedan).
 No. 33. T. J. McPherson, Johannesburg; T. J. McPherson (32); and T. Visser (27); South African; Pontiac (Sedan).
 No. 34. G. T. van der Nest, Johannesburg; G. T. Thoms (25); and D. G. Snelling (25); South African; Chrysler 6 cylinders (Roadster).
 No. 35. J. Driver, Johannesburg; Driver (36); and V. M. Boland (26); South African; Chevrolet 6 cylinders (Sedan).
 No. 36. A. P. van Heerden, Durban; A. P. van Heerden (22); and J. Mansfield; South African; Chevrolet 6 (Coupe).
 No. 37. R. F. Jennings, Kenya; R. F. Jennings (21); and G. M. Jennings (28); East African; Ford V 8 (Box Body).
 No. 38. N. Ruspino, Pietersburg; N. Ruspino (27); and A. Furto (34); South African; Chevrolet 6 cylinders (Sedan).
 No. 39. A. L. Hudson, Komatipoort; A. L. Hudson (27); and P. Howard (23); South African; Chrysler 8 cylinders (Coupe).
 No. 40. Mde G. Basault, Nairobi; K. McIvor (45); and L. Frank (39); East African; Ford V 8 (Van).
 No. 41. J. L. Vandeventer, Salisbury; J. L. Vandeventer and J. Vandeventer; Rhodesian; Ford V 8 (Coupe).
 No. 42. D. R. Woodhead, Johannesburg; D. R. Woodhead (24); and D. Michael Egan (21); South African; Ford V 8 (Sedan).

THINGS WHICH MAKE LIFE WORTH WHILE!



CRAWFORD'S
 LIQUEUR SCOTCH WHISKY
 ONE OF THE GOOD THINGS IN LIFE!

Kill MOSQUITOES with FLIT!
 Imitations waste your money

Don't risk your health and comfort by accepting worthless "insecticides" or imitations that masquerade under the name of FLIT. Remember - there is only one FLIT. FLIT is sold only in the yellow tin with the soldier and black band - sealed to prevent fraudulent refilling. Will not stain. You can absolutely rely on FLIT to kill all household insects.

Sprinkle the new FLIT POWDER in cracks and crevices. Crawling insects touch it and die!

If the soldier is not on the tin, it is not FLIT

Morgan & Co.



Beg to announce that their **New Season's Dress Suiting** has just arrived, and we can state with confidence they are the smartest cloths in Town.

Combined with our expert Tailoring and Superior Trimmings.

You will LOOK RIGHT
 You will FEEL RIGHT
 and
 You will PAY RIGHT

Call and See us for Your

Xmas Order





Don't risk your health and comfort by accepting worthless insecticides or imitations that masquerade under the name of Flit. Remember - there is only one Flit. Flit is sold only in the yellow tin with the soldier and black band - sealed to prevent fraudulent refilling. Will not stain. You can absolutely rely on Flit to kill all household insects.



Sprinkle the new FLIT POWDER in cracks and crevices. It rans into cracks to touch it and die.

If the soldier is not on the tin, it is not FLIT



Want economy as well as port, the world-famous 'Valet' Razor still stands supreme. Ten seconds, cleaned in ten minutes to take to pieces. Nothing and every blade provides forty shaves. 'Valet' "99" set, consisting of Valet Razor, Strop and in neat, serviceable case at an price.

VALET
Strop
Safety Razor

VEAT

Universal Food

With hot or cold milk, like all our food stands in all sorts of form, as a change from bread or Next you can use Weetabix with fruit, stewed fruit. As you will—all sorts of ways suggest themselves and diet changes. There are we say Weetabix is the universal

Wholesale enquiries and Free From

GULAM

Phone 2115

Morgan & Co.



Begin to announce that their **New Season's Dress Suiting** has just arrived, and we can state with confidence they are the smartest cloths in Town.

Combined with our expert Tailoring and Superior Trimmings

You will **LOOK RIGHT**
You will **FEEL RIGHT**
and
You will **PAY RIGHT**

Call and See us for Yours

Xmas Order

Choose a
bicycle like an
expert-choose a

RALEIGH
THE ALL-STEEL BICYCLE



★
Recognised as the
Finest Bicycle in
the World and
Guaranteed for ever



Sole Distributors for Kenya:

KASSAM KANJI & SON

Government Road,
NAIROBI.

KIAMBU LIME

FAIRVIEW ESTATES, Ltd.
Special Cheap Rate for Burnt Agric. Lime.
P.O. Kiambu, Phone: Kiambu Stores 14, Y I.

CLASS 1 AND 2 RATES ON THE RAILWAY

Nairobi Chamber Urges Early Reduction

The proposal that a very considerable amount of the anticipated Railway surplus should be applied to the reduction of the Class 1 and 2 tariff rates was passed unanimously at Friday's meeting of the Nairobi Chamber of Commerce.

The Secretary, Mr. A. B. Coombs, pointed out that in reply to the request for suggestions it had been urged in a letter from a member that a reduction in Classes 1 and 2 rates would be of considerable value not only to the commercial community but to all sections of the Colony.

Mr. Graham Dawson thought that the suggestion was an excellent one and at the instance of Col. Tucker moved the resolution adopted by the meeting. It was stated that the suggestion contained in the letter voiced the general commercial view and should go before the Railway Advisory Council in that form. While the reductions in rates previously effected had not gone solely to the producer the fact remained that the commercial community had, on that occasion, subordinated their own interests and made a unanimous recommendation that the reductions then made should go to the farmers of the Colony.

Belated?

Mr. Dalton (K.U.R. and H.) said that any recommendations going forward now were a bit late in the day but would, no doubt, be borne in mind by the Railway Council. For several months now serious consideration had been given to the form that the reductions in rates would take.

Colonel Tucker said that the Class 1 rates had to be tackled at once as a measure to alleviate the position with regard to road competition in high-tariffed classes of goods. A lot more would be heard of this aspect of the problem after the publication of the General Manager's report. Personally, said Col. Tucker, he was prepared to pledge himself to do his hard for a substantial measure of relief in the case of Class 1 rates if not Class 2.

Mr. Dawson's resolution was thereafter adopted unanimously.

RATES OF EXCHANGE

The following rates of exchange were notified by the Nairobi Banks yesterday —

London on Paris: 105

London on New York: 480.

(Continued from page 5).

In view of this it was, of course, incumbent upon your representatives to do their utmost to press this point on Government, and for this purpose negotiations were initiated by Government, and you all now know the result of these.

"Some of you may feel that the appointment of an *ad hoc* Committee in order to carry out this enquiry would have been the better course, but I believe that in fact the Standing Finance Committee, which is a properly constituted body, is the correct Committee to carry out the investigation provided that this investigation is carried out with goodwill on both sides and that Government's intentions are clarified, more especially in view of the doubts that may be entertained as a result of their statement published in to-day's Press. It is of the greatest importance, however, that evidence from representative bodies and all individuals, who may wish to give it, should be accepted by this Committee.

Improved Finances

"I have already pointed out that the Colony's finances are in a far happier state to-day than they have been for some time. The improvement in our finances has been largely brought about by the improved world prices of commodities and the pendulum swinging towards prosperity. This will, of course, be far more apparent in 1937 than it is to-day. To take full advantage of this improvement, however, what we want most of all is peace in our land and peace amongst our peoples, and cessation of bickering. This I feel can only be brought about by a genuine co-operation between Government and the Unofficial Community of the Country.

"I do not believe that this genuine co-operation can be left in the haphazard position of to-day, for it is at the moment entirely dependent upon one attribute of one man, namely, the Governor of to-day and we have seen that in its present form it has completely broken down on various occasions during the last five years. This co-operation must, therefore, be placed on a more permanent basis, and can only be achieved by placing a greater share of the burden of the responsibility for the government of the Colony on the shoulders of the Unofficial Community. A greater confidence and a greater trust will then I believe be born, and I am convinced that in this way alone can this Colony hope to achieve that peace which will not only make her the most brilliant, as we have always claimed, but the most valuable jewel in His Majesty's Colonial Empire." (Applause).

CLASS 1 AND 2 RATES ON THE RAILWAY

Nairobi Chamber Urges Early Reduction

The proposal that a very considerable amount of the anticipated Railway surplus should be applied to the reduction of the Class 1 and 2 tariff rates was passed unanimously at Friday's meeting of the Nairobi Chamber of Commerce.

The Secretary, Mr. A. B. Gims, pointed out that in reply to the request for suggestions it had been urged in a letter from a member that a reduction in Classes 1 and 2 rates would be of inestimable value not only to the commercial community, but to all sections. It was a long overdue relief.

Mr. Graham Dawson thought that the suggestion was an excellent one and at the instance of Col. Tucker moved the resolution adopted by the meeting. It was stated that the suggestion contained in the letter voiced the general commercial view and should go before the Railway Advisory Council in that form. While all the reductions in rates previously effected had not gone solely to the producer the fact remained that the commercial community had, on that occasion, subordinated their own interests and made a unanimous recommendation that the reductions then made should go to the farmers of the Colony.

Related?

Mr. Dalton (K.U.R. and H.) said that any recommendations going forward now were a bit late in the day but would, no doubt, be borne in mind by the Railway Council. For several months now serious consideration had been given to the form that the reductions in rates would take.

Colonel Tucker said that the Class 1 rates had to be tackled at once as a measure to alleviate the position with regard to road competition in high-rated classes of goods. A lot more would be heard of this aspect of Railway affairs after the publication of the General Manager's report. Personally, said Col. Tucker, he was prepared to pledge himself to fight hard for a substantial measure of relief in the case of Class 1 rates, if not Class 2.

Mr. Dawson's resolution was thereafter adopted unanimously.

RATES OF EXCHANGE

The following rates of exchange were notified by the Nairobi Banks yesterday:—

London on Paris: 105.

London on New York: 4.89.

(Continued from page 5).

In view of this it was, of course, incumbent upon your representatives to do their utmost to press this point on Government, and for this purpose negotiations were initiated by Government, and you all now know the result of these.

"Some of you may feel that the appointment of an *ad hoc* Committee in order to carry out this enquiry would have been the better course, but I believe that in fact the Standing Finance Committee, which is a properly constituted body, is the correct Committee to carry out the investigation provided that this investigation is carried out with goodwill on both sides and that Government's intentions are clarified, more especially in view of the doubts that may be entertained as a result of their statement published in to-day's Press. It is of the greatest importance, however, that evidence from representative bodies and all individuals, who may wish to give it, should be accepted by this Committee.

Improved Finances

"I have already pointed out that the Colony's finances are in a far happier state to-day than they have been for some time. The improvement in our finances has been largely brought about by the improved world prices of commodities and the pendulum swinging towards prosperity. This will, of course, be far more apparent in 1937 than it is to-day. To take full advantage of this improvement, however, what we want most of all is peace in our land and peace amongst our peoples, and cessation of bickering. This I feel can only be brought about by a genuine co-operation between Government and the Unofficial Community of the Country.

"I do not believe that this genuine co-operation can be left in the haphazard position of to-day, for it is at the moment entirely dependent upon one attribute of one man, namely, the Governor of to-day and we have seen that in its present form it has completely broken down on various occasions during the last five years. This co-operation must, therefore, be placed on a more permanent basis, and can only be achieved by placing a greater share of the burden of the responsibility for the government of the Colony on the shoulders of the Unofficial Community. A greater confidence and a greater trust will then I believe be born, and I am convinced that in this way alone can this Colony hope to achieve that peace which will not only make her the most brilliant, as we have always claimed, but the most valuable jewel in His Majesty's Colonial Empire." (Applause).

CLASS 1 AND 2 RATES ON THE RAILWAY

Nairobi Chamber Urges Early Reduction

The proposal that a very considerable amount of the anticipated Railway surplus should be applied to the reduction of the Class 1 and 2 tariff rates was passed unanimously at Friday's meeting of the Nairobi Chamber of Commerce.

The Secretary, Mr. A. B. Ginns, pointed out that in reply to the request for suggestions it had been urged in a letter from a member that a reduction in Classes 1 and 2 rates would be of inestimable value not only to the commercial community, but to all sections. It was a long overdue relief.

Mr. Graham Dawson thought that the suggestion was an excellent one and at the instance of Col. Tucker moved the resolution adopted by the meeting. It was stated that the suggestion contained in the letter voiced the general commercial view and should go before the Railway Advisory Council in that form. While all the reductions in rates previously effected had not gone solely to the producer the fact remained that the commercial community had, on that occasion, subordinated their own interests and made a unanimous recommendation that the reductions then made should go to the farmers of the Colony.

Belated?

Mr. Dalton (K.U.R. and H.) said that any recommendations going forward now were a bit late in the day but would, no doubt, be borne in mind by the Railway Council. For several months now serious consideration had been given to the form that the reductions in rates would take.

Colonel Tucker said that the Class 1 rates had to be tackled at once as a measure to alleviate the position with regard to road competition in high-rated classes of goods. A lot more would be heard of this aspect of Railway affairs after the publication of the General Manager's report. Personally, said Col. Tucker, he was prepared to pledge himself to fight hard for a substantial measure of relief in the case of Class 1 rates, if not Class 2.

Mr. Dawson's resolution was thereafter adopted unanimously.

RATES OF EXCHANGE

The following rates of exchange were notified by the Nairobi Banks yesterday:—

London on Paris: 105.

London on New York: 4.89.

Convention Attitude to Tax Proposals

SUPPORT FOR PRINCIPLE OF FULL PRELIMINARY ENQUIRY

Opposed to Increased Burden

ADEQUATE TIME FOR CONSIDERATION BEFORE FISCAL POLICY IS CHANGED

The Convention of Associations devoted the whole of yesterday's session to an examination of the many aspects of the taxation controversy and to the new situation created at the week-end by the Government's approach to the Elected Members.

It was apparent that quite a number of delegates were not opposed to the principle of Income Tax but were prepared to accept the advice and guidance of the Elected Members in regard to the best method of solving the various problems which had arisen.

The first resolution expressed the Convention's appreciation of the Elected Members' efforts to postpone the Bill and assured them of support "in obtaining the full investigation necessary" before such a Bill was introduced.

The Convention also passed resolutions expressing the opinion that the budgetary position did not warrant or justify increased taxation and that in no case was the Colony prepared to accept the emergency taxes as permanent measures.

Several speakers expressed the view that it was necessary to be quite clear regarding the nature of the proposed enquiry by the Standing Finance Committee of Legislative Council before the "Gentlemen's Agreement" was entered into.

Yesterday's Discussions

Mr. E. E. Biss, of the Nairobi Association, put forward the first resolution on behalf of the Executive of the Convention. The resolution was as follows:

This Convention expresses its appreciation of the efforts of the Elected Members to postpone the hasty introduction of the Income Tax Bill, and assures them of its support in obtaining the full investigation necessary before the imposition upon the country of such a measure.

The motion was seconded by Capt. H. C. de la Poer.

After a long discussion, a slight amendment, put forward by Captain Schwartz was accepted, and the resolution was carried unanimously. The alteration was the substitution of the words "imposition upon the country of such a measure" for "introduction of such a matter into Legislative Council."

Prior to the passing of the resolution a further amendment proposed by Colonel A. J. Lean, D.S.O. (Subukia Farmers' Association) was defeated. Colonel Lean suggested that the phrase "refuses to discuss in any shape or form unless and until the levy on officials' salaries and the whole of the emergency taxes are removed from the Statute Book and the country is back to the basis of taxation in 1902" should be included in the resolution. This was seconded by Mr. A. Bridley (Langata Brothers Association), but was put to the vote only after the speaker had

received by Lord Francis Scott was not completely lucid, however, and its meaning in some parts seemed somewhat ambiguous for it was not quite clear what the Government meant by "fullest investigation."

The fact that the matter would be considered by the Standing Finance Committee had been regarded as a sounding victory but that was not the case, for it was only a trace called for parity. They had been told that it was a victory because the body to which the question would be referred was constitutionally established, but they were bound to ask themselves what was its constitution. Apart from Government servants and European Elected Members there were only a few other people left on the Standing Finance Committee who could help to settle decisions, and even if the Committee was unanimous on anything it would still be quite an impotent body as the Governor could do just as he liked afterwards.

Need for Evidence

Mr. Biss suggested that in matters of large financial interest evidence should be given on oath. The Government said that the Standing Finance Committee was the proper body to conduct the investigation, but he should like to suggest that the Elected Members should demand certain guarantees from the Government before they plunged and took the people with them into a morass. A demand

in a position to discuss the question of the introduction of Income Tax. They did not wish to make the Overseas public imagine that the people in Kenya were exploiting the Natives, but they objected to being treated in such a way at the moment. They had already received an admission from the Secretary of State saying they were entitled to decide whether the taxation to which they were subjected should take effect or they should now go forward with a demand for increased responsibility for their own money and methods of its expenditure.

Seconding the resolution, Captain A. J. Lean (Nairobi Farmers Association) also stated that the should have a measure of control in the raising and spending of taxes. He thought that they should demand a far more comprehensive survey of the many complications of such a matter.

Mr. Hansard, at this juncture said he did not know how the matter could be discussed further until they knew what agreement had been reached and what the Elected Members' policy was.

Lord Francis Explains

Lord Francis Scott outlined the virtues between the Government and the Elected Members and the question as to whether there was no method by which to avoid a "bust up" in the country. He believed that the country was very tired of such "bust-ups" and therefore the subsequently discussed the matter with the Colonial Secretary. The only possible way of preventing such a "bust up" was the postponement of the proposals for the utmost investigation, combined with plenty of time, should be given so that the country could know exactly what was intended in regard to these matters. Further it was of the utmost importance really to get all the figures of revenue and expenditure for some of the statements put forward by the Government were very misleading. The exact figures were needed so that they would know what would be likely to happen next year.

They would rather have had an ad hoc committee instead of the Standing Finance Committee but the Governor considered that the latter was the proper body to conduct the investigation. They had gained the point that the Income Tax Bill should not be introduced into Legislative Council and debated in any way until the matter had been fully investigated and reported to the Council. The Standing Finance Committee had, no doubt, an unofficial majority, and in the past people had stated that with this majority they were all right. With the right to full and free investigation this body could get all the actual figures and facts, and also information as to taxation in other countries. The whole matter could then be put forward clearly and concisely before the country so that everyone knew where they stood. To carry out such a programme it was necessary that the Committee should have plenty of time and His Excellency had agreed that it was not absolutely necessary that such a report should be completed before the end of the year. Another very important point that had been

various problems which had arisen.

The first resolution expressed the Convention's appreciation of the Elected Members' efforts to postpone the Bill and assured them of support "in obtaining the full investigation necessary" before such a Bill was introduced.

The Convention also passed resolutions expressing the opinion that the budgetary position did not warrant or justify increased taxation and that in no case was the Colony prepared to accept the emergency taxes as permanent measures.

Several speakers expressed the view that it was necessary to be quite clear regarding the nature of the proposed enquiry by the Standing Finance Committee of Legislative Council before the "Gentlemen's Agreement" was entered into.

Yesterday's Discussions

Mr. F. E. Biss of the Nairobi Association, put forward the first resolution on behalf of the Executive of the Convention. The resolution was as follows:

This Convention expresses its appreciation of the efforts of the Elected Members to postpone the hasty introduction of the Income Tax Bill, and assures them of its support in obtaining the full investigation necessary before the imposition upon the country of such a measure.

The motion was seconded by Capt. H. C. C. de la Poer.

After a long discussion, a slight amendment, put forward by Captain Schwartz was accepted, and the resolution was carried unanimously. The alteration was the substitution of the words "imposition upon the country of such a measure" for "introduction of such a matter into Legislative Council."

Prior to the passing of the resolution a further amendment proposed by Colonel A. I. Lean, D.S.O. (Sulukin Farmers' Association) was defeated. Colonel Lean suggested that the phrase "refuses to discuss" in any shape or form unless and until the levy on officials' salaries and the whole of the emergency taxes are removed from the Statute Book and the country is back to the basis of taxation in 1932 should be included in the resolution. This was seconded by Mr. A. Bradley (Langata Settlers' Association), but when put to the vote only the proposer and seconder were in favour.

Changed Situation

Proposing the substantive resolution, Mr. Biss said that before they could pass such a resolution two points had to be considered. They had got to be certain of what it meant, and also what the Elected Members were to support. There was no doubt that the Government proposals had produced what had been referred to as "unanimosity", but since Friday a change had occurred in the situation. A letter had been written by the Colonial Secretary to Lord Francis Scott explaining that the publication of the proposed reorganisation in the methods of direct taxation did not mean that the Government intended to introduce it without the fullest consideration. They owed a debt of gratitude to Lord Francis Scott, Mr. A. de V. Wade, and Captain Schwartz for their efforts in getting together and exploring the situation. They were also grateful to His Excellency for permitting a drop of oil to be poured on the very troubled waters of the Colony. The letter

received by Lord Francis Scott was not completely lucid, however, and its meaning in some parts seemed somewhat ambiguous for it was not quite clear what the Government meant by "fullest investigation."

The fact that the matter would be considered by the Standing Finance Committee had been granted as a sounding victory, but that was not the case, for it was only a truce, called for parity. They had been told that it was a victory because the body to which the question would be referred was constitutionally established, but they were bound to ask themselves what was its constitution. Apart from Government servants and European Elected Members, there were only two other people left on the Standing Finance Committee who could help to settle decisions, and even if the Committee was unanimous on anything it would still be quite an important body as the Governor could do just as he liked afterwards.

Need for Evidence

Mr. Biss suggested that in matters of large financial interest evidence should be given on oath. The Government said that the Standing Finance Committee was the proper body to conduct the investigation, but he should like to suggest that the Elected Members should demand certain guarantees from the Government before they plunged and took the people with them into a morass. A demand should be made that some real power should be granted to the Standing Finance Committee.

Referring to the Pim report Mr. Biss said they had not got what had been asked for. A year ago a great demand had been made for a reduction in Government expenditure, but Sir Alan Pim had found himself in the position of not being able to discuss emoluments, and he had suggested a reduction of £48,000—in the course of time. Then they had been informed by the Government that there was going to be an increase in expenditure of £50,000 in the coming year.

The resolution proposed that they should support the Elected Members and that they should support their demand for a full enquiry—by which they did not mean a little enquiry behind closed doors. Sir Alan Pim had said it was not merely a matter of introducing Income Tax, but for the introduction of an equitable form of taxation in place of the present haphazard system of direct taxation. After the remission of the emergency taxes they would be

likely to be reached and what the Elected Members' policy was.

Lord Francis Explains

In reply Lord Francis Scott outlined the overtures between the Government and the Elected Members and the question as to whether there was no method by which to avoid a "bust up" in the country. He believed that the country was very tired of such "bust ups" and therefore they subsequently discussed the matter with the Colonial Secretary. The only possible way of preventing such a "bust up" was the postponement of the proposals, for the utmost investigation, combined with plenty of time, should be given so that the country could know exactly what was intended in regard to these matters. Further, it was of the utmost importance really to get all the figures of revenue and expenditure for some of the statements put forward by the Government were very misleading. The exact figures were needed so that they would know what would be likely to happen next year.

They would rather have had an *ad hoc* committee instead of the Standing Finance Committee but the Governor considered that the latter was the proper body to conduct the investigation. They had gained the point that the Income Tax Bill should not be introduced into Legislative Council and debated in any way until the matter had been fully investigated and reported to the Council. The Standing Finance Committee had, no doubt, an unofficial majority, and in the past people had stated that with this majority they were all right. With the right to fill and free investigation this body could get all the actual figures and facts, and also information as to taxation in other countries. The whole matter could then be put forward clearly and concisely before the country so that everyone knew where they stood. To carry out such a programme it was necessary that the Committee should have plenty of time and His Excellency had agreed that it was not absolutely necessary that such a report should be completed before the end of the year. Another very important point that had been brought up and agreed to was that there should be ample opportunity for individuals and bodies in a position to give valuable evidence to give their evidence to the Committee.

No Victory Yet

Continuing, the speaker said he did not wish people to think that he believed victory had been achieved. What had been achieved was that the Government had receded from their original definite intention, some what might be to get the Income Tax Bill through, and to take off the levy on Officials' salaries. They had now given a definite undertaking that the whole question was *sub judice* pending the report of the Committee. He felt that by the agreement it had made the matter possible to deal with whereas before it was just a definite battle between two sides without any possibility of an agreement. It had been said that recommendations put forward by the Committee could be swept aside by the Government. This was so but he did not think that it was at all likely to happen.

(Continued on page 3)

HARDINGE STREET BUTCHERY.

CURIOS

(S. M. Fichas).
DERBY HOUSE, GOVT. ROAD,
 P.O. Box 1042, — NAIROBI.
 A Unique Collection of Native Curios
 and Handicrafts.
 Lamin Chests, Brass and Copperware,
 Taunganyika Hyrax Karosses, full
 length and short coats, capes, muff,
 shawls, chokers, etc.
 Kenya Hyrax—do. do.
 "White" Hyrax—do. do.
 KAROSSES of Colobus Monkey,
 Blue Monkey, Sykes Monkey, Cerval
 Cat, and Thomson's Gazelle.
 Leopard skins, Chestah, Otter, Snow
 Leopard and Golden Fox Furs, etc.

Primrose Laundry

BRING YOUR CLOTHES
to Us, for a First Class Job.
 We specialise in Ladies' and Gents'
 Evening Dress, Suits and Frocks.
Expert Dying and
Dry Cleaning Works,
 P.O. Box 498, NAIROBI.
 M. A. Jordan, Proprietress,
 Branch in Westlands.

NEW RANGE

OR

**CRETONNES;
 TAPESTRY;
 CASEMENTS;
 JASPE, Etc Etc.**



IN

Latest Designs and Lovely Colours
 Plain and Figured

LOOSE OR FIXED COVERS

Made to Order with Guaranteed Fitting and
 All at Competitive Prices.

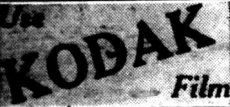
TRY

Alibhai & Co. Ltd.

P.O. Box 801,

NAIROBI,

'Phone 2218.



PHILLIPS BICYCLES



renowned—the world over for
 Durability
 and
 Value.

Nairobi
 Distributors:

**KENYA CYCLE
 MART**
 Hardinge St.,
 NAIROBI.

ANCY

ely, an Assistant with a
 ing, English Corres-
 mentary book-keeping.
 e submitted in writing
 and salary required
 2, Nairobi.

WANTED-WOOD WORKING MACHINERY.

1. Log Carriage with Wooden or Steel Frame.
2. Rope or Roller Feed Saw Bench.
3. Circular Saw Bench.
4. Cross Cut Machine.
5. 15 H.P. Nominal Steam Engine.

CIRCULAR SAWS, PULLEYS, etc., TO FIT THE ABOVE.

Full particulars to:—

NYANZA

Box 762.

NAIROBI.

**ROBI TO JOHANNESBURG
 NATE IGNITION TROUBLES**

BY FITTING
BOSCH PLUGS

Shs. 2/85 each.
 USED BY ALL THE LEADING
 EUROPEAN RACING MOTORISTS.

tor Service Co., Ltd.

Street —:— NAIROBI.

**NAIROBI FUNERAL
 FURNISHING Co.**

(R. E. Randall)
 'Phone 2137, P.O. Box 177.

Complete Funeral
 Furnishers,
 Satisfaction Guaranteed
 Prices Reasonable

Apply:—
 Funeral Director c/o. 'Plants'

"PLANTS"

FRESH FLOWERS OF EVERY
 VARIETY DAILY.

Our WREATHS and BOUQUETS
 are the best in the country. Make
 us your expert, who knows every
 Branch of Floral Artistry.
 P.O. Box 177, Government Road,
 'Phone 2118.

**TOGEN—then you
feel so tired**



has done for
ers it will do
tlessness, your
perform your
to enjoy your
used by under-
erve and brain
will feed these
cutting into your
elements that
disappear and in a short
time you will feel and
look a healthier, happier
being.

"There is no preparation as
powerful to restore vitality",
writes a well-known physi-
cian and his words certainly
show that Sanatogen is worthy
of your consideration.

Sanatogen is sure to give
splendid results. Decide now
to become strong and healthy
again. Buy a package of
Sanatogen from your Chemist
or Store to-day.

SANATOGEN

The True Tonic Food
Of all Chemists and Stores.

K. F. A.

(opposite Municipal Market)
Offer for Sale
limited Quantity of practically new 2½ lb.
GUNNY BAGS.

NAIROBI. Phone 2217.

Convention Attitude to Tax Proposals

(Continued from page 1)

It was then asked if it was not possible for the Standing Finance Committee to adopt more drastic tactics and get the matter into the forthcoming session of the Legislative Council, but Captain Schwartz explained that a complete assurance had been given that the Committee would have the right to the fullest investigation, and that there was no suggestion whatever that they would be stamped.

Mr. G. R. Morrison (Hongai Valley Association) supported the resolution and stated that he hoped the matter would be settled once and for all, while Commandant F. B. Carslake (Trans Nyanza) suggested that perhaps the investigation of the matter would be prolonged and consequently the question of Income Tax would be a natural death as far as the other things. This would mean a pay for Income Tax was the most equitable form of taxation.

Mr. A. F. Boster (Pika District) supported the resolution and following the rejection of the amendment suggested by Colonel A. J. Lewis, Captain Schwartz suggested his slight amendment, which was accepted by the majority of the resolution. Captain Schwartz stated that there was not going to be an introduction of the Bill even for first reading in the Council until the investigation had been completed.

In order as the Chairman explained, to clear the air and pave the way for a full and free debate on Income Tax if suggestions were required, a resolution proposed by the Kabete District Association was taken out of proper order and dealt with immediately after the first resolution on the agenda.

The resolution, which was amended in several respects, was taken in its four sections instead of as a whole and part (I) was passed as the substantive resolution and parts (II) and (III) as recommendations and part four was left over until the afternoon session.

Assurance Wanted

The substantive resolution, which in its amended form reads

Use **KODAK** Film

order was proposed by Mr. R. S. Cobb, and seconded by Major H. F. Ward.

(I) That this Convention considers that the Government should be afforded to the taxpayers of the Colony before a far-reaching alteration in the present policy of the Colony is introduced and that the Elected Members be asked to advise the Government to abstain from introducing any such measure until a recommendation has been made by the Elected Members (II) in view of the altered budgetary position of the Colony since the visit of Sir Alan Pin it has not been established that increased taxation is necessary or justified and that (III) in no case is the Colony prepared to accept permanent taxation that was imposed as a temporary and emergency measure.

Speaking to the motion Major H. F. Ward (Kiambu) said that he agreed with Mr. J. L. Lipcombe in his remarks regarding the difficulty of introducing Income Tax into Kenya and the entire question should not be considered very soon by the Government.

Mr. Ward said that he was pleased not for the present future alone, but for the future to come. The speaker stated that at a meeting held at Nairobi a few days ago he had been asked several questions by Captain Schwartz in connection with the taxation proposals of the Standing Finance Committee.

He stated that the Government had been asked to give consideration to the proposals and that the Government would be given. In view of the startling changes of the last 48 hours he felt that absolute reliance could not be placed upon these assurances, particularly in view of the fact that the officer of Government concerned was not completely master of the situation and it was essential on so vital a question as this to pin the Government down to a definite statement of their intentions before entering upon any "gentlemen's agreement".

Major Ward emphasized that the Income Tax proposals contained provisions not previously

mentioned in the original statement. He stated that the Government had been asked to give consideration to the proposals and that the Government would be given. In view of the startling changes of the last 48 hours he felt that absolute reliance could not be placed upon these assurances, particularly in view of the fact that the officer of Government concerned was not completely master of the situation and it was essential on so vital a question as this to pin the Government down to a definite statement of their intentions before entering upon any "gentlemen's agreement".

Advisory Only

The Finance Committee's stand on the proposed Income Tax affecting Railways was reiterated in a statement issued by the committee. It pointed out that the committee in view of the fact that the advisory body of the Government should not discuss the question of taxation in view of the fact that the committee had no power to recommend the introduction of any such measure.

AFTER
EVERY
SMOKE



WRIGLEY'S

Makes the next
smoke taste better

10 Cent PER PACKET

CAPITOL PLAYHOUSE

TO-NIGHT
MATINEE 5-15 Wednesday

The Year's Most Beautiful Picture, one of the Most Appealing Stories Ever Filmed!

MELODY LINGERS

Based on the Novel by Louis Bretan
 with JOSEPHINE HUTCHINSON AND
 The Screen's Newest Discoveries GEORGE HOUSTON

—Voice Magnificent Voice will Thrill You—
 —A Superb Cast includes—
 Helen Westley, John Halliday

A Balance Film Released by United Artists
 —Produced by Metro-Goldwyn Mayer—

ALL the latest NEWS
 Thurs., Fri., Sat.
GORDON HARKER
 The Popular British Comedian—in
"ROADHOUSE"

Wilson Airways Ltd.

REGULAR SERVICES.
 Leaves Nairobi 6 a.m. Mondays and Wednesdays, for Mombasa, Tanga, Zanzibar and Dar es Salaam, returning 10.30 a.m. Tuesdays and Thursdays. Leaves Nairobi 6 a.m. on Fridays for Koligorian, Kibera, Kisumu, Mwanza, Mwanza and Geita, returning Saturdays.

Municipal Council of Nairobi.

Pursuant to the provisions of Section 71 of the Local Government (Municipalities) Ordinance, 1928.

TO-NIGHT
 The Playhouse Repertory Company present

THE PRIVATE SECRETARY

by CHARLES HAWTREY

A FARCICAL COMEDY
 IN THREE ACTS

EYESIGHT EFFICIENCY

is more important To-day in Modern Business than ever before.

CONSULT "WARDLES"

Ophthalmic Opticians.
 V. BROWSE, F.S.M.C., F.I.O.
 Optical Manager

MARRIAGES.

McCREATH—WIGHT. At the Thika Memorial Church by the Rev. J. Campbell Morgan. M.C. on 17th October, 1932. David Campbell, youngest son of the late Mr. and Mrs. H. G. McCreath, Berwick-on-Tweed to Irene Jean Burnside, elder daughter of Mr. Alexander Wight and the late Mrs. Wight.

fear, aggravated by the Spanish conflict, that the swing to the Left in France and the possibility of a Fascist-Communist conflict there weakens the reliance hitherto placed upon France as an ally and renders too obscure for safety the position of Belgium if she is involved in any understanding to support France in future disputes. The Franco-Soviet Pact has never pleased the Belgians. They have seen in it the possibility of a conflict between Russia and France on the one hand and Germany and Italy on the other and the dangers are so considerable that Belgium prefers armed neutrality. In the meantime the only satisfactory feature is the assurance that Belgium does not intend to cancel her obligations to the League of Nations and in that reservation lies the hope that Belgium may still be retained as a party to a system of collective security founded on a strengthened League.



Tea R.
 All members are reminded of next night's Family Gathering, from 6.30 to 9.00 p.m. Picnic supper should be brought. Guests will be specially welcome.

Shipping Notices
 The "East African Standard" is informed that the s.s. "Dunluce Castle" arrives at daybreak on Saturday next and sails at noon on Sunday. The s.s. "Llandaff Castle" is due on Monday, Oct. 26 and will sail at 11 a.m. on October 28.

Government House Ball
 Guests going to the Ball at Government House on Thursday are asked to remember to take their invitation cards with them, as these must be presented at the door.

"ON THIS DAY"

OCTOBER 20.
 This Hughes born, October 20, 1882. Any mention of the name of Thomas Hughes usually carries with it the author of Tom Brown's School Days. That is the accepted hallmark of his career. Nobody will criticize it as it should be. That Hughes is, however, inclined to lose his identity in that of Tom Brown which was a state of affairs Hughes never desired. He even went so far as to pronounce negative to the suggestion that he should write a biography of himself. He is vainly, however, for his book is such a powerful piece of writing in its descriptive truth, that to associate it from biography is well nigh impossible. And the reader seldom wishes to escape. Despite the protests of Hughes, I weave the atmosphere of the work as so infinitely biographical that he probed his veins and the romance which is surrounded little Tom Brown sees his creation has remained to immortalize Hughes. Hughes himself he was a lawyer and took silk, although he never attained outstanding celebrity at the bar. So overwhelming has been the tale of Tom Brown that details of Hughes' career are not exactly common knowledge. Apparently he was set in bad circles, for he played at Lord's for Rugby, as well as in the Oxford and Cambridge match. He sat in the House of Commons as a social reformer, and mingled as Tom Brown in the House. The production of Tom Brown seems to have been induced by a desire to leave a picture of the youth and school days of his age. He had no literary ambition, and he certainly never dreamed of the meed of fame it was to bring him.



HUGHES

THE MONEY MARKET

Rugby, October 19.
 Starting on New York: 1931.
 Paris 104 31/32
Stock Markets
 Stock Markets quiet. Was. Loan 108 3/16.
Gold
 Gold is quoted to-day at 142/4 1/2.—British Official Wireless Service.

R.E.A.A. Motor Trials
 Mr. Galton-Fenzi writes as follows:—The results of Saturday night's Reliability Trials are being worked out at present and should be ready in time for publication on Wednesday.

The Sea Serpent
 At the McMillan Memorial Library, at 6.30 p.m. on Thursday, Mr. Hugh Copley will lecture on "The sea serpent in fact and fiction." Mr. Desre A. Shaw, will preside. All interested are invited to attend. Admission as free.

FIRE DANGER

Six Ships to Rescue of Threatened Liner

[THROUGH REUTER'S AGENCY.]
 Naples, October 19.
 Six ships sped to the rescue of the liner "Vulcania" carrying between 500 and 600 passengers from Naples to New York, when she was wrecked off aboard when she was 80 miles from Naples.

Happily, however, the crew of the vessel managed to get the flames under control and the fire was extinguished without serious damage. The liner is continuing her voyage to New York.

IRISH SWEEP

Prize Plans for Draw on Cambridgeshire

International Press Bureau, Dublin.

The mixing of the counterfoils of the tickets in the Irish Hospitals Sweepstake on the Cambridgeshire will take place on Tuesday, Wednesday and Thursday next (October 20 to 22 inclusive) and the draw on Friday and Saturday, October 23 and 24. There are sixty-two horses running this time and therefore the prizes for every unit of £100,000 will be as follows:—First prize, £30,000; second prize, £15,000 and third prize, £10,000. Every other horse will draw £503-4-4 and there will be 100 prizes of £100 each in each unit. The value of the residual prizes will be announced at the opening of the draw.

"INCIDENT TRIVIAL"

Official View of Navy Insurrection

[THROUGH REUTER'S AGENCY.]
 London.
 An authoritative announcement regarding the slight case of insubordination reported on Thursday to have happened on board H.M.S. "Gurkha" is given as follows:—

Complete Enquiry into Taxation Structure 54

CONVENTION PROPOSAL FOR A COMMISSION

Separate from Budget Problem

ILLUSTRATION OF UNFAIR HANDICAP OF INCOME TAX PLAN

One of the most important resolutions passed by the Convention is for the appointment of an ad hoc commission to investigate the ratio between direct and indirect taxation before any far-reaching change in the fiscal system of the Colony is introduced.

In the opinion of the Convention this enquiry should be separate from and subsequent to the proposed investigation of the 1937 Budget proposals by the Standing Finance Committee.

Lord Francis Scott said it had been generally agreed that such an enquiry should take place and quite apart from the merits or demerits of Income Tax such a tax next year without similar taxation in Tanganyika and Uganda would be very unfair.

Position of Adjoining Territories

The following resolution was proposed by Mr. J. Scott and seconded by Mr. J. Bradley (Langata Settlers' Association) as follows:—

That before any far-reaching change in our pre-emergency fiscal system is introduced a full investigation of the Colony's taxation structure should be held by an *ad hoc* commission, the investigation to be directed to the ratio between direct and indirect taxation as recommended by Sir Alan Pim and that this enquiry should be separate from and subsequent to the proposed investigation into this year's budgetary proposals by the Standing Finance Committee.

Eventually the resolution was passed *in toto* after slight amendments had been made. The amendments were that the words "of which the personnel be approved by the European Elected Members" should be included after "*ad hoc* commission," and the inclusion of "immediately" before the word "subsequent." These amendments were accepted by the proposer and seconder without comment.

Submitting the resolution, Mr. Scott stated that the reason for such a resolution was that a number of them distrusted the policy of the Elected Members in presenting the matter of the Income Tax as only to be investigated by the Standing Finance Committee. They did not agree that the Standing Finance Committee should investigate the position this year, for before any far-reaching change they should have an *ad hoc* commission. What would happen on the Committee would be that the three Government Members and the three Elected Members would cancel each

having such a tax next year while nothing of the kind was introduced into Tanganyika or Uganda would be very unfair. Lord Francis said he had been told by a sugar company as affording a practical illustration of his point that if Income Tax were introduced in Kenya this year and not in Uganda, Kenya sugar companies would have to pay 2/50 per £ on their profits while their competitors in Uganda not having that burden would be able to compete unfairly. The postponement of the matter would be the wisest possible step, but he was certain that some enquiry into the ratio of direct and indirect taxation should take place.

Mr. A. E. Bester (Thika Association) said in his opinion it did not seem necessary to continue with the resolution, but Mr. O. Bentley (Trans Nzora Association) said that he felt that an *ad hoc* commission was the right body to investigate such a problem. The alteration of the basis of taxation was a very important question, and he definitely felt that the Standing Finance Committee should not be left to deal with the matter.

Valuable Resolution

Major Knappman also supported the recommendation while Mr. E. S. Grogan stated that he thought the resolution was of very great value. He asserted that for some considerable time the affairs of the country had been conducted by "political gangsters." During the recent campaign by the Elected Members throughout the country for the purpose of discussing the Government proposals the Government had allowed off an

Lord Francis Scott said it had been generally agreed that such an enquiry should take place and quite apart from the merits or demerits of Income Tax such a tax next year without similar taxation in Tanganyika and Uganda would be very unfair.

Position of Adjoining Territories

The following resolution was proposed by Mr. J. Scott and seconded by Mr. J. Bradley (Langata Settlers' Association) as follows:—

That before any far-reaching change in our pre-emergency fiscal system is introduced a full investigation of the Colony's taxation structure should be held by an *ad hoc* commission, the investigation to be directed to the ratio between direct and indirect taxation as recommended by Sir Alan Piri, and that this enquiry should be separate from and subsequent to the proposed investigation into this year's budgetary proposals by the Standing Finance Committee.

Eventually the resolution was passed *in camera* after slight amendments had been made. The amendments were that the words "of which the personnel be approved by the European Elected Members" should be included after "*ad hoc* commission," and the inclusion of "immediately" before the word "subsequent." These amendments were accepted by the proposer and seconder without comment.

Submitting the resolution, Mr. Scott stated that the reason for such a resolution was that a number of them distrusted the policy of the Elected Members in presenting the matter of the Income Tax as to be investigated by the Standing Finance Committee. They did not agree that the Standing Finance Committee should investigate the position this year, for before any far-reaching change they should have an *ad hoc* commission. What would happen on the Committee would be that the three Government Members and the three Elected Members would cancel each other out, and the decision would be felt to the African and Asian representatives, the result being that the Government would simply steamroller through the Bill as had happened before in the past. This was particularly the case on this occasion, for the Government was of the opinion that the majority of settlers in the country were in favour of Income Tax.

A Real Danger

Income Tax in Kenya would mean that the burden of taxation would be concentrated on the shoulders of the white community, whose position was more precarious in the country than that of any other race. They would be making a very, very great mistake, from the point of view of white settlement, if they allowed the whole matter to rest in the hands of the Standing Finance Committee and the Legislative Council, for through both of these bodies the Government could steamroller the measure through—and it would be done. He was putting forward this resolution in an attempt to afford them some measure of protection.

Lord Francis Scott said that he thought it had been generally agreed that such an enquiry should take place. Quite apart from the merits or demerits of Income Tax

having such a tax next year without anything of the kind was introduced into Tanganyika or Uganda, would be very unfair. Lord Francis said he had been told by a sugar company as affording a practical illustration of his point that if Income Tax were introduced in Kenya this year and not in Uganda, Kenya sugar companies would have to pay 2 50 per cent on their profits while their competitors in Uganda, not having that burden would be able to compete unfairly. The postponement of the matter would be the wisest possible step, but he was certain that some enquiry into the ratio of direct and indirect taxation should take place.

Mr. A. E. Bester (Thika Association) said in his opinion it did not seem necessary to continue with the resolution, but Mr. J. Bradley (Trans-Nzoia Association) said that he felt that an *ad hoc* commission was the right body to investigate such a problem. The determination of the basis of taxation was a very important question, and he definitely felt that the Standing Finance Committee should not be left to deal with the matter.

Valuable Resolution

Major Knapman also supported the recommendation while Major E. S. Grogan stated that he thought the resolution was of very great value. He pointed out that for some considerable time the affairs of the country had been conducted by a political committee during the recent past, and the Elected Members, instead of the country at large, were discussing the Government's proposals. The Government had passed off another falsehood by the publication of their statement of the financial position, which was a deliberate falsification of figures for the purpose of obscuring the issue. The whole position of the Government was collapsing and in despair they put up the white flag. Whether or not they had been wise in giving the Government the armistice they requested Major Grogan was not yet sure, for he had a great mistrust of the people who were in charge. He felt that

(Continued on page 5) 27

comfortable small house with modern conveniences, electricity, light, Orchard. Exceptional position and long views. 13 miles Nairobi, all weather road. Price £1,100.

MUTHAIGA. To let furnished, small modern stone house comprising lounge, 2 bedrooms and small dining room. Rent £8. Vacant end of month.

through Game Reserve and 10 miles from Nairobi. Several magnificent house sites with long distance views. Newly built thatched cottage comprising lounge, dining and 2 bedrooms, bathroom (H. and C.) flush lav. Outhouses, garage, store, boys quarters. Cottage would easily let providing a return on capital invested.

WANTED-WOOD WORKING MACHINERY.

1. Log Carrage with Wooden or Steel Frame.
2. Rope or Roller Feed Saw Bench.
3. Circular Saw Bench.
4. Cross Cut Machine.
5. 15 H.P. Nominal Steam Engine.

CIRCULAR SAWS, PULLEYS, etc., TO FIT THE ABOVE.

For particulars

NYANZA

Box 577

NAIROBI

COFFEE

We buy Buni, Hulled Buni, inferior Coffee, and Good Coffee. Enquiries to **Shah Vershi Devshi and Co., Thika,**

Stating Quantity, Price Required, send Samples.

**Choose a
bicycle like an
expert-choose a**

RALEIGH
THE ALL-STEEL BICYCLE



Recognised as the
Finest Bicycle in
the World and
Guaranteed for ever



Sole Distributors for Kenya:

KASSAM KANJI & SON

Government Road,
NAIROBI.

Give the Personal Touch to Your

CALENDARS

AND

CHRISTMAS CARDS

COFFEE

We buy Buni, Hulled Buni, inferior Coffee, and Good Coffee. Enquiries to Shah Vershi Devshi and Co., Thika, Stating Quantity, Price Required, send Samples.

Choose a
bicycle like an
expert-choose a

RALEIGH

THE ALL-STEEL BICYCLE



Recognised as the
Finest Bicycle in
the World and
Guaranteed for ever



Sole Distributors for Kenya

KASSAM KANJI & SON

Government Road,
NAIROBI.

Give the Personal Touch to Your

CALENDARS AND CHRISTMAS CARDS

1937 CALENDARS

TO TAKE PHOTO (SLIP IN)

3 1/2 x 2 1/2	...	Cents.	-/70 each
4 1/2 x 9 1/2	...	Cents.	-/90 each
Post Card	...	Shs.	1/- each

Envelopes Included.
POSTAGE EXTRA.

CHRISTMAS CARDS

TO TAKE PHOTO (SLIP IN)	
Cents	25 and 35 each
"	35 and 40 "
"	35 and 40 "
"	35 and 40 "
"	75 "

POSTAGE EXTRA.

STANDARD Ltd.
NAIROBI.

Convention Debate on Income Tax

OPINIONS FOR AND AGAINST EQUALLY DIVIDED

M.L.C.s' Denunciation

BUT SOME FARMERS BELIEVE IT TO BE THE FAIREST SYSTEM

Whilst delegates to Convention are in agreement that any alteration in the Colony's fiscal system should only take place after the most careful consideration, opinion as voiced in the debate on Tuesday afternoon seemed to be fairly equally divided as to the advisability or otherwise of Income Tax.

Major Grogan was the principal speaker against Income Tax which he argued was entirely unsuitable for a country of mixed races whose standards of living differed enormously, making it impossible to apply the tax fairly.

Other speakers, however, argued that it was the fairest form of taxation and that it was desirable from the point of view of the farming community.

No vote was taken, the debate being merely for the purpose of eliciting views on the matter.

Differing Racial Standards

When Convention reassembled on Monday afternoon the Chairman (the Earl of Eroll) said that it appeared advisable to take at that juncture the debate on Income Tax, *qua* Income Tax, that had been promised. No resolution would be permitted, but a full dress debate to clarify the issue would be allowed and the question: "Is the Income Tax Bill as drafted a fair principle of taxation and properly applicable to the circumstances of Kenya?" would be the basis for discussion. He would ask Major Grogan, as an opponent of the measure, to state the case against Income Tax and delegates could then voice their criticisms or approval.

"A Form of Blackmail"

Major Grogan said emphatically that he was opposed to Income Tax *in any form* and branch, in any shape, form, or kind, as he disagreed with the principle involved. It had been said that the acceptance of the principle of the tax was important in view of the effect it would have on overseas opinion. From what he could see the overseas opinion referred to was the vapourings of Mr. Morgan Jones and his kind and he did not see why the people of Kenya, small in quantity but great in quality, should pay any attention to overseas

giant programmes against which the Elected Members had warned them. Government had consistently refused to listen to the repeated protests of the Elected Members against extravagant and unjustified spending and the consistent over-estimating of revenue receipts. There had in consequence been revenue deficits but despite this the Colony had, on balance, met the whole of its recurrent obligations out of revenue and accumulated capital assets to the value of £5,000,000. To say that the Colonial finances were in a parlous state, in these circumstances, was sheer nonsense. The issue had been deliberately befogged by Government in their present hasty campaign to hoist Income Tax on Kenya.

"Are we prepared to accept Income Tax in substitution of the emergency taxes in order to get Government out of a mess?" asked Major Grogan. "or to have these emergency taxes surreptitiously converted into permanent taxation?" The memorandum issued by Government on October 18, said the speaker, proved conclusively that there was absolutely no justification for the emergency taxation at all and that they could well go by the board and yet leave a margin of some £3,000,000—and even that was based on a faked Budget and an under estimate of revenue receipts for next year.

vincial Commissioner, say there might possibly be found means to devise a fair Bill. But take the three cases cited. The inevitable expenses of a Masai were no more than £1 a month and it was unlikely that any Masai knew how to spend more than this. He had his assets in the form of great herds of cattle and access to illimitable grazing and his cash expenses were very small indeed. How then was it possible to compare the Masai's rate of exemption with that of a dukka wallah, who had certain contingent expenses? Again how was the dukka wallah's rate of exemption to be compared with that of a Provincial Commissioner—especially at a district such as the Coast, had a lavish scale of hospitality to all foreign officials as an essential part of the expenses in connexion with his position and post. Quite likely the Provincial Commissioner did not in the least want to entertain lavishly, but he could not avoid it so long as he held his post.

These three examples would suffice to show that there was no possibility of drafting a fair Income Tax Bill based on the thesis (at present accepted) that all men were equal and Government had proved that by the memorandum attached to the draft Income Tax Bill. In the draft Bill Government had rated the European vote at Shs. 10/- per head and Asian support at Shs. 20/- per head and in so doing had paradoxically assumed that the Indian standard of living was higher than that of the European and had, therefore, fixed the rate of exemption at a sum of Shs. 10/- higher than that for the European.

Examples

Taking the incidence of the tax Major Grogan quoted the case of two old ladies, one of whom decided to lend £1,000 to a Kinaogop farmer and the other to invest £1,000 in Kenya 6 per cent. Loan. Both loans earned a similar rate of interest, but it was found that when the principle of Income Tax was applied the lady who invested in the Kenya Loan paid nothing on the income from it, while the other who financed the farmer was mulcted 2/6 in the £. It would be the case with British shipping, if Income Tax were applied here, that our own vessels using Kikindiini would be taxed and the owning Companies forced to pay Income Tax while highly subsidised foreign competitors would go scot free. Was that fair? asked the speaker.

Another example was that of rateable property. In large towns like Nairobi and Mombasa, where a rate on unimproved site values existed, rating was on a high valuation and large incomes were derived from these properties. Under the system of rating applied, the rates collected were in some cases largely in excess of the revenue derived by the owners.

Exemptions Difficulties

Major Grogan also stated that it was difficult to find a fair basis for the exemptions included in the Bill. Exemptions from arbitrary assessments were a few kept special rates of duty. They would be faced with heavy legal expenses in the process of claiming exemptions to which the Government would be entitled.

The imposition of a tax on a country was not only a heavy burden on the people, coming in the form of increased rates, but the additional cost of the tax was collected and the Government was not only liable for the expenditure of the tax but also for the cost of the tax itself.

A Terrific Hiding

Col. G. N. Abbey, C.B. (Mount Kenya Association) said that he was "getting up" to oppose the Nightingale of Kenya. This time 12 months ago when they had Convention they would have gone anywhere or done anything. Nothing had been done, however, their leaders had slipped and they were now right back, having suffered the biggest defeat ever experienced by a Colonial community. That was the position to-day for they had taken a terrific hiding, although two days ago they were supposed to have had a victory.

At this stage the speaker was requested by the chairman to confine his remarks to the question of the principle of Income Tax.

Continuing, Colonel Abbey said he looked upon Income Tax as one of the fairest taxes that a farmer could meet. When the collapse of grain occurred in England, farmers were in a terrible position, but rather than being hit by the expansion of Income Tax they were saved by it. Referring to the dangers of corruption previously spoken of by Major Grogan, Col. Abbey said that no tax was so fair as Income Tax. Bribery and corruption were an entirely different matter altogether. He did not think they were right in placing the whole principle of Income Tax in the hands of their officials.

Shortly afterwards the speaker was asked by the Chairman to sit down as he had failed to confine himself to the question of Income Tax.

In Favour

Mr. J. L. Lipscombe (Kinaogop Farmers' Association), said the association he represented were in favour of the principle of Income Tax because they could not see how a tax which had worked fairly in other parts of the British Empire could not do so in Kenya. He felt they should pay Income Tax and gain relief from indirect taxation, for they considered Income Tax about

that appeared advisable to take at the juncture the debate on Income Tax, qua Income Tax, that had been promised. No resolution would be permitted, but a full dress debate to clarify the issue would be allowed and the question: "Is the Income Tax Bill as drafted a fair principle of taxation and properly applicable to the circumstances of Kenya?" would be the basis for discussion. He would ask Major Grogan, as an opponent of the measure, to state the case against Income Tax and delegates could then voice their criticisms or approval.

"A Form of Blackmail"

Major Grogan said emphatically that he was opposed to Income Tax 1961 and branch, in any shape, form, or kind, as he disagreed with the principle involved. It had been said that the acceptance of the principle of the tax was important in view of the effect it would have on overseas opinion. From what he could see the overseas opinion referred to was the vapouring of Mr. Morgan Jones and his kind and he did not see why the people of Kenya, small in quantity but great in quality, should pay any attention to overseas opinion of this sort or be influenced by it in any way, as they were perfectly capable of taking care of their own affairs without any outside interference whatever.

He had, said the speaker, read the resolutions supporting the "principle" of Income Tax. One outstanding feature of Income Tax was that it had no principle; it was a form of blackmail. It had been said that those conducting the campaign against the tax were interested parties who had very skillfully burked the issue. He strongly objected to this suggestion. Government had seized upon the situation and had taken advantage of the general drift toward the principle of Income Tax to obscure the real issues involved and to secure their position against the Elected Members in the latter's campaign. The Elected Members had, on the other hand, clarified the issue and so effective had their campaign been that Government had been "forced to raise the white flag and to serap for mercy".

In the course of that campaign Government had been reduced to their last resource and had finally attempted to fog the issue by their memorandum published in the "Official Gazette" on October 13. The bomb that they were thus attempting to throw burst in their hand and this precious document, and the figures contained in it actually showed that there was no justification whatever for any retention of the temporary emergency taxation, or the introduction of any others in substitution for them.

Government Extravagance

Major Grogan dealt with the old system of taxation and said that for many years the system of direct and indirect taxation was a well-balanced and successful one until Government had missed it by converting the enormous surpluses acquired in prosperous times and frittering them away on grossly extrava-

gantly repeated protests of the Elected Members against extravagant and unjustified spending and the consistent over-estimating of revenue receipts. There had in consequence been revenue deficits but despite this the Colony had, on balance, met the whole of its recurrent obligations out of revenue and accumulated capital assets to the value of £5,000,000. To say that the Colonial finances were in a parlous state, in these circumstances, was sheer nonsense. The issue had been deliberately befogged by Government in their present hasty campaign to hoist Income Tax on Kenya.

"Are we prepared to accept Income Tax in substitution of the emergency taxes in order to get Government out of a mess?" asked Major Grogan, "or to have these emergency taxes surreptitiously converted into permanent taxation?" The memorandum issued by Government on October 18, said the speaker, proved conclusively that there was absolutely no justification for the emergency taxation at all and that they could well go by the board and yet leave a margin of some £3,000,000—and even that was based on a faked Budget and an under estimate of revenue receipts for next year.

Under Kenya Conditions

It had been averred that Income Tax was the fairest of all taxes. "Let's have a look and see," said Major Grogan. The theory was that people paid according to their capacity to pay. This sounded all very well, but on thinking it out it would be found that the "capacity to pay" depended upon the margin available after all necessary payments had been met and the amount remaining that could be spent for one's own uses. Assessed on this basis there was something to be said for Income Tax. But such an assessment was impossible and to apply the tax fairly at all to Kenya, where three different communities each with their own standard of living existed side-by-side, was utterly impossible so long as it was based on the assumption that all men were equal.

If the thesis was that there was some differentiation between a Masai, a duka wallah and a Pro-

sum of Shs. 10/- higher than that for the European.

Examples

Taking the incidence of the tax Major Grogan quoted the case of two old ladies, one of whom decided to lend £1,000 to a Kiangop farmer and the other to invest £1,000 in Kenya 6 per cent. Loan. Both loans earned a similar rate of interest, but it was found that when the principle of Income Tax was applied the lady who invested in the Kenya Loan paid nothing on the income from it, while the other who financed the farmer was mulcted 2/6 in the £.

It would be the case with British shipping, if Income Tax were applied here, that our own vessels using Kilindini would be taxed and the Kiangop Companies forced to pay Income Tax while highly subsidised foreign competitors would go scot free. Was that fair? asked the speaker.

Another example was that of rateable property. In large towns like Nairobi and Mombasa, where a rate on unimproved site values existed, rating was on a high valuation and large incomes were derived from these properties. Under the system of rating applied, the rates collected were in some cases largely in excess of the revenue derived by the owners from their own properties. Under the Income Tax proposals rates paid could not be deducted from taxable income, and the speaker quoted a specific instance in which a property owner was paying £2,000 a year in rates on a property bringing him in no more than £1,200 a year and who would, in the event of the introduction of Income Tax be in the ridiculously unfair position of paying tax on an income of £12,000 a year which was, in effect, a loss of £800 per annum.

Major Grogan also instanced the anomalies of the Company tax on profits at the rate of 2/6 in the £. Two companies might each be making a profit of £10,000 a year, but the first have a £1,000,000 capital and the second only £100,000. Their respective profits amounted to one and ten per cent on the capital involved. The tax took no account of capital involved, said the speaker, and he also dealt with other anomalous features of the Company tax.

Continuing, Colonel Abhay said he looked upon Income Tax as one of the fairest taxes that a farmer could meet. When the collapse of grain occurred in England farmers were in a terrible position, but rather than being hit by the expansion of Income Tax they were saved by it. Referring to the dangers of corruption previously spoken of by Major Grogan, Col. Abhay said that that tax was so fair as Income Tax Bribery and corruption was an entirely different matter altogether. He did not think it was wrong in placing the wise principle of Income Tax in the hands of their officials.

Shortly afterwards the speaker was asked by the Chairman to sit down as he had failed to confine himself to the question of Income Tax.

In Favour

Mr. J. I. Lapeontle (Kiangop Farmers' Association) said the association he represented were in favour of the principle of Income Tax because they could not see how a tax which had worked fairly in other parts of the British Empire could not do so in Kenya. He felt they should pay Income Tax and gain relief from indirect taxation, for they considered Income Tax should not be an additional tax but that the Government could make more economies. If they accepted Income Tax having given way on that point they could then bring continued pressure to bear for further economies. His association was very definitely in favour of seeing Income Tax brought in, and asked the Elected Members to accept it as part of the fiscal policy of Kenya, and get it through as quickly as possible.

Major Grogan's reference to a "campaign of blackmail and extortion" was referred to by Mr. G. R. Morrison (Hongai Valley Association), who stated that Income Tax had been accepted by other countries, none of whom had attempted to abolish it. It seemed to him that if it had been worth trying for abolition it would have been attempted. Some of them thought the question was whether they should have Income Tax imposed this or next year. The feeling was that if it was going to be imposed it would be of great advantage to have it before the new Governor arrived so that this debatable point would not be raised again. They had always been told that large amounts of money were on the point of coming into the country and would be frightened away if Income Tax was imposed, and the same thing had happened on the present occasion. Most Government officials he had met were in favour of Income Tax. The matter must return time and time again and in his opinion was inevitable.

"Remarkably Curious"

Sir Piers Mostyn (Naro Moru Farmers' Association) stated that he thought it remarkably curious that anyone could be in favour of Income Tax. Major Grogan had told them of arbitrary assessment, which meant that people would come to their houses—probably built in much better days—and assess them at certain sums. Then it would fall upon them to prove that they had not that money. The result would be that it would cost everyone a lot of money, and every farmer in the country would

(Continued on page 11)

THE ROAD RACE



Car No. 3, driven by Mr. J. Whitehead (left) and Mr. J. McNeil. It is a Ford V-8 saloon and the identical vehicle that, in the hands of Mr. Whitehead, broke the Cape to Johannesburg land and sea and the Durban-Johannesburg-Durban road records.

Photo: B.I.A.

COMPLETE ENQUIRY INTO TAXATION STRUCTURE

(Continued from page 1).

they had put up the white flag for the purpose of man-sure. In frontal attacks on the Government they were bound to fail but flank attacks were sure to win—but they had to protect themselves from being drawn into a frontal position again.

Calling the Tune

Continuing, Major Grogan said that the Government was attempting to substitute a permanent Income Tax for the emergency taxes. The revenue, however, fairly shown would provide such a margin that the emergency taxation could go by the board. When this was done the ratio of direct and indirect taxation could be properly investigated by an *ad hoc* body, which should have a substantial majority on its side of the people "who had to pay the piper".

He suggested that an absolutely essential resolution be made it did clarify the position, and made it perfectly clear that the members of the Standing Finance Committee had only a limited mandate from them. This would leave the field perfectly clear for a reasonable discussion of the future of the large issues raised by Sir Alan Pim.

Colonel Tucker said he would like to support the resolution. In view of the improving condition of the country it was believed that it would be possible to produce a balanced budget for 1937. Thus there was a very definite duty that the Standing Finance Committee could discharge if the Government gave them the opportunity to do so. Everyone seemed to agree that the second task should be done when it had been proved whether or not the budget would balance. They must not, however, give the Government and the supporters of Income Tax the opportunity of saying that they were creating an artificial delay. It was quite certain that the examination of the budgetary position must come first in the list, but immediately that was finished, the *ad hoc* commission could start on their enquiry. The issue was such a major one that it required the full powers of a commission to deal with it and not the limited powers of a committee, the functions of which

(Continued in next column).

To-day's Hockey Matches

Two hockey league matches are down to be played this afternoon, while there is also one friendly encounter. The following are the fixtures—

Gymkhana v. Kabete (Men's league "A" section) Railway ground at 5 p.m.

Old Nairobians v. Civil Service (Mixed league) Sikh Union ground at 5 p.m.

Soleusi v. Parklands Ladies (friendly) School ground, at 5 p.m.

Here are the teams—
Gymkhana: Bodway, Keatunge and Gordon; Frith, Tannabill and Wood; Williams, Hogan, Keatunge, Beveler and Wood.

Kabete: "A" Holden, H. B. Shuttleworth and F. A. Thompson, K. B. Hallows, R. T. Cooper and B. D. Hopwood, S. B. Westford, W. L. MacDonald, G. B. Harvey, H. Church and H. Davidson.

Old Nairobians: S. L. Jurett, W. I. T. Dewar, and Miss O. Randall; Miss L. Edwards (capt.), D. G. H. McDonald, and Miss R. Destro; Miss J. McDonald, D. Destro, G. Connicoe, B. Alexander and Miss M. Tate.

Civil Service: Manning, Keuss and Tate; Miss Watkins, Breunan and Miss Silverthorne; Miss Gulliver, Spiers, Miss Bird, Pickwell and Miss McDonald.

Parklands Ladies: Miss Dawe; Miss Ginns and Mrs. Spaight; Miss Machin, Miss Bips and Miss Silver; Mrs. White, Miss Herne, Miss Davidson, Miss Holmes and Miss Watkins.

were statutory but limited. It could not be invested with the powers of a full-dress commission or with taking evidence under oath and so on. Giving evidence on oath would make the witnesses rather more careful as to their evidence, and it did seem to him that the resolution had great merit and was likely to find a great deal of favour among many of his constituents.

Mr. J. Nordlinger (Ruiru Association) said that although he was in favour of Income Tax he was not averse to the appointment of a commission. He moved that the word "immediately" be included in the resolution, as otherwise people would think they were merely "playing for time".

Mr. E. E. Biss (Nairobi Association) said he shared the opinion of Major Grogan.

"NACET" BLADES

HIGH QUALITY — LOW PRICE —



Nacet blades have an established reputation for fine quality at a low price. Their absolute reliability has won for them great popularity—every blade gives many quick, clean and smooth shaves. Nacet blades fit three-peg razors.



FOR 3 PEG RAZORS

N.E.A.L.

SWING!

Have you danced to the Rhythm of the newest and best of all Dance Tempos, "SWING MUSIC!"

We have received the latest London hits Recorded by the finest exponents of this fascinating music. Whether you dance or enjoy just listening to liting tunes. You should make a point of hearing these, this months releases.

- Aint Nobody's Bizness { By Isham Jones Juniors
Fan it { F. Froebas Swing Band,
No. M.C. 5010
- Music Hall Rag, { Benny Goodmans Orchestra,
Down Home Rag { No. M.C. 5011
- Imagination { Chick Webbs Savoy Orchestra
I Can't Dance { No. M.C. 5009

ALL RECORDED ON

"COLUMBIA"

obtainable from
EAST AFRICA MUSIC STORES,
Albert House.

Box 578 Government Rd., NAIROBI. Phone 2000

"THE MUSIC SPECIALISTS"

Safari Footwear

rather more careful as to their... and it did seem to him that the resolution had great merit... it was likely to find a great deal of favour among many of his constituents.

Mr. J. Naudinger (Kisumu Association) said that although he was in favour of the Tax he was in favour of the appointment of a commission. He moved that the Tax be immediately be introduced in the resolution, as otherwise people would think they were merely paying for time.

Mr. F. E. Guss (Nairobi Association) said he shared the opinion of Mr. G. G. G.

Imagination
I Can't Dance

{ Chick Welbs Saroy Orchestra
No. M.C. 5009

ALL RECORDED ON
"COLUMBIA"

obtainable from
EAST AFRICA MUSIC STORES,
Albert House,
Government Rd., NAIROBI
Box 578
"THE MUSIC SPECIALISTS"

Safari Footwear



You may imagine you can get these shoes copied locally - but do not delude yourself. These genuine American Moccasins with the special Moulded Maple Pac Soles are impossible to copy. Buy the genuine article and beware of cheaper imitations which lack the comfort and reliability of these shoes.



Obtainable only from

EADIES
Footwear Ltd.

The Shop for those who wear GOOD SHOES"

Convention Debate on Income Tax

(continued from page 7)

pay more. Income Tax was very unsuitable in a country of different races and entirely different standards of living.

The opinion was expressed that many people were far from certain about the question, but would be able to judge better when the results of a thorough investigation were made known. It was considered there was insufficient information available to enable people to form adequate opinions as to the desirability of Income Tax in Kenya.

Mr R. L. Hansard, (Njoro Farmers' Association) suggested, however, that they should agree that the Income Tax proposed by the Government was a "rotten one." A proper Income Tax was one by which the people in better positions should bear their corresponding burden of taxation. If Major Grogan could quote the anomalies and hardships which would result from Income Tax it would almost be as fair to refer to the anomalies which petrol tax and other forms of taxation certainly did produce. If money was brought in by a form of Income Tax the remainder of the taxation would decrease and the Government would have more funds to help the people out. It had been suggested that it would keep money out of the country but in his opinion the actual imposition of Income Tax would not keep out as much money as the frequent discussion had done.

Mr. Hansard later added that he did not, however, support the Bill recently issued by the Government.

In 1933

Mr. R. Hall (Gilgil District Association) remarked that on the last occasion it was attempted to push the Income Tax Bill through, it was said that the people were unanimous about the matter and yet only a short while after 50 per cent of them thought they would like Income Tax. People might have that feeling again. The thing should be considered carefully and then if it was found to be unsatisfactory, it would be turned down. His Association had said they liked the principle of Income Tax. He pleaded that there should be the fullest enquiry and that the facts and figures should be placed before the country. The speaker added that it had been said that it was a "rotten bad tax" on the farmer. He definitely disagreed with that opinion, for he maintained that the farmer would gain. He did not think there would be the slightest difficulty in obtaining an Income Tax where the farmer would have two or three alternatives to the manner in which he paid his taxes. He considered that arbitrary assessment would be very rarely used and that there was no need to be afraid of it.

Other expressions of opinion were given by Mr. Pringle, Colonel

wished to see what was going to happen.

Threat to Settlement

Mr. J. Scott stated that in his opinion the introduction of Income Tax would only serve to concentrate the burden of taxation on the whites, for the other races had greater opportunities of evading them. The position of the whites was the least secure of all the races occupying the country, and such a tax would do them a great disservice. The disadvantages were rather outweighed by the advantages, for money would be received from companies and absentee landlords, who had hitherto escaped taxation. Capt. Schwartz however had informed them that bond-holders were to escape from the taxation and if such was to be the case they should not have the Income Tax. He felt that the Government would simply steam-roller any opposition by the Elected Members and that they should be well-prepared to deflect the blow when it fell.

The next speaker on the subject was Lord Francis Scott. He said he did not believe that Income Tax was a suitable tax for a young and unestablished country like Kenya. When it did become established and developed he thought that it would be a very likely form of taxation. The second objection was that the country was one of mixed races with very different standards of living.

Lord Francis Scott

Continuing Lord Francis said that it had been stated that rich men did not pay proportionate taxation, but this was not correct. Proportionately they paid very much more in indirect taxation in Customs duties, for they bought things with high duties which poorer people could not afford. Regarding the position of the farmers, the speaker said they would find themselves badly hit and would have to pay on an income which they did not actually have. There was no possibility, he said, of the system as it concerned farmers in England coming into force.

One very important point which had been made by the previous speaker (Mr. Scott) was that in other countries Income Tax displaced other forms of taxation. In the Government's proposed Bill it was shown that there would not be a great deal of income received from the tax. He would like to point out that the proposed Bill did not conform with Sir Alan Pitt's recommendations.

Lord Francis referred to the Income Tax at present operating in other countries. In Rhodesia, he said, it was mainly designed to tax the mining companies and

At this juncture the chairman pointed out that the discussion on this particular question had lasted for two and a quarter hours and that 21 speakers had taken part.

Reply to Debate

Major Grogan replied to the debate referred to. He stated that his statement that the farmer had employed an ex-revenue officer to assist him in avoiding Income Tax, stating that the supply of revenue officers available for farm use was not very great.

Mr Bradley had asked if what sense it was a capital tax and Major Grogan stated that in this particular country no one could possibly tell you what the rate of depreciation would be. Nor could they calculate their risks or what material problems would be in the future. Therefore it was apparently impossible for them to protect themselves adequately on their accounts.

In reply to Mr Hansard's opinion that Income Tax was the proper method to distribute the burdens of taxation in proportion as to what people could pay, Major Grogan said this was really obsolete. The real case was not what position a man was in to pay, but how he used his money. In regard to Major C. Luxford's statement that Kenya was the highest taxed community in the world and was always advertising the fact to other countries, Major Grogan said that the introduction of Income Tax would just add a little more and he did not think that would be of any advantage.

Major Grogan added that there was no need for the emergency taxation to be retained, and therefore no legitimate reason for putting another tax in its place. There would be bound to be an elaborate enquiry into everyone's affairs.

The Indians did not mind the imposition of Income Tax for they believed that the tax would hit white settlers, who were obviously the people who would have to pay. The Indians pinned their faith in the system of keeping multiple accounts and their other well known method practised on the first occasion. Under the latter an Indian revenue employee had been known to have saved something amounting to about £9,000 in 11 months, out of a salary of £20 a month!

Continuing Major Grogan said that there was a certain amount of feeling that Income Tax was a "jolly good tax" subject to one provision—that the other fellow paid! When this was carried through, an entire community there was no one left to pay. What it amounted to was that the farmers had had to carry the baby throughout the whole of the slump and the Government now proposed to give them the twins to carry. If the Government once got Income Tax through it would

Mr. R. Hall (Gilgil District Association) remarked that on the last occasion it was attempted to push the Income Tax Bill through, it was said that the people were unanimous about the matter and yet only a short while after 50 per cent of them thought they would like Income Tax. People might have that feeling again. The thing should be considered carefully and then if it was found to be unsatisfactory, it would be turned down. His Association had said they liked the principle of Income Tax. He pleaded that there should be the fullest enquiry and that the facts and figures should be placed before the country. The speaker added that it had been said that it was a "rotten bad tax" on the farmer. He definitely disagreed with that opinion, for he maintained that the farmer would gain. He did not think there would be the slightest difficulty in obtaining an Income Tax where the farmer would have two or three alternatives to the manner in which he paid his taxes. He considered that arbitrary assessment would be very rarely used and that there was no need to be afraid of it.

Other expressions of opinion were given by Mr. Pringle, Colonel A. I. Lean, D.S.O. (Subukia Farmers' Association), and Major L. Knappan, D.S.O., D.C.M. (Ususi Gishu Association).

Income Tax Argument

Mr. A. A. Legat (Limuru District Association) was then called upon to give the pros of the question. He stated that the Limuru Association was in favour of the principle. He had always been an advocate of the introduction of Income Tax into the country. Although Major Grogan has said Income Tax had previously been rejected unanimously, that was not the case. He had studied the present Bill and while he did not consider it met the needs of the country he thought it would be quite possible to adopt it with one or two alterations. It had also been suggested that the introduction of Income Tax would frighten away capital but he did not agree with that opinion, for at home he had been told repeatedly that the present forms of taxation frightened people and that they would rather see a tax like the Income Tax. Income Tax had been introduced into various colonies of the British Empire and he failed to see why it should not be introduced into Kenya. He felt sure if it once became law people would wonder why they had ever opposed it.

Continuing, the speaker said that Major Grogan had remarked that an enormous enquiry would have to be made into everyone's private affairs. "That is ridiculous," he added, "for we know from the Graduated Poll Tax and other Poll taxes who can pay and who cannot." The task would be far less than Major Grogan had made out. "I consider Income Tax is the right tax to introduce into the country because you will be able to adjust your fiscal policy to a certain extent as time goes on," concluded the speaker.

To discuss it in any particular part today is a complete waste of time so far as we are concerned," remarked Major H. E. Ward (Kiambu Association) who said that his Association would like to see a complete survey of the whole fiscal system of the country. They

Lord Francis Scott

Continuing Lord Francis said that it had been stated that rich men did not pay proportionate taxation, but this was not correct. Proportionately they paid very much more in indirect taxation in Customs duties, for they bought things with high duties which poorer people could not afford. Regarding the position of the farmers the speaker said they would find themselves badly hit and would have to pay on an income which they did not actually have. There was no possibility, he said, of the system as it concerned farmers in England, coming into force.

One very important point which had been made by the previous speaker (Mr. Scott) was that in other countries Income Tax displaced other forms of taxation. In the Government's proposed Bill it was shown that there would not be a great deal of income received from the tax. He would like to point out that the proposed Bill did not conform with Sir Alan Pim's recommendations.

Lord Francis referred to the Income Tax at present operating in other countries. In Rhodesia, he said, it was mainly designed to tax the mining companies and railways, and the remainder of the community got off lightly. This was a definite disadvantage to Kenya, for the country had to compete with Rhodesia in various ways. The Rhodesian Income Tax had recently been quoted as a definite inducement to get people to go to the country.

With regard to South Africa Lord Francis said he had been informed that a man with £1,000 a year, who had a wife and two children, was allowed £600 and was charged £1 in the £ for the other £400.

The people who wanted Income Tax in Kenya would be very seriously disappointed with it, for there would not be a big enough yield to displace many of the other taxes. The collection would also prove to be much more costly, and would be defeated when it came to collecting money from Indians.

A Difficult Tax

Mr. A. E. Bester (Thika Association) said he represented people not actually averse to Income Tax, but they thought it most necessary that in the event of it coming into being the farmers should be safeguarded to the extent they were in other countries. They also wanted a safeguard against being fleeced, for there was really nothing to prevent the Government from increasing the rate of Income Tax whenever they liked. Income Tax might be a suitable tax under suitable conditions but it would prove to be a difficult one. It might not be insurmountable but he did not think that anything in the form of the present Bill was going to appeal to the country as a whole.

Major J. Grant (Njoro Settlers' Association) submitted that in the drafting of the Bill proposed the Government had in mind the doubling of Income Tax. When talking to an Income Tax official in 1932 when the attempt was made to get Income Tax established the official had said that to collect it properly would cost at least £30,000—the figure that Major Grogan had quoted.

Major Grogan added that there was no need for the emergency taxation to be retained, and therefore no legitimate reason for putting another tax in its place. There would be bound to be an elaborate enquiry into everyone's affairs.

The Indians did not mind the imposition of Income Tax for they believed that the tax would hit white settlers, who were obviously the people who would have to pay. The Indians pinned their faith on the system of keeping multiple accounts and their other well known method practised on the first occasion. Under the latter an Indian revenue employee had been known to have saved something amounting to about £9,000 in 11 months, out of his salary of £30 a month!

Continuing Major Grogan said that there was a certain amount of feeling that Income Tax was a jolly good tax subject to one provision—that the other fellow paid! When this was carried through an entire community there was no one left to pay. What it amounted to was that the farmers had had to carry the baby throughout the whole of the slump and the Government now proposed to give them the twins to carry. If the Government once got Income Tax through it would sweep white settlement off the land, and that, in his opinion was exactly the purpose of the gentleman who would sit in the chairman's position in about a week's time!

NEW NATIONAL SPORTING CLUB

Walsh Defends His Title

But Mizler Over-Shadowed

Londoner's Poor Show

HOLDER GAINS AN EASY VICTORY

(THROUGH REUTER'S AGENCY.)
London, Oct. 19.

The new National Sporting Club had its seed off to-night when the main bout on its initial programme was a lightweight championship encounter—British title—between Jimmy Walsh (Chester) the holder and Harry Mizler, of London.

Nine thousand were present to see the opening of the new Empress Stadium, an imposing new headquarters for the game.

Mizler was completely over-shadowed by the Chester man for the first three rounds. It was not until the fourth that he scored his first point. Walsh repeatedly went for his man with whirlwind attacks, wherein his rights and lefts to the body got him many points. Walsh hurt his man with fast lefts to the ribs which made Mizler flinch. The Londoner tried hard to stave his opponent off with a fast moving straight left, the only thing he appeared to be able to land with, but it had little or no effect on the dashing Chester man.

In the ninth round Mizler took a lot of punishment. Repeated blows to the left eye soon saw it badly swollen. Mizler was groggy, but he fought gamely on. Towards the end of the eleventh round Walsh was hitting his man just as and when he liked, but was never able to get his right over to finish matters.

Walsh got the verdict on points in a contest which went the full distance of fifteen rounds. The holder boxed with the greatest confidence throughout.

International Golf Match on the Hill

Ireland's Splendid Performance

Reach Challenge Round for the First Time

For the first time in the history of the International match at Royal Nairobi Golf Club Ireland entered the challenge round on Sunday, when they defeated England by 64 points to 53 over singles and foursomes. From the

Service Beaten at Machakos

FIVE INNINGS BY J. A. H. WOLFF

Civil Service paid a visit to Machakos at the week-end, when the home team won by eight wickets. Service batted first opening with Field and Holmes. The former went to the first ball of Halstead's opening over, Noble who joined Holmes, did not stay long, being neatly caught and bowled by Saunders after he had scored four.

Dawes then joined Holmes and the pair batted very cautiously taking the score from 9 to 38 before the latter was clean bowled by H. D. Hill, who had come on in place of Saunders. Shaw relieved Halstead at the other end.

Dawes and Krauss took the score to 62, when the former was out to a smart catch by Wolff behind the wicket. From this point a rot set in; two more wickets fell without addition to the score. Smith, who had joined Krauss, was out to the first ball he received, and was quickly followed back to the pavilion by Young, who, after surviving one ball, was clean bowled by Shaw's next, his third victim in one over: three wickets with four balls.

Krauss was batting well before he was run out, a misfortune for the Service, as he appeared to be well inside the crease at the time.

Cutts and Dodd batted very well, and added just under 20 runs when the former was out leg before, although appearing to hit the ball hard. Pickwell scored three and was then smartly stumped by Wolff off Halstead.

Following the double bowing change, when Shaw and H. D. Hill were brought on, wickets fell steadily. Both bowled very steadily without another change being effected.

Machakos commenced their innings shortly after noon with Wolff and N. Hill. The pair were together when lunch was taken with just over 20 runs on the board.

The pair continued to bat well after the interval, but with 47 on the board Hill was out leg before to Pickwell, after having scored 21. Wolff and Halstead carried the score along at a steady pace until 89, where Wolff was smartly taken in the slips off Dawes.

Halstead and Williams were together when the Service total was passed, at which point Peet was brought on and wickets fell at regular intervals, the side eventually being dismissed for 143.

The Service batting failed completely, due in the main to the fine bowling of Shaw and H. Hill. Wolff was the outstanding batsman for the home side.

Machakos scored a very fine win, the more so as Service had out a very useful side, one of the strongest at their disposal.

The following are the details:

CRICKET AT THE WEEK-END

GYMKHANA

Sir G. D. Rhodes, c Gurcharan S. b Harbans S.	8
F. G. Lapham, b Sham S.	8
J. D. Melhuish, b Sham S.	53
J. H. C. Sim, b Harbans S.	11
J. M. Peveler, lbw, b Sham S.	0
J. A. Hilton, b Sham S.	11
Major A. Thorp not out	56
N. T. Trenn, b Harbans S.	8
J. G. D. Gordon, c Harbans S. b Sham S.	12
C. V. Brambridge, b Sham S.	4
W. F. Pineo not out	5
Extras	4

Total for 9 wkts. (decl.) 244

BOWLING

	O	M.	R.	W.
Sham S.	27	2	80	6
Harbans S.	24	5	73	2
Gurcharan S.	8	0	44	0
Bakhtawar S.	2	0	13	0
Mall Singh	5	0	24	0

SIKH UNION

Bakhtawar Singh, c Thorp, b J Gordon	6
Gurcharan Singh, c and b Peveler	76
Mohinder Singh, b Pineo	9
Jaswant Singh, lbw, b Gordon	9
Harbans Singh not out	66
Mahan Singh, b Gordon	20
Sham Singh not out	10
Piara Singh, lbw, b Gordon	4
Mall Singh, Mahan, Singh and Tarlok Singh did not bat	
Extras	14

Total for 6 wkts. 200

BOWLING

	O	M.	R.	W.
Gordon	17	5	40	4
Pineo	17	1	71	1
Melhuish	3	0	24	0
Brambridge	7	0	38	0
Rhodes	6	2	14	0
Peveler	9	1	17	1

Muslims vs. Parklands

Played on Muslim ground on Sunday, Parklands winning by 1 wicket. Scores:

Muslims—141 (Qadir 71; Siddique 23; A. Goldhawk 8/57).
Parklands—146 (A. Chalmers 36; R. Brader 25; J. Shade 20; Yacobbkhan 5/45; Fazal 3/54).

Patels vs. Muthaiga

Played on Sikh Union ground on Sunday, Muthaiga winning by 9 wickets. Scores:

Patels—104 (Malik Noor 26; Quadros 23; F. Camping 4/31; Vernon 3/10).
Muthaiga—210 for 5 (D. Tate 93; S. Jarrett 60).

Kathiawar vs. Govt. Indian School

Played on Kathiawar ground on Sunday, School winning by 155 runs. Scores:

Govt. Indian School—218 (Jaswant Singh 52; Abdul Malik 35; Lal 3/40).
Kathiawar S. C. 63 (L. J. Bhatt 12; Acharya 12 not out; Zulficar Ali 6/25; Malik 3/13).

Gymkhana "A" vs. Shell A.S.C.

Played at Gymkhana on Sunday, the match ending in a draw. Scores:

Shell A.S.C.—184 for 4 (decl.) Yusuf 116 not out; Joshi 39, Emley 2/45).
Gymkhana "A"—81 for 6 (R.

no effect on the...
 In the... and...
 a lot of...
 blows to the left...
 badly swollen...
 but he fought...
 toward the end...
 and Walsh was...
 and when he...
 able to get his...
 matters.
 Walsh got the...
 in a...
 the full...
 the holder...
 with the greatest...
 confidence throughout.

well and added...
 when the...
 although...
 the fact...
 three and...
 then smartly...
 Halstead.
 Followed...
 change when...
 H. D. Hill...
 and wickets...
 steadily...
 without...
 being effected.
 Michukow...
 then...
 shortly...
 with Wolf...
 and S. Hill...
 The pair...
 together...
 when...
 was taken...
 with just...
 over 20...
 on the...
 The pair...
 continued...
 but well...
 after the...
 interval...
 but with...
 47 on...
 the board...
 Hill was...
 out leg...
 before...
 to Pickwell...
 after...
 having...
 scored...
 21. Wolf...
 and Halstead...
 carried...
 the score...
 along...
 at a...
 steady...
 pace...
 until...
 when...
 Wolf was...
 smartly...
 taken...
 on the...
 off...
 Dawes.
 However...
 at...
 the...
 score...
 was...
 13...
 Peet...
 was...
 on...
 wickets...
 fell...
 regular...
 on...
 side...
 event...
 he...
 for...
 15...
 The...
 group...
 failed...
 to...
 complete...
 the...
 time...
 of...
 and...
 H. D. Hill...
 Wolf...
 took...
 the...
 outstanding...
 man...
 for...
 one...
 side.
 Michukow...
 scored...
 a...
 very...
 useful...
 side...
 one...
 of...
 the...
 strong...
 out...
 at...
 these...
 details...
 The...
 following...
 details...
 (A. H. SUTHERLAND)

Rhodes...
 2 11 0
 17 1
Mushims vs Parklands
 Played on...
 ground...
 on Sunday...
 Parklands...
 winning...
 by 4...
 wickets...
 Scores:
 Mushims—141...
 Quins 71...
 Sol...
 29...
 A...
 8...
 Parklands—146...
 A...
 Chalmers...
 20...
 Brader...
 23...
 J. Shado...
 25...
 Yarsobkhan...
 3...
 45...
 Fozal...
 44.
Patels vs Muthaiga
 Played on...
 Sikh Union...
 ground...
 on Sunday...
 Muthaiga...
 winning...
 by 9...
 wickets...
 Scores:
 Patels—104...
 Malik...
 Noor...
 26...
 Quadros...
 23...
 E...
 Ganpaling...
 4...
 31...
 Vejnou...
 3...
 10...
 Muthaiga—210...
 for...
 D. Tate...
 63...
 S. Jarrett...
 60.

International Golf Match on the Hill

Ireland's Splendid Performance

Reach Challenge Round for the First Time

For the first time in the history of the International match at Royal Nairobi Golf Club Ireland entered the challenge round on Sunday, when they defeated England by 6½ points to 5½ over singles and foursomes. From the composition of the Irish side it was

...
 A. Ker...
 1...
 Halstead...
 1...
 A. Haines...
 H. D. Hill...
 13...
 E. S. Noble...
 and...
 b...
 Saunders...
 4...
 A. F. Dawes...
 and...
 b...
 Peet...
 12...
 G. Krauss...
 and...
 b...
 Peet...
 0...
 E. C. Young...
 b...
 Peet...
 7...
 I. R. Cutts...
 b...
 Peet...
 7...
 T. E. Peet...
 b...
 Peet...
 1...
 P. Dodd...
 not...
 out...
 11...
 E. F. Pickwell...
 and...
 b...
 Peet...
 13...
 Halstead...
 Extras...
 13

...
 Total...
 91

(A. H. SUTHERLAND)

	O.	M.	R.	W.
A. Ker	1	1	1	1
Halstead	1	1	1	1
A. Haines	1	1	1	1
H. D. Hill	13	1	1	1
E. S. Noble and b Saunders	4	1	1	1
A. F. Dawes and b Peet	21	1	1	1
G. Krauss and b Peet	12	1	1	1
E. C. Young and b Peet	0	1	1	1
I. R. Cutts and b Peet	7	1	1	1
T. E. Peet and b Peet	1	1	1	1
P. Dodd not out	11	1	1	1
E. F. Pickwell and b Peet	13	1	1	1
Halstead	13	1	1	1
Extras	13	1	1	1
Total	91	1	1	1

BOWLING

	O.	M.	R.	W.
Saunders	8	2	8	1
Halstead	5	1	0	2
Williams	3	1	0	0
H. D. Hill	12	1	4	2
Shaw	11	1	18	1

MATCHES

N. C. Hill, b/c b Pickwell	21
J. A. H. Wolff, c Cutts	b
Dawes	53
R. V. Halstead, c Pickwell	b
Peet	20
C. H. Williams, c Dodd	b Peet
R. de V. Shaw, c Young	b Peet
H. D. Hill, c Pickwell	b Peet
H. D. Hill, c Pickwell	b Peet
R. E. V. Saunders	b Pickwell
J. P. Benson, st. Smith	b Peet
Peet	2
F. E. Bowman	b Pickwell
E. E. Button, c Krauss	b Peet
K. H. Winterbottom	not out
Extras	7
Total	153

BOWLING

	O.	M.	R.	W.
Dawes	13	5	29	1
Cutts	13	1	21	0
Pickwell	10	1	17	3
Dodd	7	0	25	0
Peet	8	1	34	6

Gymkhana vs. Sikh Union

Played at Gymkhana on Sunday, the game ending in a draw. (Scores...)

...
 Indian School—218...
 T...
 Singh...
 52...
 Abdul Malik...
 31...
 Lal...
 3...
 40...
 Kathiawar S. C. 63...
 L. J. Bhatt...
 12...
 not...
 out...
 Zul...
 15...
 6...
 25...
 Malik...
 8...
 11...
Gymkhana A vs. Shell A.S.C.
 Played at...
 ground...
 on Sunday...
 the match...
 ending...
 in a...
 draw.
 Shell A.S.C.—181...
 for...
 1...
 decl...
 39...
 39...
 2...
 15...
 Gymkhana A—84...
 for...
 6...
 (S...
 G. Walter...
 49...
 Joshi...
 44...
Parklands vs Wanderers
 Played at...
 Parklands...
 on Saturday...
 Parklands...
 winning...
 by 2...
 wickets...
 Scores:
 Wanderers—133...
 for...
 8...
 (decl...
 H. Davidson...
 81...
 Parklands—111...
 for...
 8...
 (I. Percier...
 22...
 K. L. Ironside...
 22...)

...
Prince of Wales School vs. Railway
 Played on Sunday at Kabeta...
 the game...
 ending...
 in a...
 draw...
 Scores:
 Railway—143...
 for...
 7...
 (decl...
 C...
 F. Wells...
 28...
 not...
 out...
 F. O...
 Jones...
 27...
 Prince of Wales School—100...
 for...
 7...
 (P. Arderne...
 26...)
Railway vs Muthaiga
 Played on Saturday on Railway...
 ground...
 Match...
 drawn...
 Scores:
 Railway—110...
 for...
 5...
 (decl...
 J...
 Shefield...
 68...
 A...
 1...
 25...
 Muthaiga—100...
 for...
 4...
 S. Jarrett...
 60...)

NAIROBI RIFLE CLUB

Shoot for Handicap Cup

The Club shoot for the Handicap Cup took place under conditions that gave the marksmen considerable trouble. Scoring was not particularly high, except in the case of the winner and runner-up, who were the only ones to shoot up to their handicap.
 The Cup was won by A. Ker, who shot remarkably well, returning a net score of 96. W. R. Triebel put on a fine performance at 500 yards, but failed to return his form at the next range. The first three placings were as follows:
 200 500 600 net H'cap.
 yds. yds. yds. score score
 A Ker 31 34 31 96 102.757
 W.R.
 Triebel 33 85 27 95 102.160
 A.
 Blowers 30 32 29 91 100.414

Convention Seeks Change in Constitution

FAVOURS ALTERATION IN THE EXECUTIVE COUNCIL

Pim Report Opportunity

Convention re-stated its long maintained demand for a constitutional change yesterday in a resolution which allied this demand to the Pim Report.

The Convention welcomed the Pim proposals for the appointment of three responsible Secretaries to Government in connexion with the plan to reorganise the Administration and trusts that this will lead to a new form of Executive Council embracing adequate unofficial European representation.

The only divergence of view was that in the opinion of some delegates the constitutional change which is being sought should take place in the composition of the Legislative Council.

Legislature Alternative

After a lengthy debate, during which a number of amendments were considered and rejected, the following resolution was passed by a very large majority at yesterday's session of the Convention of Associations:—

This Convention welcomes Sir Alan Pim's proposals for a comprehensive reorganisation of the Administration by the appointment of three responsible Secretaries and trusts that this will lead to a new form of Executive Council embracing adequate Unofficial European representation.

The original motion was proposed on behalf of the Executive by Mr. Williams who said it was hoped that the Elected Members, during the discussion on the motion, could give Convention an idea as to how they viewed the position, whether they thought

the reorganising of Executive Council was the line to pursue, and whether there would be anything materialising in the reasonably near future.

Lord Francis Scott, chairman of the European Elected Members' Organisation opened the debate. For many years, he said, the unofficials in Kenya had claimed that, as they were the driving force in the development of the country, they should have more direct say in the control of affairs. Having considered the various proposals suggested, he had come to the conclusion that the right way of advance was that they should be prepared to shoulder greater responsibility in co-operation with Government. Proposals for changing Legislative Council had nearly all boiled down to some sort of racially mixed unofficial majority

(Continued on page 5)

All the above Advertisements strictly payable in Advance, and no exception will be made to this rule.

TO LET.

The charge for advertisements in these columns is 1s. for six words and 50 cents for every additional three words. Reports half price.

FOUR roomed house, furnished Hill. Apply Voucher No. 3319, "Standard," Nairobi.

FURNISHED Stone Cottage, Lenana Road, immediately behind Savoy Hotel, 3 Bedrooms, Living and Dining Room, K.P.B. 75/- can be seen daily. Browne, Box 680.

MISCELLANEOUS

The charge for advertisements in these columns is 1s. for six words and 50 cents for every additional three words. Reports half price.

COPIES of the "Tanganyika Standard," Daily and Weekly Editions are on sale at The E. A. Standard Ltd., Nairobi.

ITALIAN Lire Bank Notes for sale. Apply Kenyan Insurance Ltd., Cearna Chambers, Government Road, P.O. Box 293, Nairobi.

REPORT cases of cruelty to animals in Society's complaint books at "E.A. Standard" Ltd. Dobbies, Mr. P. de V. Allen's office or at Hon. Secretary of the Society, Room 39, Corner House, Nairobi.

SHORT-wave battery Receiver, suitable for home or safari, Shs. 200/- complete or hire purchase. E. A. Wireless Co., Ltd., Nairobi.

WARNINGS Sale will continue during October with many bargains in dresses and hats. Model and Sunproof Hats made to order at the shortest notice and keenest prices. All enquiries regarding Madam Alys Millinery Department should be made to us.

SITUATIONS VACANT

The charge for advertisements in these columns is 1s. for six words and 50 cents for every additional three words. Reports

per cent for cash. The Anglo Baltic Timber Co., Ltd.

CASKS, empty, made of stout Oak, 36 gallon capacity, Post Box 176, Nairobi.

COLGRA—increases power and decreases petrol consumption, friction and wear. Per quart Shs. 8/- nett sufficient for 120 gallons of petrol. Norths—Har-dinge Street.

CHRISTMAS Cards. A new selection of local and imported cards just arrived, see our new selection of local views, reproductions in colours from original oil paintings price cents -/50 each. East African Standard Ltd., Nairobi.

DIARIES 1937, Letts Office and Pocket sizes now on sale at the East African Standard Ltd., Nairobi.

FOR your Snap Album: Twelve real Photographs, size 2½ x 3½ inches. Five different selections of Lion, Elephant, Zebra, Giraffe, Native, views etc. price Shs. 2.50, per packet. E. A. Standard Ltd., Nairobi.

LUCILLE. If you are going home for Xmas, call and see our latest consignment of Stefney Model wool dresses and suits.

LABOUR Cards. Size 4 x 2 inches. White or coloured Shs. 4/- 1,000. Cents 50 per 100. E. A. Standard Ltd., Nairobi.

MANILLA Envelopes size 6 x 3. Shs. 4.00 per 1,000. East African Standard. Nairobi.

"R.C.A." All Mains All Wave Wireless Set, 8 Valves 193 Model Shs. 300/- Lempriere Audit Department, Nairobi.

ROK Roofing. A permanent Roof and Floor covering. In rolls 72' x 3' wide. The Anglo Baltic Timber Co., Ltd.

THE ever popular black and White Silhouette Christmas cards a selection of 30 designs available cents 50 each East African Standard, Ltd., Nairobi.

UPRIGHT overstrung Bluthorn

Convention Seeks Change in Constitution

(Continued from page 1)

in the Council. That, he thought, would certainly be undesirable. The proposals in Sir Samuel Wilson's report provided for a large number of persons nominated by the Governor, and that too, Lord Francis thought, would not work too satisfactorily in practice.

Cumbersome Council

"If we are to have an advance in this way without raising a big constitutional issue, the proper place where that change should be made is in the Executive Council," he said.

The existing Executive Council was cumbersome and not very satisfactory or efficient, continued Lord Francis. There were too many people on it and it did seem that the proposals of Sir Alan Pim might be a great opportunity for reorganisation on the lines of a much smaller Council, with only three or four officials on it and adequate unofficial representation. When that was done the unofficials on Executive Council would have to be prepared to shoulder responsibility for what was done. It might be thought that it would be very difficult to serve two masters, but Lord Francis did not think it would be impossible, given a measure of goodwill.

If that works all right it would mean getting away from the direct cleavage between official and unofficial," said Lord Francis, "because you would have certain unofficials associated with Government and responsible for Government's policy. You would have in Legislative Council a certain number of unofficial representatives supporting Government policy, and that no doubt would do away with any necessity for having an unofficial majority in Legislative Council. I believe there are dangers, of course, in such a proposal, but I think if we claim that we are fit to have a greater share of control in the country we should be ready to take responsibility.

"I have reason to believe that this is the line on which we might find that we could get something done by the official people in London."

"Dangerous"

Captain J. L. Cotter, M.C. (New Colonial Farmers Association) strongly opposed the proposal, which he declared was most dangerous. The Executive Council, he said, was a body entirely nominated by the Governor and those on the Council were bound not to tell what happened. It was his opinion that no unofficial member should be on Executive Council at all until the unofficials had a Government of their own.

Supporting the resolution, Mr. E. E. Biss (Nairobi Association) pointed out that Lord Francis Scott's suggestion was for a changed Council. With its present constitution of some 17 members the Executive Council was a debating society, more especially as the Governor was not compelled to accept even a unanimous reso-

had taken place there, were stressed by Major E. S. Grogan, Member for the Coast. Lord Francis Scott was right, he said, in discerning the lines along which constitutional advance of an evolutionary kind should be made. Capt. Cotter was right in stressing the dangers of a nominated Council. Mr. Biss was right in describing the present body as a debating society. It was a debating society in which those who might make most useful contributions, the heads of technical departments, were debarred from taking part in an absolutely futile body.

As a way out of the difficulties, Major Grogan suggested that there was no reason why the unofficial members of Executive Council should not be elected by the people, on a distinct and separate register. By that means there would be a group of people responsible to the country, taking part in the deliberations of Executive Council and free from the anomalous position they would be in if they were in Legislative Council.

They should regard the Executive Council, he said, as something in the nature of a Senate.

As one who had been a member of Executive Council intermittently over many years, Mr. Conway Harvey, Member for Nyanza supported the resolution. He pointed out that even at present the unofficial representation on the Council was of value, as the Governor's nominations were based on recommendations by the unofficial community, and that, even though he was in a minority of one, an unofficial member very often exercised far greater influence on the decisions of the Government than was perfectly realised.

He thought it of very great importance that unofficial members of Executive Council should have that responsibility which they could only have if they were responsible to the electorate by being members of Legislative Council. It would be utterly useless to recommend even a majority of unofficials on Executive Council if they were to be entirely subject to the whims and caprices of the Governor.

Capt. Cotter expressed himself as being in entire agreement with Major Grogan's suggestion of a Senate, and when the proposing of a verbal amendment had enabled previous speakers again to take part in the debate, Lord Francis Scott said this was a new idea, all the implications of which would have to be considered very deeply. Whether they had a Senate or not they had to have some executive body responsible for policy. In other countries they had a Cabinet, and the suggestion was that the Kenya Executive Council should be reorganised on the lines of a Cabinet, with special attention paid to the working out of a development policy for the country as a whole, with particular references to the Native reserves.

Major Grogan interposed to point out that his reference to a "Senate" was mainly illustrative. His chief points were popular re-

are fit to have a greater share of control in the country we should be ready to take responsibility.

"I have reason to believe that this is the line on which we might find that we could get something done by the official people in London."

"Dangerous"

Captain J. E. Cotter, M.C. (New Colonial Farmers Association) strongly opposed the proposal, which he declared was most dangerous. The Executive Council, he said, was a body entirely nominated by the Governor, and those on the Council were bound not to tell what happened. It was his opinion that no unofficial member should be on Executive Council at all until the officials had a Government of their own.

Supporting the resolution, Mr. E. E. Biss (Nairobi Association) pointed out that Lord Francis Scott's suggestion was for a changed Council. With its present constitution of some 17 members the Executive Council was a debating society, more especially as the Governor was not compelled to accept even a unanimous resolution from the Council. The Council was not executive, and was much too big.

Discussing the possibilities of the new constitution of the Council, Mr. Biss said that if the three Secretaries proposed by Sir Alan Pim were appointed, they would have to be members, and their subordinate heads of departments who were at present members of the Council would automatically pass out of the Council. Having reduced it to the Governor and three Secretaries it was quite clear that a number of unofficial members could be added. He considered that it would be going too far to expect a majority of unofficials at all events at the beginning of the re-

form. "How the unofficial members who would be appointed is a grave question," he said, "and I regard this as the crux of the whole thing. If this reform is to be of any use at all these members have got to be nominated by the electorate. It might be possible to modify that in favour of the Governor by allowing the Governor power of veto."

"It should be possible for the Elected Members to have the power to call upon the unofficial members of Executive Council to resign."

More details were sought by Mr. A. Bradley (Langata Settlers Association), but in explanation Lord Francis Scott pointed out that they were not asking Convention to accept any particular scheme. He had suggested lines on which negotiations might take place with the Home authorities.

The resolution was supported by Mr. A. F. Bester (Thika District Association) as a step in the right direction.

"A Futile Body"

The need for direct popular representation in both Legislative and Executive Councils, and the difficulties caused by the presence on Legislative Council of members of the Executive body, who were bound not to divulge what

possible to the electorate by being members of Legislative Council. It would be utterly useless to recommend even a majority of unofficials on Executive Council if they were to be entirely subject to the whims and caprices of the Governor.

Capt. Cotter expressed himself as being in entire agreement with Major Grogan's suggestion of a Senate, and when the proposing of a verbal amendment had enabled previous speakers again to take part in the debate, Lord Francis Scott said this was a new idea, all the implications of which would have to be considered very deeply. Whether they had a Senate or not they had to have some executive body responsible for policy. In other countries they had a Cabinet, and the suggestion was that the Kenya Executive Council should be reorganised on the lines of a Cabinet, with special attention paid to the working out of a development policy for the country as a whole, with particular reference to the Native reserves.

Major Grogan interposed to point out that his reference to a "Senate" was mainly illustrative. His chief points were popular representation in both Councils, and an avoidance of the anomalies arising from membership of both.

Speaking to the amendment, Mr. Williams, who proposed the substantive resolution, said that the development of Native Reserves had been one of his main thoughts in considering a reorganisation of Executive Council. The reorganisation would put the unofficial community in a position of responsibility for the country as a whole, and for the development not only of the white races but also of the other races with whom they lived.

An Amendment

In order to meet the "senate" suggestion of Major Grogan, and also the views of Capt. Cotter, Mr. Biss proposed an amendment substituting the words "newly constituted body" for "new form of Executive Council" in the substantive resolution.

This was opposed by Sir Robert Shaw, Member for Ukamba, who described how Sir Alan Pim's idea of grouping Government departments under a number of Secretaries had been anticipated by the findings of the Select Committee on Economy. They had found, he said, that with a large number of heads of departments at present in Executive Council, officers of great ability and personality could succeed in forcing the development of their own particular departments to such an extent that there was a completely unbalanced developmental policy. That they did not want, but what they did want was men of wide views and experience unbiassed by any professional enthusiasm, who could form a fair and balanced policy for general development.

Referring particularly to his opposition to the widening of the resolution, Sir Robert said that the country must be governed by an executive, and to endeavour to tamper with that principle and to suggest other possible bodies was going a great deal too far.

The amendment was put and lost, and the substantive motion, with two verbal amendments, was approved in the form quoted.

PLAYHOUSE

TO-NIGHT

The Playhouse Repertory Company present

THE PRIVATE SECRETARY

by CHARLES HAWTREY

A FARCICAL COMEDY IN THREE ACTS.

EYESIGHT EFFICIENCY

is more important To-day in Modern Business than ever before.

CONSULT "WARDLES"

Ophthalmic Opticians.
V. BROWSE, F.S.M.C., F.I.O.
Optical Manager

DEATH.

HUDSON. At the Maia Carberry Nursing Home on the 15th October, Maude Murray, wife of the late Robert Sydney Hudson of Richmond, Yorkshire and beloved mother of Geoffrey Hudson of Manbre Estates, Kufu.

The East African Standard
WEDNESDAY, OCT. 21, 1936

THE COUNTRY'S DESIRE Convention Decisions on Taxation

It was from every point of view wise, prudent and helpful to grant the delegates to the Convention of Associations an opportunity to express their views frankly and without limitation on the principle of Income Tax. The evidence provided by the qualification attached

Budget. But as there was some danger, and considerable doubt among delegates, that a revolutionary fiscal change might emerge from the Standing Committee's examination of the Budget without prior conditions of its introduction having been first satisfied, the Convention has passed its considered opinion that immediately subsequent to the investigation of the present budgetary problem, there should be appointed a special Commission to inquire into the best means of securing a more satisfactory and more equitable system of taxation, and that the Government has given such satisfactory evidence of its desire to provide ample opportunity for investigation and of its anxiety to avoid controversy, that it is difficult to believe that the request for a comprehensive enquiry by Commission at reasonable leisure after the budget problem has been settled, will meet with any objection, especially as such objection would revive suspicions so happily allayed. The only question is the best way of doing these things, the best time and the most acceptable and suitable people. The problem is too big and its ramifications too important for any mistake to be contemplated in the approach to it. The Convention has also reiterated its long-standing view that some constitutional change, leading to greater responsibility, is necessary in Kenya and on this occasion it has attached that request to the Pim Report in the belief that adoption of the proposal to appoint three Secretaries to Government for grouped departments should lead to a change in the Executive Council. As a result of two days' discussion, therefore, there has emerged from the Convention a clear cut policy in which all differences have been sunk. That is the point of real importance to the country and its Government both here and abroad. The policy is simple, it is practical, it provides for complete co-operation and it contains the promise that out of it will come a solution of this taxation controversy on the basis of ascertained fact, which will place this weary dispute behind us for a long time.

UNDER THE STANDARD CLOCK



Arrival of Air Mails

It is notified for general information that the air mail despatched from Nairobi on October 12 arrived in England on October 19.

WARDLES

Ophthalmic Opticians.
V. BROWSE, F.S.M.C., F.I.O.
Optical Manager

DEATH.

HUDSON. A. the Maia Carberry Nursing Home on the 15th October, Maude Murray, wife of the late Robert Sydney Hudson of Richmond, Yorkshire and beloved mother of Geoffrey Hudson of Manbre Estates, Lufru.

By
East African Standard

WEDNESDAY, OCT. 21, 1936.

THE COUNTRY'S DESIRE

Convention Decisions on Taxation

It was from every point of view wise, prudent and helpful to grant the delegates to the Convention of Associations an opportunity to express their views frankly and without limitation on the principle of Income Tax. The evidence provided by the qualification attached to many resolutions passed by preliminary meetings throughout the Colony, that the issue was not being fought on the grounds of opposition to Income Tax as such, was repeated and strengthened by the earnest speeches of many delegates from the country areas, in favour of the principle, during the session of the Convention. No vote was taken because the discussion was merely an academic one. But the value of that timely debate lies in the unanimity in which supporters and opponents of one particular form of taxation stood together on the common ground of the method of the consideration to be given to any important fiscal change in Kenya—a change which interests neighbouring Territories just as much as it does the people in this Colony. The Convention, speaking on behalf of the colonists, has come to the conclusion that the task of the Standing Finance Committee of the Legislative Council is to consider and recommend upon the solution of a budgetary problem only. The Convention was not satisfied that such an enquiry, carried out by this particular body, could be sufficiently extensive and comprehensive to provide the data which must be collected regarding the present incidence of indirect and direct taxation, the extent to which the burden is to be shifted and the principles which should govern a new fiscal system. That Government may agree that this is so may be deduced from the interview given to the *East African Standard* by the Colonial Secretary interpreting the official meaning of the "Gentlemen's Agreement". The Colonial Secretary said that Government did not intend to suggest that the Standing Finance Committee should enter into prolonged and exhaustive enquiry into indirect revenue such as Customs duties. This important limitation of the scope of the proposed investigation is repeated in the view stated later in the same interview that Government expected the Committee to deal with practical issues affecting the present

policy in which all differences have been sunk. That is the point of real importance to the country and its Government both here and abroad. The policy is simple, it is practical, it provides for complete co-operation and it contains the promise that out of it will come a solution of this taxation controversy, on the basis of ascertained fact, which will place this weary dispute behind us for a long time.

UNDER THE STANDARD



Arrival of Air Mails

It is notified for general information that the air mail despatched from Nairobi on October 12 arrived in England on October 19.

S.A. Society "At Home"

The President and Members of the South African Society of East Africa have invited all competitors in the Golden Jubilee Motor Race to Johannesburg, to an "At Home" in the Norfolk Hotel, Nairobi, on Sunday, October 25 at 6-30 p.m.

Social Evening

Under the patronage of Mrs. W. C. T. U. a s at the 8.30. The Rev. A. Ogilvie will be music.

St. Andrew and the W. C. will be held at night at the Mrs. here will

Government

It is by guests with Ball at Thursday (which sh door) sta be worn. course, n any, with gentlemen mourning may wear

notice of ding the guse, on ion cards ed at the ons must means, of orders, i ails," for l of court ed, ladies y please.

Parting Gift

A pleasant place on t Monday n the South few of his ed the c "Astrea"— with a sui case, on the occasion of his departure for England. Capt. Attwood, who is the senior pilot on the trans-African/Imperial air route will, after flying "Astrea" to the Union, leave for England by the R.M.V. "Winchester Castle" to take up his duties in the new flying boat service that will be inaugurated next year. After Capt. Attwood's departure from Nairobi a radio message from the plane was received, reading as follows:—"Deeply touched by gift from my Nairobi friends. Much regret leaving them."

on took lrome on arrival of when a present-R.M.A. Attwood, cigarette on took lrome on arrival of when a present-R.M.A. Attwood, cigarette

"Eternal Vigilance is the price of Liberty."

The Kenya Daily Mail

Tuesday, 20th October, 1936.

THE INCOME TAX SURRENDER!!!

HAVE YOU HEARD OF the big income tax surrender by the Government? This question was generally bandied about in Mombasa at the week-end on account of the presentation by the European Press of a harmless letter by the Colonial Secretary to the Chairman of the European Elected Members in a form designed to spread a soothing unction to the fluttered souls of the European community. Having whipped public opposition on hollow up grounds the drowning men required a straw to catch at and in our opinion the European Press headlines and comments reflect this attitude unmistakably. What is the nature of this "big income tax surrender" of the Government? It consists of an assurance by the Government to the agitated souls of European Elected Members that they intend to refer their proposals, under Standing Rules and Orders of the Legislative Council, to the Standing Finance Committee, whose report will be placed before the Council for its consideration and discussion. There is nothing revolutionary or unprecedented in this assurance of the Government. It is a normal procedure for any financial proposals. Whatever the opponents of the Government might have assumed, the Government had never said that they intended to introduce any special procedure to secure the passing of Income Tax Bill. Nor had they at any time said that they did not wish to give every possible opportunity for the consideration of its proposals by the representatives of the people. This is always in the big

Mombasa Indian View of Income Tax

CONDITIONAL SUPPORT TO GOVERNMENT PROPOSALS

DIVISION OF EDUCATION DEPARTMENT OPPOSED.

Resolutions Of Sunday's Public Meeting

A Mass Meeting of Indians in Mombasa was held under the auspices of the Mombasa Indian Association on Sunday last at 10 a.m. in the Majestic Theatre to discuss the question of Income Tax and the report of Sir Alan Pim when Mr. A. B. Patel, Chairman of the Association, placed the following resolutions of the Managing Committee before the meeting for its consideration. These were approved after Mr. Patel had presented the view point of the Managing Committee and the Hon. J. B. Pandya and Mr. R. M. Shah had spoken.

(1) Whereas in the considered opinion of this Mass Meeting of Indian citizens of Mombasa the Income Tax based on capacity to pay is a fair form of taxation; and

Whereas alternative taxes are irritating and uneconomic in principle and incidence; and

Whereas in view of the need for financial stability of the country and necessity to bring the taxation uncertainty in Kenya to finality introduction of income tax appears essential;

Resolved therefore that the principle of income tax as a basis for direct taxation be supported with a view to secure a policy of gradual reduction in indirect taxation and elimination of basic poll tax and the Native hut and Poll Tax altogether from the taxation system of the country.

(2) This Mass Meeting does not view with favour the intention of the Government to retain the basic Poll Tax, but recognising that it may not be found possible to do away with the Poll Tax immediately, it is of the opinion that the amount of basic Non-Native Poll Tax should not exceed Shs. 50/- per annum, because it was the original amount and the Government had given the Indian Community a distinct undertaking that Education Cost of the 20/- which

proposals. That is exactly what the other sections desire. Government proposals are after all proposals. They are not edicts of Hitler or Mussolini. They

Government is at present proposing to consolidate with the basic Non-Native Poll Tax, was a purely temporary tax. Further, in the opinion of this Meeting persons earning £50 and less per annum should be exempted from the payment of the basic Poll Tax.

(3) This Mass Meeting further wishes to record that its support to the introduction of Income Tax does not mean the support to any policy of uncontrolled expenditure and urges the Government to examine carefully and implement the economy proposals of Sir Allen Pim wherever possible.

(4) This Mass Meeting wishes to record its strong opposition to the recommendation of Sir Allen Pim to split up the Education Department i. e. to put European Education under Colonial Secretary and Indian Education under the Secretary for Native Affairs. It considers that the introduction of such racial divisions in administration of such an indivisible subject as education is highly undesirable and harmful.

"HAVE YOU HEARD OF the big income tax surrender by the Government?" This question was generally bandied about in Mombasa at the week-end on account of the presentation by the European Press of a harmless letter by the Colonial Secretary to the Chairman of the European Elected Members in a form designed to spread a soothing unctious to the fluttered souls of the European community. Having whipped public opposition on hollow up grounds the drowning men required a straw to catch at and in our opinion the European Press headlines and comments reflect this attitude unmistakably. What is the nature of this "big income tax surrender" of the Government? It consists of an assurance by the Government to the agitated souls of European Elected Members that they intend to ~~submit~~ their proposals, under Standing Rules and Orders of the Legislative Council, to the Standing Finance Committee, whose report will be placed before the Council for its consideration and discussion. There is nothing revolutionary or unprecedented in this assurance of the Government. It is a normal procedure for any financial proposal. Whatever the opponents of the Government might have assumed, the Government had never said that they intended to introduce any special procedure to secure the passing of Income Tax Bill. Nor had they at any time said that they did not wish to give every possible opportunity for the consideration of its proposals by the representatives of the people. This in essence is the big income tax victory of the European agitation and "retreat", "slimbing down" and "surrender" of the Government to the rising tide of the agitation and indignation of the European community. Anyway if such things cause satisfaction to European politicians and European public they are welcome to it and no body would object to Government providing it. We welcome it from the view that it has cleared the befogged European mind and made the European public workers suddenly sensible and desirous of offering co-operation to the full and

A Mass Meeting of Indians in Mombasa was held under the auspices of the Mombasa Indian Association on Sunday last at 10 a. m. in the Majestic Theatre to discuss the question of Income Tax and the report of Sir Alan Pim when Mr. A. B. Patel, Chairman of the Association, placed the following resolutions of the Managing Committee before the meeting for its consideration. These were approved after Mr. Patel had presented the view point of the Managing Committee and the Hon. J. B. Pandya and Mr. R. M. Shah had spoken.

(1) Whereas in the considered opinion of this Mass Meeting of Indian citizens of Mombasa the Income Tax based on capacity to pay is a fair form of taxation; and

Whereas alternative taxes are ineffecting and unscientific in principle and incidence; and

Whereas in view of the need for financial stability of the country and necessity to bring the taxation uncertainty in Kenya to finally introduction of income tax appears essential;

Resolved therefore that the principle of income tax as a basis for direct taxation be supported with a view to secure a policy of gradual reduction in indirect taxation and elimination of basic poll tax and the Native hut and Poll Tax altogether from the taxation system of the country.

(2) This Mass Meeting does not view with favour the intention of the Government to retain the basic Poll Tax, but recognising that it may not be found possible to do away with the Poll Tax immediately, it is of the opinion that the amount of basic Non-Native Poll Tax should not exceed Shs. 30/- per annum, because it was the original amount and the Government had given the Indian Community a distinct undertaking that Education Cost of Shs 20/- which

Government is at present proposing to consolidate with the basic Non-Native Poll Tax, was a purely temporary tax. Further, in the opinion of this Meeting persons earning £50 and less per annum should be exempted from the payment of the basic Poll Tax.

(3) This Mass Meeting further wishes to record that its support to the introduction of Income Tax does not mean the support to any policy of uncontrolled expenditure and urges the Government to examine carefully and implement the economy proposals of Sir Allan Pim where ever possible.

(4) This Mass Meeting wishes to record its strong opposition to the recommendation of Sir Allan Pim to split up the Education Department i. e. to put European Education under Colonial Secretary, and Indian Education under the Secretary for Native Affairs. It considers that the introduction of such racial divisions in administration of such an indivisible subject as education is highly undesirable and harmful.

proposals. That is exactly what the other sections desire. Government proposals are after all proposals. They are not edicts of Hitler or Mussolini. They are placed before the public for their consideration and informed criticism. If in course of their discussion in the Standing Finance Committee the European side is able to put up a really strong case against the proposals of the Government, and against the view they take of the financial situation of the country, and show the strong possibility of maintaining the soundness of budgetary position after the removal of all temporary taxes and levy on the salaries of Officials, then they will have a serious claim on other sections of the population to alter the position in the

Mr. Bamister's Speech

Mr. Bamister who had spoken before Major Grogan, said that his own position was quite clear and that he intended to pursue the same consistent course he had always followed in the Council. He said that he had opposed the levy on official salaries when it was proposed, because he considered it to be a breach of contract. Then also the Government was not fair in their treatment of local civil service.

No Urgent Need For Balanced Budget

Mr. Bamister expressed his considered opinion that there was no urgent need to have a balanced budget. Unbalanced Budgets were not unmitigated calamities, and he believed that a small adverse balance with a fairly taxed community was a better method to get through hard times than to overtax people to maintain a fictitious balanced Budget.

Reason For His Opposition.

The new proposals amounted to an additional taxation of £30,000 when the people were gradually recovering from bad times. He was not interested in the merits or demerits of Income Tax. They all knew his views. He objected to the imposition of a permanent tax to replace temporary taxation without any guarantee of a popular control over such revenues.

No Trust in Government

Mr. Bamister declared that he did not trust the Government at all and every man and woman for whom he had real reasons to do the same. In support of this contention he cited the Government attitude regarding water supply and their conduct in regard to the question of ferries.

Irish Hospitals Sweepstake

PARTICULARS OF PRIZES

MIXING OF COUNTERFOILS

WAY CLEAR IN PALESTINE

Complete Restoration Of Order.

COMMISSION TO LEAVE LONDON NEXT MONTH.

London, October 15.

The way has been cleared for an early departure of the Palestine Commission of Inquiry by an official announcement that no incidents have been reported during the past 24 hours. The issuance of the daily communiqué is being discontinued.

Now that Government's preliminary condition, namely, restoration of order has been satisfied, preparations are being made for the departure of the Royal Commission which will probably leave London in the beginning of November.—Reuter.

Rebels On The Move.

OFFENSIVE AGAINST MADRID LAUNCHED

Moscow Workers Demand Military Intervention.

Seville, Oct 15.

Insurgent broadcast claims a sweeping advance on a thirty mile front. They are said to be closing on Navalcarnero 36 miles from Madrid and on Bobledo nine miles south-west of Madrid.

Ground Captured.

London, Oct 15.

Apparently launching their big offensive against Madrid along a thirty-mile front Insurgents have gained important ground, according to a broadcast from Seville Radio Station.

It is claimed that Insurgent troops advancing from San Martin occupied Obapineria 25 miles from the capital.

Violent battle is now proceeding between Colonel Delgado's column and Government forces.

Non-Intervention Position.

London, Oct 15.

The Portuguese reply to the Soviet accusations is understood to be a denial, but Portugal accepts the principle of a Commission to be sent to Portugal, if similar Commissions were sent to Spanish Ports.

Lord Plymouth is understood to have informed M. Maisky that the Russian suggestion that Anglo-French fleets should watch Portuguese Ports is not proper for discussion and therefore he did not propose to call the meeting. But M. Maisky further visited the Foreign Office and is believed to have again urged early action.

Moscow Workers' Demands

Moscow, October 15.

Mass meetings of workers have demanded military assistance for Spain, if Soviet representations to the Non-Intervention Committee are unsuccessful.—Reuter.

LAKSHMI'S NEW RECORD.

New Business Done in 1935/36 Rs. 1,40,000.00/-

Mr. Bemister expressed his considered opinion that there was no urgent need to have a balanced budget. Unbalanced Budgets were not unmitigated calamities, and he believed that a small adverse balance with a fairly taxed community was a better method to get through hard times than to overtax people to maintain a fictitious balanced Budget.

Reason For His Opposition.

The new proposals amounted to an additional taxation of £39,000 when the people were gradually recovering from bad times. He was not interested in the merits or demerits of Income Tax. They all knew his views. He objected to the imposition of a permanent tax to replace temporary taxation without any guarantee of a popular control over such revenues.

No Trust in Government

Mr. Bemister declared that he did not trust the Government at all and every man and woman in the country had real reasons to see the same. In support of this contention he cited the Government attitude regarding water supply and their conduct in regard to the question of ferries.

Irish Hospitals Sweepstake

PARTICULARS OF PRIZES

MIXING OF COUNTERFOILS

LONDON NEXT MONTH.

London, October 15.

The way has been cleared for an early departure of the Palestine Commission of Inquiry by an official announcement that no incidents have been reported during the past 24 hours. The issuance of the daily communique is being discontinued.

Now that Government's preliminary condition, namely, restoration of order, has been satisfied, preparations are being made for the dispatch of the Royal Commission which will probably leave London in the beginning of November.—Reuter.

Rebels On The Move.

OFFENSIVE AGAINST MADRID LAUNCHED

Moscow Workers Demand Military Intervention.

Seville, Oct 16.

Insurgent broadcast claims a sweeping advance on a thirty mile front. They are said to be closing on Navalcarnero 96 miles from Madrid and on Robledo nine miles south-west of Madrid.

Ground Gained.

London, Oct 15.

Apparently launching their big offensive against Madrid along a thirty-mile front Insurgents have gained important ground, according to a broadcast from Seville Radio Station.

It is claimed that Insurgent troops advancing from San Martin occupied Chapineria 25 miles from the capital.

Violent battle is now proceeding between Colonel Delgado's column and Government forces.

Non-Intervention Position.

London, Oct 15.

The Portuguese reply to the Soviet accusations is understood to be a denial, but Portugal accepts the principle of a Commission to be sent to Portugal, if similar Commissions were sent to Spanish Ports.

Lord Plymouth is understood to have informed M. Maisky that the Russian suggestion that Anglo-French fleets should watch Portuguese Ports is not proper for discussion and therefore he did not propose to call the meeting. But M. Maisky further visited the Foreign Office and is believed to have again urged early action.

Moscow Workers' Demands

Moscow, October 15.

Mass meetings of workers have demanded military assistance for Spain, if Soviet representations to the Non-intervention Committee are unsuccessful.—Reuter.

LAKSHMI'S NEW RECORD.

New Business Done in 1935/36 Rs. 1,40,000,00/-

Head Office (LAHORE) India.

Founder Chairman:

Founder Director:

Late Lala Lajpat Rai,

Late Pandit Motilal Nehru.

WHAT LAKSHMI STANDS FOR ?

- L** ... Low Premiums.
Low Expenses.
- A** ... All Policies to suit all pockets.
All Policies Non-forfeitable.
All Policies Indisputable.
- K** ... Kind and Sympathetic Treatment.
- S** ... Safety } To Policyholders.
Service }
- H** ... Highest benefits.
- M** ... Management Expert.
- I** ... Investment sound.

Salaries and Commission agents wanted throughout Africa.

Apply for particulars:-

THE BRANCH SECRETARY,

The Lakshmi Insurance Co. Ltd.

OR:

Box 548, Telephone 313, MOMBASA. (Kenya)

Post Box No. 308,

NAIROBI (Kenya)

Post Box No. 309,

DARHESALAM (T.T.)

Post Box No. 56,

ARIPARA (T.T.)

Post Box No. 7,

"Eternal Vigila-
nce is the price
of Liberty."

Kenya Daily Mail

Sunday, 18th October, 1936.

UNEDIFYING POSITION

EUROPEAN OPPOSITION TO income tax has now generally resulted into a more or less unanimous demand for time to consider the Government proposals and appeal to the Government to delay the introduction of the Tax for at least six months. The Commercial community who is not so bitterly opposed to the principle of the tax and its practical application in Kenya is lending their support to this demand. Is there any real need for the delay or is the delay being demanded to avoid the introduction of this tax during the Governorship of Sir Joseph Byrne so that opponents of the tax might have time to have their own way with a man who quite naturally might be anxious to start his period of Governorship in a peaceful atmosphere?

We believe the delay is sought with a view to secure the second object. There is no real ground for the arguments advanced that Government are rushing the measure and that the country is not being given sufficient time to consider the proposals. The talk of P.M. Report not being available to general public is all arrant nonsense. Almost all that is relevant to the issues involved has been fully published in the Press. Those anxious to express their views have had ample opportunity to do so and judging from the daily press they have not failed to take advantage of that opportunity. The people knew quite definitely what was on the anvil and the demand for further consideration is merely a strategy to achieve the second object

the first until such time as these vital matters can be discussed in that quiet atmosphere of fullest consultation with those who are going to be affected."

Not much imagination is necessary to realise that when Major

EUROPEAN OPPOSITION TO income tax has now generally resulted into a more or less unanimous demand for time to consider the Government proposals and appeal to the Government to delay the introduction of the Tax for at least six months. The Commercial community who is not so bitterly opposed to the principle of the tax and its practical application in Kenya is lending their support to this demand. Is there any real need for the delay or is the delay being demanded to avoid the introduction of this tax during the Governorship of Sir Joseph Byrne so that opponents of the tax might have time to have their own way with a man who quite naturally might be anxious to start his period of Governorship in a peaceful atmosphere?

We believe the delay is sought with a view to secure the second object. There is no real ground for the arguments advanced that Government are rushing the measure and that the country is not being given sufficient time to consider the proposals. The talk of Pim Report not being available to general public is all arrant nonsense. Almost all that is relevant to the issue involved has been fully published in the Press. Those anxious to express their views have had ample opportunity to do so and judging from the daily press they have not failed to take advantage of that opportunity. The people knew quite definitely what was on the anvil and the demand for further consideration is merely a strategy to achieve the second object mentioned by us.

The income tax is under discussion in Kenya for period of sixteen years and if that is not a sufficiently long time to discuss it as an issue and a principle no period will ever be long enough for its consideration. As regards the proposals themselves there is nothing new or startling in them. They were before the country in 1933 and were fully discussed. Therefore as we said before, the demand for further consideration is a mere strategy and has neither merits nor justification of its own. Major Grogan himself in concluding his speech at the Regal Theatre on Thursday last said that he wished "to hold

the fort until such time as these vital matters can be discussed in that quiet atmosphere of fullest consultation with those who are going to be affected."

Not much imagination is necessary to realise that when Major Grogan and others ask for "fullest consultation with those who are going to be affected" in a "quiet atmosphere" they mean that on account of their personal opposition to the present Governor for initiating income tax with such strength of determination and courage of conviction, "quiet atmosphere" as far as they were concerned would only arrive after the departure of the Governor. The European campaign is therefore not so much against income tax as a form of tax but against it as coming during the regime of the present Governor. We do not think it to be a very edifying for position the Europeans to be in.

TERS DVE PRO' NIMS

say about a medicine that
it a success or failure. All
ertions in the world fall to
backed by practical experi-
rtisement we give you some
andom. They have been
al 'ASPRO' users and speak
you are still sceptical about
e for 'ASPRO' tablets just
They are truthful state-
ry conviction.

claims are—

ches in a few minutes,
to the sleepless.
in one night.
rowing pains.
d tooth by removing toothache.
t causing sickness, indigestion or

harming the heart.
ability.

th two or three 'ASPRO' tablets
or 'Flu attack in one night.

re in a few minutes.

ime, in Tram, Train, or Bus, at
anywhere, everywhere.

an take it.

p for women every little while

ffects of alcohol.

reducing the fever.

ASPRO
A TRADE MARK

ED IN PACKETS of
10, 27 & 60 tablets.

e 60's packet is the most
onomical
y to buy **'ASPRO'**

NEURALGIA HEADACHES & COLDS INSTANT RELIEF

Dear Sir,
I have very great pleasure in
writing to tell you of the really
wonderful effects of your 'ASPRO'
tablets. I have suffered with neu-
ralgia headaches for some time and
on taking your tablets I have had
almost instant relief. I have had
and have no hesitation in recom-
mending them to all my friends.
Yours faithfully,
A. HOWARD.

Committee's Suggestion.

The Committee, therefore, sug-
gest that you take the necessary
constitutional steps, to rescind the
Minute of the meeting of February
15th, 1933, which I read at the
beginning of these remarks and
then go forward, prepared to
support the following resolution:—

that Government consider the
the additional expenditure of
public monies involved in the
collection of Income Tax will
amount to £3,000 per annum, and
they record that in their view
this estimate is conservative."

FOR PRINCES & RICH MEN ONLY
The Royal Yaku...

claims are—

ches in a few minutes.
 to the sleepless.
 in one night.
 growing pains.
 tooth by removing toothache.
 causing sickness, indigestion or
 harming the heart.
 ability.
 with two or three 'ASPRO' tablets
 or 'Ffu attack in one night.
 re in a few minutes.
 time, in Tram, Train, or Bus, at
 anywhere, everywhere.
 can take it.
 p for women every little while
 effects of alcohol.
 reducing the fever.



ED IN PACKETS of
 10, 27 & 60 tablets.
 e 60's packet is the most
 nomical
 y to buy 'ASPRO'

NEURALGIA HEADACHES & COLDS INSTANT RELIEF

8 Cardiff Road, Parkwood,
 Johannesburg.
 Dear Sirs,
 I have very great pleasure in
 writing to tell you of the really
 wonderful effects of your 'ASPRO'
 tablets. I have suffered with neu-
 ralgic headaches for some time and
 on taking your tablets have had
 almost instant relief. I have also
 found them a great relief for colds
 and have no hesitation in recom-
 mending them to all my friends.
 Yours faithfully,
 A. HOWARD.

Committee's Suggestion.

The Committee, therefore, sug-
 gest that you take the necessary
 constitutional steps, to rescind the
 Minute of the meeting of February
 15th, 1933, which I read at the
 beginning of these remarks and
 then go forward, prepared to
 support the following resolution:-

Resolved: "That this Chamber
 is not opposed to the principle of
 income tax but it urges that
 Government should not take ap-
 parent precipitate action in chang-
 ing the fiscal policy of the Colony
 but that it should give opportu-
 nity for the consideration
 of the overhaul of the
 general means of taxation, both
 indirect and direct with a view
 to introduce of Income Tax
 from the 1st January, 1938 if
 found desirable.

"Further, in view of the
 anticipated surpluses the Chamber
 recommends the abolition as from
 the 1st January next of the levy
 on officials salaries and the
 reduction of trades licences in
 accordance with the recent Bill
 just published.

"The Chamber further notes

that Government consider that
 the additional expenditure of
 public monies involved in the
 collection of Income Tax will
 amount to £3,000 per annum, and
 they record that in their view
 this estimate is conservative."

FOR PRINCES & RICH MEN ONLY The Royal Yakuti.

THIS YAKUTI or life giving nectar
 has been prepared from the best, choi-
 cest and richest vegetable drugs. It has
 wonderful properties of increasing
 power and it rectifies urinary disor-
 ders. This valuable medicine is used
 in large quantities not only by our
 Rajas, Maharajas, Nawabs and many
 of the nobility, aristocracy and gentry
 in this Country, but it is greatly
 patronised by people in all countries
 of Europe, America, Asia and Africa.
 It is needless to expatiate upon the
 magical qualities of this our invalu-
 able medicine. We recommend it
 especially to those persons who desire
 to tone the nervous system, streng-
 then the body, refresh the memory,
 and to guard against debility. Suffice it
 to say that the use of this medicine is
 recommended to those who have any
 faith in the Ayurvedic medicines. It
 works like a charm and the affect is
 lasting. It replaces lost power and
 rejuvenates the emaciated and it is
 enough to say that musk is not that
 which a perfumer admires. It is that
 which diffuses fragrance of its own
 accord. Price per tin containing 40
 pills Rs. 10 only.

DR. KALIDAS MOTIRAM.
 RAJKOT—KASHIWAR, (INDIA).
 Stocked by:-
 Messrs. Kemp & Co. Ltd. Bombay,

61

10

"Eternal Vigila-
nce is the price
of Liberty."

6hr

Kenya Daily Mail

Saturday, 17th October, 1936.

INCOME TAX—WARNING TO GOVERNMENT

IN THE HEAT AND DIND of the "Income Tax Battle" there has been a great deal of the confusion of the issues. The European Elected Members who are determined to fight the introduction of Income Tax tooth and nail have already accepted the tax in principle. The reason behind the opposition to the Government proposals in such a bitter manner is nothing but wounded *amour propre* of the European settlers. From what we have read and heard about the European viewpoint in this unfortunate controversy, we believe that European community are ready to consent to the imposition of income tax, but on their own terms and at the time suitable to them. They are determined not to take income tax from this Governor which many of them seem to interpret as a "parting kick" and if they ever will agree to have income tax in future from another Governor it will be only if that Governor would be willing to bargain with them to give them some form of control over the finances of the country. In this demand if the Europeans were agreed to have an adequate association of other sections of taxpayers, that would be a proposal worth consideration on its own merits. But that is not the European way. What he wants he always wants for himself. The demand in reality amounts to the virtual control of the administration through power over the purse of the whole people. That is one reason why Indians feel that they can have no part or lot in the present European agitation against income tax. If income

every civilised country. With that belief they think that present is the best time to have it, so that with the rise in revenues from this and other sources in the time to come they can quietly and with reason argue with the Government to embark on a policy of gradual reduction of indirect and direct

IN THE HEAT AND DIN

of the "Income Tax Battle" there has been a great deal of the confusion of the issues. The European Elected Members who are determined to fight the introduction of Income Tax tooth and nail have already accepted the tax in principle. The reason behind the opposition to the Government proposals in such a bitter manner is nothing but wounded *amour propre* of the European settlers. From what we have read and heard about the European viewpoint in this unfortunate controversy, we believe that European community are ready to consent to the imposition of income tax, but on their own terms and at the time suitable to them. They are determined not to take income tax from this Governor which many of them seem to interpret as a "parting kick", and if they ever will agree to have income tax in future from another Governor it will be only if that Governor would be willing to bargain with them to give them some form of control over the finances of the country. In this demand if the Europeans were agreed to have an adequate association of other sections of taxpayers, that would be a proposal worth consideration on its own merits. But that is not the European way. What he wants he always wants for himself. The demand in reality amounts to the virtual control of the administration through power over the purse of the whole people. That is one reason why Indians feel that they can have no part or lot in the present European agitation against income tax. If income tax is acknowledged on all hands as a fair form of taxation (excepting of course Mr. Sayer) the Indian community believes that nothing will be gained in postponing its introduction to a future date. Many of them believe that they have been taxed enough for opposing the introduction of income tax everytime Government made an attempt. To-day they favour the imposition of income tax because they believe that it is in the interest of the country that the question should be settled finally. They believe that the country could no longer avoid this form of taxation which forms the part of the fiscal system of

every civilised country. With that belief they think that present is the best time to have it, so that with the rise in revenues from this and other sources in the time to come they can quietly and with reason argue with the Government to embark on a policy of gradual reduction of indirect and direct taxation. Refusal to face the fact of income tax will keep them burdened with the present load of taxation with no hope whatsoever of relief, and also the strong probability that another Governor might be inclined to succumb to European demand for control of finances as a "bribe" for the acceptance of income tax. That is why the Indian Community is unanimous not only in their desire but in their demand that Government should go on with their intention to impose income tax without unnecessary delay and warn them to remember as Sir Alan Pim says in his Report: "The country cannot afford another income tax fiasco."

ning

”

E'

Dairy farm with
herd of prize
Jersey Cows



'Ovaltine' Jersey Cows
on board at the Dairy
Show.

On Dairy Show the 'Ovaltine'
won the first prize in all three
addition the Herd secured the
prize and the Reserve award.
Ovaltine successes include the
in the butter test and the Lock-
cup. Every 'Ovaltine'
red & prize—a 100 lb. increase.

All in
Interest of
Quality



The 'Ovaltine' Egg farm extending
over 350 acres, and with
accommodation for 100,000 birds.
Over 100 Awards have been won
at the leading shows this season.

to use. Moreover,
s which make milk
shing.

it is in your best interests to drink delicious
nothing "just as good."

ways tells—insist on 'Ovaltine.'

y : A. WANDER LTD., London, England.

line' Jersey Cows
 on board at the Dairy
 Show.

At Dairy Show the 'Ovaltine'
 won the first prize in all three
 addition the Fled secured the
 and the Reserve award.
 'Ovaltine' successes include the
 the butter test and the Lock-
 Cup. Every 'Ovaltine'
 a prize—100% success.

All in
 Interest of
 Quality



The 'Ovaltine' Egg Farm extending
 over 350 acres and with
 accommodation for 100,000 birds.
 Over 100 Awards have been won
 at the leading shows this season.

to use. Moreover,
 which make milk
 shing.

it is in your best interests to drink delicious
 nothing "just as good."

ways tells—insist on 'Ovaltine.'

y: A. WANDER LTD., London, England.



WINNERS' VIEWS OF AIR RACE

"A PIECE OF NONSENSE"

SHOW SHOULD HAVE
 BEEN INTERNATIONAL

London, Oct 14.

Messrs. Scott and Guthrie have

arrived here. Scott said that the
 race was a piece of non-sense. He
 was glad that he flew in the only
 machine which returned with its
 own power and not in a packing
 case. The show should have
 been international. The prize-
 money was "not half big
 enough."—Reuter.

62

8

“Eternal Vigilance is the price of Liberty.”

Kenya Daily Mail

Friday, 16th October, 1936.

GOVERNMENT'S CASE

AS A SUPPLEMENT TO the "Official Gazette" issued on October 13 the Government have come out with a statement of their case for income tax. However ~~be it~~ we welcome this step as it gives the opportunity to the general public of thinking out the whole question for themselves. We suggest that having taken the plunge the Government should continue to issue weekly statements on their income tax proposals in order to guide the general public properly and put before them both sides of the issue.

According to the Government statement the revised estimates for the year 1936 will show a surplus balance of £87,500 as against £9,750 of the Original Estimates. The improvement has largely been in indirect taxation, but the the Native Hut and Poll Tax show a deficit of some £20,000. But the story is quite different when they come to the question of Budget for 1937, which according to them will show an increase in expenditure of £50,000 and a decrease in revenue of £47,000 as a result of the abolition of the levy on official salaries. This means that income tax or no income tax the Government have decided to abolish the levy. Government will have thus to provide for an increase of some £100,000 which they expect to reduce to £43,000 by means of an estimated increase in customs revenue of some £57,000.

This shatters the case of the opponents of income tax who maintain that there is no need for any additional taxation in that even with the abolition of alternative taxes and levy the Budget could be balanced out of revenue. Evidently if Govern

GOVERNMENT'S CASE

AS A SUPPLEMENT TO the "Official Gazette" issued on October 13 the Government have come out with a statement of their case for income tax. However belated, we welcome this step as it gives the opportunity to the general public of thinking out the whole question for themselves. We suggest that having taken the plunge the Government should continue to issue weekly statements on their income tax proposals in order to guide the general public properly and put before them both sides of the issue.

According to the Government statement the revised estimates for the year 1936 will show a surplus balance of £87,500 as against £9,750 of the Original Estimates. The improvement has largely been in indirect taxation, but the the Native Hut and Poll Tax show a deficit of some £20,000. But the story is quite different when they come to the question of Budget for 1937, which according to them will show an increase in expenditure of £50,000 and a decrease in revenue of £47,000 as a result of the abolition of the levy on official salaries. This means that income tax or no income tax the Government have decided to abolish the levy. Government will have thus to provide for an increase of some £100,000 which they expect to reduce to £43,000 by means of an estimated increase in customs revenue of some £57,000.

This shatters the case of the opponents of income tax who maintain that there is no need for any additional taxation in that even with the abolition of alternative taxes and levy the Budget could be balanced out of revenues. Evidently if Government figures are true, and they must be taken as true, the Budget could not even be balanced on the existing basis of taxation. Thus even from the paramount need of securing the stability of finances on a more or less permanent basis there appears to be an urgent need of revising the system of direct taxation.

UB - AGENTS

YIKA AND ZANZIBAR

D COMMISSION

NTEED.

E SOCIETY LTD.

Road, Phone: 2749.

keeping all
NYA



The
**Mould
of Form**

**perfectly moulded
inner tube**

The moulded inner tubes by Dunlop fit the tyre and wheel without a crease or wrinkle.

Dunlop moulded tubes have no joints to spoil their shape or destroy their balance.

In strength and resistance to tearing and ageing Dunlop moulded tubes are supreme. They cost no more than ordinary tubes.



**ENT
BRAND**

ed for your further orders.
NOTE YOU.

JOB - AGENTS

YIKA AND ZANZIBAR

AND COMMISSION

WARRANTED.

Y,

THE SOCIETY LTD.

Road. Phone: 2749.

keeping all
NYA



The
Mould
of Form

perfectly moulded
inner tube

The moulded inner tubes by Dunlop fit the tyre and wheel without a crease or wrinkle.

Dunlop moulded tubes have no joints to spoil their shape or destroy their balance.

In strength and resistance to tearing and ageing Dunlop moulded tubes are supreme. They cost no more than ordinary tubes.



E N T
BRAND

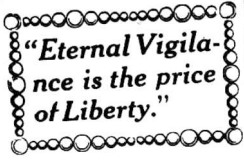
ed for your further orders.
QUOTE YOU.

Trading Co. Ltd.

BASA. P. O. Box 54. Telephone 258.

Gentlemen, I am afraid, I have kept you longer than I ought to have done but, I thought it was my duty to give you some data for your guidance.

Gentlemen, I will now ask you to proceed with your deliberations and wish you every success



“Eternal Vigilance is the price of Liberty.”

The
Kenya Daily Mail

Wednesday, 14th October, 1936.

**FEDERATION AND
 INCOME TAX.**

THE SPECIAL SESSION of the Federation has passed a resolution in favour of income tax at its special session held at Nakuru on Sunday last. In the last controversy on this tax they had agreed in principle that income tax was the fairest form of taxation, but they thought that emergency being temporary a permanent form of taxation might not be to the advantage of the country. After two years of the experience of the working of the alternative taxes they have now come to the decision that it would be better to have one tax of the kind proposed by the Government than a collection of taxes, unscientific in manner and irritating in their incidence. They have therefore favoured the Government proposal to introduce the system of income tax in the country. On the previous occasion Indian mercantile community was not feeling the same way with other sections on this question and by this resolution the Indian community becomes unanimous in support of the income tax. There have been criticism at the supposed inactivity of the Congress Executive in this matter. The critics seem to forget that Congress had expressed themselves in favour of income tax on the previous occasion and nothing has happened to change their view since then. On the other hand they have become all the more strong in favour of the proposal to impose income tax. There was no need for them therefore to call a special session of the Congress to declare what everybody knew. But we believe

of the Federation has passed a resolution in favour of income tax at its special session held at Nakuru on Sunday last. In the last controversy on this tax they had agreed in principle that income tax was the fairest form of taxation, but they thought that emergency being temporary a permanent form of taxation might not be to the advantage of the country. After two years of the experience of the working of the alternative taxes they have now come to the decision that it would be better to have one tax of the kind proposed by the Government than a collection of taxes, unscientific in manner and irritating in their incidence. They have therefore favoured the Government proposal to introduce the system of income tax in the country. On the previous occasion Indian mercantile community was not feeling the same way with other sections on this question and by this resolution the Indian community becomes unanimous in support of the income tax. There have been criticism at the supposed inactivity of the Congress Executive in this matter. The critics seem to forget that Congress had expressed themselves in favour of income tax on the previous occasion and nothing has happened to change their view since then. On the other hand they have become all the more strong in favour of the proposal to impose income tax. There was no need for them therefore to call a special session of the Congress to declare what everybody knew. But we believe that they ought to have issued a press communique after discussing the question in the Executive Committee so that public might learn about their views in details. The Federation had to meet in a special session because they had to review the question in the light of experience gained. It would be well to note that Federation do not base their consideration of the Government proposals on questions of political advantages and constitutional issues. Neither do they, as some of the Europeans are doing, involve the personality of His Excellency the Governor in it. They have taken the decision on the grounds clearly indi-

ated in the resolution and will be welcomed by the public in general, as it takes into consideration the case of small men and seeks to gain for them some much needed relief.

ADVERTISE
IN THE
Kenya Daily Mail
AND
Make People Buy.

Locally Printed Weekly Shs. 20
 Foreign " " " " Shs. 25



Keep your teeth

the more necessary it is to
 toothpaste, which does keep
 white and free from stains,
 brush, too, and overcomes that
 that often follows smoking.
 ingredients contained in
 British peroxide dentifrice,
 and powers.

CLEANS
PEROXIDE
PASTE

Teeth white."

GIN
WREST WATCHES
for Men and Ladies



Factory
Guaran-
teed

Stylish Wrist Watch Highly
 movement Watch Guaranteed



your teeth

the more necessary it is to
toothpaste, which *does* keep
white and free from stains.
with, too, and overcomes that
that often follows smoking.
ingredients contained in
British peroxide dentifrice,
powers.

LEANS OXIDE PASTE

Teeth white."

GIN RIST WATCHES

Men and Ladies



Factory
Guaran-
teed

Styled Wrist Watch Highly
movement Watch. Guaranteed
good time and, if used carefully
in a gorgeous gift box.

from:-

Trading Stores Ltd.

Government Road
NAIROBI.

ATED ATIVE FOR ARTAN ASSURANCE LTD.,

(ESTD. 1929)

the biggest Industrial Insurance Company in INDIA
on a monthly Salary of Rs. 125, besides commission
and renewals.

Apply to: **THE GENERAL MANAGER,**
8, 4, Hare St. CALCUTTA, India.

[Mr. Ormsby-Gore Secretary of State] 38174

64 8

Erradale

P.O. Kinangop

Naivasha, Kenya.

15th. October, 1936.

Sept 16 see
W.O.G.

RECEIVED
27 OCT 1936

Dear Mr. Ormsby-Gore,

It is with some misgiving that I take what you may think the unwarranted liberty of writing to you personally on the present state of affairs in Kenya.

I have been told that a letter is being, or has been, sent to you (as Secretary of State) by the European Elected Members, asking that the introduction of Income Tax may be postponed. It would be impertinence for me to enter into any argument for or against: all I have to say is this: the publicity being given to this present agitation against Income Tax completely misrepresents the general opinion of the Colony, where there is a general feeling in favour of Income Tax and in many quarters a feeling of intense indignation at the folly and wickedness of this latest attempt to stir up hate among the white settlers.

Nine out of ten settlers think Income Tax a fair tax, and not one in ten cares a button about the "constitutional issue".

The same people who got Income Tax turned down in 1933 are now protesting that they are not being given time enough to consider the question!

I think you know Kenya well enough to know how much importance to attach to such statements as: "the country is solidly behind the Elected Members"; "wave of indignation sweeping the country", etc., ad nauseam. Any hastily convened meeting of settlers, after an impassioned anti-government harangue by such a speaker as Grogan, will invariably provide a "unanimous vote"; which as a reflection of sober private opinion means practically nothing.

In conclusion I trust you will realise that I have no personal interest (except that it happens that as a pensioner Income Tax will hit me harder than present taxation!)

With many apologies for troubling you with this letter,
Yours sincerely,
C. J. Wilson

Personal

RECEIVED
29 OCT 1936

38174/4/36 Kenya

Naandi '65
15.10.36

My dear Flood,

Though it's quite against my principles, I'm going to inflict upon you a screed about local politics. Of course you needn't read it.

Bearing in mind the events of 1933, you can imagine that I've been following the present Income Tax hullo-ballo with much interest and more amusement. From a careful study of our daily newspaper, and from the talk which one hears in clubs and places where they drink, and from various conversations with friends & acquaintances, I've come to certain conclusions which, though admittedly negligible, I want to set down on paper.

I. Of rational opposition to the Tax, as a poor measure there is naturally not a trace. The letters which fill the E.A. Standard's correspondence page daily are most for the most part, written by people who haven't read the Reform, the I.T. Bill, & the two Government memoranda. Even Claude Anderson, who runs the Standard, admitted to H.E. this morning that he couldn't object to the Bill on economic grounds.

II. The opposition on constitutional grounds is founded on Curwiff-hin's remark, in that famous despatch of (?) 28 June 1933, about the taxpayers' right to be consulted on the method

to be used for raising a given amount of revenue. Very well, it's up to the people to suggest means other than I.T. for so increasing next year's revenue that the budget will balance; but this doesn't seem to have occurred to them.

Now what sticks out a yard, but can't be said in a despatch, is that the present outcry is based almost entirely on personal grounds; as follows:-

(a) Personal antipathy to H.E. and the desire to send him out of office under a cloud. The converse of this is the wide-spread belief that H.E. is doing his damndest to force the thing through before he leaves, so as to give the Colony a head in the pants which it will remember for 25 years, as Hyman put it the other day.

The existence of the personal antipathy is an unfortunate fact which must be reckoned with. Of course it is due principally to the fact that the present Governor does his best to govern.

(b) Personal interest by certain of the Elected Members. There is no doubt that, when the Bill becomes law, people like Eric Schwartze, Tischer & two or three others will have to pay up pretty handsomely; nothing like so much, of course, as they would in the U.K. but a great deal more than they pay under the graduated Poll Tax. Naturally they don't refer to this aspect of the case on the platform.

(c) Personal desire by the Elected Members to recapture their lost prestige. They've had some horrid smacks this year; e.g. the fracas over the resignation from Ex.C. in February, which was the dampest of damp squibs; and the Pin Report itself, in which they had been relying to sack a few hundred civil servants etc. They're in such low water politically, that they feel they must do something to create a splash; hence the present frantic effort to rouse the Country.

From the P.P. telegram which H.E. has shown me I gather that the power that he is anxious to avoid is the unpleasantness which may be anticipated if the Bill is introduced into Council at the next month. What would be the alternatives? If the Bill is pushed through in November, the Elected Members will probably walk out; the Government will write some more letters & publish some more letters & reports (carefully edited) of a Great Mass Meeting (30 people in the bar of the Blue Post, Thibon); and for a few weeks the mountainside line of our Province of Empire. Then a new Government will arrive, a public attention will be focussed on him; 37% of the non-native taxpayers will find that they're no worse off under I.T. than they are under the present system; additional taxes will come in.

and by the end of 1937 people will be wondering what all
the fuss was about! B. If the Bill is suspended or
withdrawn, next year's Budget can be saved only by
maintaining the Scheme here, with the result that the 2000
Civil Servants will have a very real grievance; and
the political uproar will repeat itself in October 1937.
And, in the meantime, the cause of your government in
this Colony will have had another terrific setback.
Cavendish-Bentinck & his friends will be able to boast
that they've brought the S.F.S. to his knees as they did
in 1923 and again in 1933; and the unfortunate man
by whom - whom he may be - will find he's expected
to run the country with a government machine which cracks
whenever an Elected Member blows on it!

As for H.E., he's fattening himself to death at the thought
of being let down with - bump again, as he was three
years ago. Merely on humanitarian grounds, the sooner he's
put out of his misery, the better.

Yours ever

Drummond

Ans'd (3) on S.F. 5

67

Colonial Office,
Downing Street,

28th October, 1936.

PERSONAL.

My dear Byrne,

I am sorry that I have not been able to answer your letter of the 3rd October before this. In the meantime a good deal has happened and in particular I think that the Secretary of State's despatch No. 795 of October 8th goes far to answer your points.

I am referring very especially to the question of a reduction in native taxation. In his despatch Mr. Ormsby Gore said that this should be taken in hand forthwith and I am afraid that your proposal to promise consideration during 1937 cannot be regarded as practicable.

On the other hand it would not be possible to contemplate any cutting down of the native service and I am afraid, therefore, that there is no alternative to the proposal that if you cannot balance

your

68

your Estimates they should go through unbalanced, with the intention of meeting the deficit if it is actually realised by borrowing.

We are expecting to receive any day Treasury acquiescence in this course. But, of course, we may hope (with more confidence than we could a little time ago) that borrowing will prove to be unnecessary and that the deficit on the Estimates will be made good by an excess of revenue over the Estimate.

I hope that this will reach you in time for you to use in Council, but in any case, as I have said, the despatch will have shown you the lines which Mr. Ormsby Gore wishes to be followed.

Your sincerely

W. G. C.

your Estimates they should go through unbalanced, with the intention of meeting the deficit if it is actually realised by borrowing.

We are expecting to receive any day Treasury acquiescence in this course. But, of course, we may hope (with more confidence than we could a little time ago) that borrowing will prove to be unnecessary and that the deficit on the Estimates will be made good by an excess of revenue over the Estimate.

I hope that this will reach you in time for you to use in Council, but in any case, as I have said, the despatch will have shown you the lines which Mr. Ormsby Gore wishes to be followed.

Yours sincerely

W. G.

AIR MAIL.

PERSONAL & PRIVATE.

69
5
GOVERNMENT HOUSE,

KENYA,

EAST AFRICA.

3rd October, 1936.

RECEIVED
14 OCT 1936

My dear Bottomley,

38173/2/16
I am very grateful to the Secretary of State for his telegram of the 30th September permitting me to 'go ahead' with the introduction of Income Tax. I think it is the right and the only course possible. The Bills and the memorandum are appearing in a special Gazette this morning. There will be the usual outcry from the East African Standard and no doubt even those in favour of Income Tax will criticise the Bill. Such criticisms can be dealt with in Legislative Council.

I shall probably make the announcement referred to in the Telegram in my opening address.

As I told you in my last letter I am very worried over the P.M. recommendation regarding Native Taxation. We discussed this in Executive Council yesterday and came to the conclusion that, however desirable it would be to give effect to the recommendations this could only be done in one of three ways, viz:-

(a)....

2.

(a) By producing an unbalanced Budget to the tune of about £40,000. The effect of this on our credit would be a set back after the laborious efforts we have made during the past few years to regain financial stability - a stability that has been recognised by the recent successful loan issue.

(b) By cutting down native Services. As you know, we have always kept in mind the Hoyle formula and indeed we have now managed to make provision in the Estimates beyond this formula. To my mind to cut down services would be most unwise.

(c) To adopt Bin's recommendation and borrow to meet the deficit caused by the loss of revenue involved. None of us like this and the idea was unanimously rejected by the Standing Finance Committee which includes Francis Scott, Schwartze and Cavendish Bentinck.

Now, as regards (c), in your telegram of the 25th September it was stated that the Secretary of State was approaching the Treasury regarding this loan proposal. In this connection I received this morning an

3.

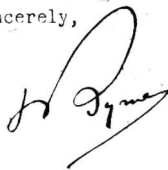
interesting memorandum from Walsh, a copy of which is enclosed in case you are now negotiating with the Treasury.

Can I be given any guidance as to how I am to deal with this Native Taxation issue which is sure to be raised in the House of Commons. The only solution I can see is to make sympathetic reference to it in my opening address and to state that the Government will make every effort during 1937 to find ways and means to effect at least some reduction in 1938.

Are you doing anything about the Inland Revenue Officer?

I will keep you fully informed of the unofficial opinion as requested by the Secretary of State in his telegram.

Yours sincerely,



Sir W.C. Bottomley.
K.C.M.G., C.B., O.B.E.
The Colonial Office.
LONDON. S.W.1.

THE TREASURY,
NAIROBI.

No. 4908/3.

29th September, 1936.

The Hon'ble. the Colonial Secretary,
Nairobi.

THE PIM REPORT - LOANS TO MEET DIFFICULTIES.
Ref: Your No. S/D/COM.4/9/7/1/9/1 of 24th Sept. 1936.

Apart from objections in principle to the financing of deficits by loans - a procedure upon which the Standing Finance Committee on the 15th September expressed the view "that the proposals appeared to be unsound, unorthodox and contrary to the accepted financial policy of Kenya" - there are certain practical objections to the adoption of this course.

2. With all due deference and respect to Sir Alan Pim, I venture to suggest that he has failed to take sufficient account of the various expedients which have been adopted to ease the budgetary position during the recent period of emergency. I refer more particularly to

- (a) reduction of Sinking Fund payments to the statutory minimum of 1%;
- (b) postponement of full payment of arrears due by Government to the European and Asian Local Civil Service Provident Funds;
- (c) cessation of contributions to the Water Works Renewals Funds.

3. These measures of relief have received the approval of the Secretary of State and can be justified so long as a period of acute financial stringency exists, but a sound financial policy would demand reversion to the orthodox method of making adequate provision for liabilities of this nature from Revenue immediately the emergency has passed. So far from pressing for a more adequate provision for these liabilities, Sir Alan Pim proposes that the indebtedness of Government should be increased by borrowing to meet deficits on year-to-year running expenses, a

course.....

course of action which in all probability would result in the postponement for an indefinite period of a return to accepted practice so far as adequate budgetary provision for meeting liabilities of this nature is concerned.

4. As regards Sinking Fund contributions, the original contribution in respect of the 1921 Loan was 25/- per cent, which, if the rate of interest earned had continued at 5%, would have sufficed to redeem the Loan in full. It was reduced to 20/- per cent, the statutory minimum, as from 1933 on account of the financial stringency. Sinking Funds in respect of the other loans have received only 1% from the beginning. In this connection the following extracts from Kenya Despatch No. 503 of the 26th October, 1933 (a copy of which was forwarded to me under cover of your D/Fnce.17 Vol.XIII/121 of 26.10.33), are of interest:-

"It is in my opinion a fundamental principle of sound finance to maintain full sinking funds on loans raised by the Colony, but in times of severe financial stringency like the present it is not always possible to put this principle into practice"...

"Steps should be taken as soon as the financial position warrants it to strengthen the sinking funds by making further contributions to the supplementary sinking fund from general revenue and I consider also that when this time arrives it would be prudent to increase the rate of contribution to the sinking fund of the 1933 Loan, which is the only loan in which the Railway Administration is not concerned."

I do not think Government can yet consider increasing the sinking fund on the 1933 Loan beyond the statutory minimum, or the making of contributions to the Supplementary Sinking Fund, but it is a liability which must be borne in mind when future budgets are under consideration.

5. So far as arrears of contributions due by Government to the European and Asian Local Civil Service Provident Funds are concerned, the liability has in fact been taken to account in the

Colony's.....

Colony's Balance Sheet, but it has been charged to a Suspense Account instead of to Expenditure. The result is that the Statement of Assets and Liabilities contains a purely paper asset and the true surplus of assets over liabilities is overstated by that amount. Prudent finance would dictate a liquidation of this liability immediately circumstances render this course possible.

6. The position of the Water Works Renewals Funds is that assets which cost £367,354 are gradually wasting and will eventually have to be replaced. In approving the reconstruction of the Mombasa Water Supply in 1925, the Secretary of State wrote:-

"In view of the great importance of the Service not only to the town of Mombasa but also to the country as a whole from the facilities which it gives for watering shipping, I am impressed with the necessity for maintaining it at full efficiency and I am of opinion that the loan charges on both the original cost of the Works and on new expenditure should not be borne on the revenue of the Water Works until a net revenue of £10,000 a year has been obtained. All net revenue up to that amount should be set aside each year to a Renewals Fund."

7. Renewals Funds have been instituted in respect of Mombasa, Kisumu and Machakos Water Supplies but contributions ceased owing to the necessity for budgetary economy, leaving a mere or less negligible total of £3,801 on hand under the various Renewals Funds.

8. The annual charges necessary to cover the full cost of renewals would be £22,937 and the longer such provision is delayed the greater the annual charge must become unless the Secretary of State's instructions are disregarded and posterity is called upon to make good the cost of renewal when it becomes due, an alternative which is clearly repugnant to sound financial practice.

9. There is also the question as to whether it would not be sound policy to provide similarly for renewals of major plant in the Public Works Department.

10. A further factor which Sir Alan Pim appears to have ignored is that the Government has incurred positive liabilities to the extent of £116,440 and contingent liabilities of £13,500 to the Colonial Development Fund which are not at present shown in the Colony's Balance Sheet. The annuities by which these liabilities are to be discharged will throw a further burden on Revenue in the near future.

11. It can be seen therefore that the present Budget is already relieved to the extent of the greater part of the £100,000 envisaged by Sir Alan Pim.

12. In paragraphs 406/7 of the Financial Commissioner's Report it is suggested that the Colony might borrow annually "the sum required to assist the Colony either until either "one or more of the loans becomes due for conversion, or until "the finances are in such a position that relief is no longer "required." These annual loans "should not be repayable "until after the earliest redemption date of the more onerous "of the present loans and as wide a margin as possible should "be allowed in the period of redemption". The loan for the first year "would presumably require interest to be paid at "approximately 3% (with a 1% sinking fund); in future years "the interest rate might have to be higher in response to "market changes".

13.

13. Sir Alan Pim makes it clear that the sum to be borrowed each year would be decided by the Government with reference to the financial position at the time, but it should not exceed £100,000 in any year. "The sum should be so calculated as to allow sufficient protection against the necessary delay in effecting the proposed economies, the uncertainties in the receipts from Income Tax and from the Native Hut and Poll Tax with a small margin towards building up a much needed reserve". He goes on to say that "for the reasons previously stated the loans should be considered as intended to meet a temporary emergency and not as indicating financial instability on the part of the Colony."

14. It will be observed that Sir Alan suggests that the proposed new loans should be covered by a 1% Sinking Fund. Allowing for compound interest at the net rate of 4% over the period, it would take over 40 years for the sinking fund to accumulate to the amount of the loan. The terms of the recent (1936) loan may be taken as an indication of the present trend of the money market, and it may therefore be assumed that the period of a 3% loan would not be much longer than 25 years. It would therefore be necessary to follow one of three courses:

- (a) to increase the Sinking Fund contributions from 1% to 2.4% making the total loan charge 5.4%;
- (b) to leave the Sinking Fund at 1% and to finance the deficit on maturity of the loan from surplus balances;
- (c) to leave the Sinking Fund at 1% and to finance the deficit by new borrowing.

5.
76

15. As regards (a) the prospect of adding 35,400 pounds to the annual charges on account of Public Debt in respect of every £100,000 borrowed can hardly be regarded with complacence. (b) and (c) both increase the burden of future years and it has been shown in an earlier paragraph that the present temporary policy in regard to sinking funds on existing loans already serves to postpone sufficiently heavy commitments.

16. In any event I submit that the purchase of present ease at the cost of future discomfort cannot be regarded as a courageous or sound policy. I believe that the acceptance of the proposal would involve a loss of confidence by the investing public in the financial integrity of the Colony which would render the flotation of future loans at favourable rates a matter of extreme difficulty and that from the local point of view the temptation to disregard the vital relationship between revenue and expenditure would be almost overwhelming. Such a course of action would certainly ease the burden placed on the present generation and on the principal officers of Government now responsible for the preparation of the Colony's budget, but it would inevitably be at the expense of future generations. "That way damnation lies" was the comment of the Secretary of State when offered in 1933 a 'solution' of the Colony's financial difficulties by way of devaluation; in my opinion the same remark would apply with equal force to the present proposal.

17. For the reasons given above, I am forced to recommend as strongly as I am able that there should be no major departure from orthodox practice so far as this Colony's Budget is concerned. I would, however, urge acceptance of the procedure indicated.....

7.
77

indicated in succeeding paragraphs of this memorandum as a means of facilitating preparation of the estimates and at the same time of affording an opportunity of adjustment of the liabilities to which I have alluded, without budgetary dislocation immediately financial circumstances permit.

18. It is of course a fact that during a period of decreasing trade and prosperity the balance of revenue and expenditure will tend to compare unfavourably with the Estimates. Conversely in a period of increasing trade and rising prosperity the year's surplus will tend to exceed the Estimate. As Estimates have to be prepared considerably in advance of the period to which they refer it is quite impossible for them to reflect in full either the improvement or the deterioration of the economic situation.

19. As has been shown, the budget as it stands to-day ignores certain definite liabilities and for the reason given in the preceding paragraph, while at the end of the year the surplus may show that it would in fact have been possible to make some provision in this respect, the position at the time when estimates are framed will not allow of their inclusion without unbalancing the budget.

20. It must be emphasised that so long as this state of affairs continues, the paper surplus shown at the end of the year cannot be a true surplus.

21. It is suggested that this difficulty could be overcome and the financial position proportionately strengthened by adoption of the following procedure which would appear strictly to conform to sound business principles.

22. The discharge of certain of the liabilities mentioned (e.g. Provident Fund arrears and contributions to Water Works Renewals Funds) does not involve a cash transaction but merely a debit to expenditure with a corresponding credit to a deposit account. An adjustment of this nature could therefore be made at any time before the accounts are finally closed in April of the following year. It would in consequence be possible to ascertain the actual surplus on the working of the year and then to allocate an appropriate portion to the discharge of these liabilities.

23. There can be no real advantage to the Colony in showing what is in fact a fictitious surplus and the procedure outlined above would not only avoid that but would also overcome the difficulty of presenting an unbalanced budget to the public.

24. I suggest therefore that the approval of the Secretary of State to this course be sought. The transaction would be covered by Special Warrant and when necessary by a Resolution of Legislative Council. It would appear in the final Schedule of Additional Provision for the year and in the Supplementary Appropriation Ordinance.

25. I am confident that in present circumstances it should be possible to balance the budget of this Colony without having recourse either to burdensome taxation or to the transference to posterity of responsibilities proper to the present generation, it being understood that unnecessary remission of taxes will be avoided. If such an assumption is warranted,.....

warranted, the Estimates will reflect a surplus, recourse to the proposed system of temporary borrowing will be unnecessary and acceptance of the proposals contained in paragraphs 21/4 of this memorandum will in due course eliminate the unsatisfactory features in the Colony's Budget to which I have alluded. If on the other hand expenditure is allowed to outrun revenue, immediate temporary borrowing can be avoided by depletion of surplus balances, but rectification of the position in regard to Provident Funds or Water Works Renewals Funds will be out of the question. Surplus Balances have improved materially since Sir Alan Pim framed his Report and although he stressed the importance of improving the liquid cash position it is highly improbable that he would have advocated temporary borrowing until all other resources had been exhausted. He appears to have envisaged the necessity for an extraordinary but quite temporary expedient to bridge a gap between estimation and realisation of revenue during the early stages of application of the new system of taxation. That necessity no longer exists so long as surplus balances are sufficient to bridge the gap and it would be obviously unwise to borrow money for this purpose if funds are already to hand. At the same time, I am in full agreement with Sir Alan Pim that the true cash position should be strengthened and am strongly of the opinion that this can only be achieved by estimating for a surplus in the Budget of the Colony.

(Signed) G. WALSH.

TREASURER.

4
Colonial Office,
Downing Street. 90

10 October, 1936.

Dear Sir Joseph,

Many thanks for your letter of the 22nd of September with its most interesting cutting from Couldry's Newspaper which I read with great interest and have shown to higher authority. I do hope that they will not be led astray by the wild^{er}delament.

(local people)

I hear that at a dinner of the African Society, Cavendish Bentinck was holding forth on the iniquity of expecting Kenya to pay anything towards the upkeep of its defence forces. In other words, the settlers are such precious creatures that the Empire - meaning the British Taxpayer - ought to be only too glad to contribute the entire cost of defending them. Joelson had a note to the same effect in "East Africa" some time ago, but when I saw him I told him that the difficulty would be to resist the demands ^{on} of East Africa and the Colonies generally for contributions to the defence forces of this country. That is true but is not generally realised.

With regard to seats for the Coronation, we do not know yet what arrangements are going to be made or what Stands will be put at the disposal of Government Departments. I have handed your application for eight seats to the people who are keeping a list, but heaven only knows what the result will be. In your own case if you were here I think that you would be invited as a Governor to attend the ceremony in the Abbey, but that is only a think, and even then I do not know whether Lady Byrne could find room in the Abbey also in view of the frightful crush that there is likely to be there.

JOSEPH BYRNE, G.C.M.G., K.B.E., C.B.

I

I hope you will have a pleasant voyage
round the world when you leave Kenya. You deserve
it if any man did.

Yours sincerely,

JF

PERSONAL:

AIR MAIL:

GOVERNMENT HOUSE,
KENYA,
EAST AFRICA.

3
82

*hr
6/1**

4137/14 bc

22nd September, 1936.

7 DEC 1936

C. O. REC

Dear Flood,

Many thanks for your letter re the subject of the Mourning Bands.

I returned from Johannesburg on Friday after a period of the most lavish hospitality. As Pirow was ill our work in the union was purely ceremonial: Freeston is sending all particulars.

Things are very quiet here - I enclose cuttings from the last issue of Couldrey's paper, which, as you know, carries great weight with the Settler Community. It is rather pathetic to see Francis Scott's letter inserted with a Mourning Band round it!

I wonder if you could do anything for me in the following matter. I know it does not concern you, but perhaps you could approach the branch that deals with it.

Done

I leave.....

J. E. W. FLOOD, ESQ., C.M.G.,
COLONIAL OFFICE,
DOWNING STREET,
LONDON, S. W. 1.

Hand 4

Copy on
4137/14/36

I leave here on the 22nd December, and I am returning home via Japan, etc., I shall not arrive in London till towards the end of April.

I shall then be nobody's child, but my wife and my two married daughters each with a small child, are anxious to see the Coronation.

Possibly, as a very recent retired Colonial Official, I might be permitted to purchase seats (eight) on the Colonial Office or Government Stand.

Yours sincerely,

sent under ...

2/1/36

C.O. Regy.

83

Mr Flood

Sir C. Bottomley

RECEIVED
2-OCT 1936
C.O. REGY



PERSONAL:

J. Campbell
S. M.

*I think Sir J. Campbell
Sir J. Maffey & de S. ops.
will like to see the
enclosed article from a
Kenya paper.*

R 297

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

Mr Flood

J. Wood
2/10

Downing Street,

11, 6. 10.

LONDON. S. W. 1.



Kenya Weekly News.

Edited by F. J. Coultery

SUBSCRIPTION RATES.

Delivered in Nakuru ...	Shs. 10 00
Posted to any address	
IN EAST AFRICA	
Yearly ...	Shs. 14 00
Half Yearly ...	Shs. 7 50
3 Months ...	Shs. 4 00
ELSEWHERE	
Yearly ...	Shs. 17 00
Half Yearly ...	Shs. 9 50
3 Months ...	Shs. 5 00

BIRTH.

BELL.—To Freda, wife of Patrick Bell at Nakuru War Memorial Hospital, on September 17th, a Son

NAKURU FRIDAY, 18th SEPTEMBER, 1936.

NOTES OF THE WEEK.

Unfortunately it cannot be said that the position in Europe has developed for the good during the week, in fact the prospects

The Week

of world peace appear on the surface anyhow to be gloomier than they have been since 1914. Both Italy and Germany have sent replies on similar lines to the request of the League of Nations for a further conference and although both accepted the principle, both maintain that their preliminary conversations are necessary first. Obviously both are desirous of shelving a further meeting and the prospect of it taking place next month as was suggested are very dim. In the meantime Herr Hitler's anti-Bolshevik tirades are becoming decidedly more belligerent in tone and at Nuremberg on Monday he wound up a great Nazi demonstration on a distinctly warlike tone. In an airmail letter from a friend in London, a very keen observer, who had just then returned from Berlin were the following words, "I gathered the impression that Hitler's army has got too big for him; the cost of it is enormous and there is a grave danger that he may be forced to use it in order to show some justification for the colossal expense." That may well be the case and is indeed the danger which has been foreseen by everybody for some time. Of special interest to us was his declaration of Germany's need for colonies and his statement that Germany's aim must be the re-possession of her pre-war colonies now administered under mandate. It is further interesting to note that he based his claim on economic grounds showing that economies are becoming more and more the absorbing subject in Germany. Comment on this point in his speech is futile because it is perfectly clear that it will be in Europe that this point will be decided, but if his speech has the effect of driving us in Kenya into closer co-operation with South Africa, who if it came to a show down would undoubtedly be our strongest allies, then the speech will not be entirely useless.

The position in Spain is just as obscure as ever. The tragedy of it is that in all probability the great majority of the wretched people are indifferent as to which side wins, they have little to hope for from either, but as is always the case they are being made the shuttlecock between two violent minorities. In England the event of the week has been

the trial of MacMahon. The fairness of the trial and the moderation of the sentence must be received in Moscow and Berlin with something very like incredulity, and the refusal of the British people to be jockeyed out of their calm by the prisoner's dramatic outburst fittingly demonstrates the advantages of a level headed democracy over either Bolshevism or Nazism. (Cannot you imagine how an event like that would have been seized upon in Berlin or Moscow for one of their periodic purges. England's increasing trade prosperity has been further revealed during the week by the publication of their trade returns for August which are the highest since 1930.

Of Empire news, apart from the opening of the great Exhibition at Johannesburg, the principal event has been the presentation of Australia's prosperity Budget which reveals a most satisfactory state of affairs, it makes large reductions in taxation and provides for no less than eight million eight hundred thousand Australian pounds for defence, the highest vote ever sanctioned in peace time. Lest however you be inclined to envy Australia's financial position to the detriment of Kenya's a glance at the taxation still paid there would soon disillusion you. In Australia today you pay two income taxes, state and federal, and two land taxes, whilst the indirect taxation is enormous.

The Atlantic has again been crossed by two American liners who crashed on landing; it is significant that the last three times this feat has been done, each of the liners has crashed. It would look as if in each case physical endurance had been taxed to the utmost.

A tragedy of a somewhat novel nature has occurred in Norway. A huge landslide collapsed in Lake Lorn in Western Norway which caused a tidal wave so large that it swept away two whole villages, drowning no less than seventy four people. I do not know the size of the lake, but this accident must surely be unique.

In spite of the Pim report, and the Johannesburg Exhibition, the principal interest around the country districts still

Local Topics. naturally centres around commodity prices. These are if anything somewhat lower than last week, but are still good and small variations are to be expected. Wheat is down by about two shillings a quarter and a curious position has arisen here, for the first time that I can remember, Manitoba wheat is quoted at a shilling less than Australian, I am afraid I do not know why unless the drought has affected the quality of the Manitoba variety. Maize, that is white maize is perhaps a little lower, but the Argentine maize is distinctly so, being quoted at Shs 21/50. This is due to the fact that American maize has not been so brisk as was anticipated. As regards white maize (in which of course we are mainly interested) there is a definite shortage, and I am backing my opinion that the price will rise before long. Butter also has steadied back and is quoted at a hundred and five shillings a hundred weight. Sisal is steady. Pyrethrum remains round about 250 a ton.

Most districts have reported good falls of rain, very good in some parts, and a good deal of the local maize may be said to be safe. Great interest is being taken in the Johannesburg Exhibition which they are apparently doing in great style, without any stint of money. I see it would have cost two million pounds. His Excellency returns tomorrow from his Transport Conference which has for course

been merely staged as an excuse to draw all these Governor people down to the Exhibition, and Lord Francis Scott will leave on the 24th on a brief visit where no doubt he will renew his acquaintance with Mr Pirow and meet other South African statesmen. This Exhibition, as you know, has been arranged to commemorate the fiftieth anniversary of the city's foundation and is a wonderful example of how a young country can progress given favourable circumstances. But if Nairobi is to spend two million pounds to commemorate its fiftieth birthday, as far as one can see, they had better start now putting a few cents by.

Whilst on the subject of South Africa it is interesting to note that Mr Hofmeyr in Mombasa the other day is reported to have said that "South Africa's frontier lies on the Kenya Abyssinian border." Incidentally these words were used in these columns six weeks ago, which only shows how obviously true it is. One of the most hopeful signs in this Colony today is the growing rapprochement with the Union. We shall need their help some day.

The * * * * * to Income tax in Nairobi has not been long before coming into the field. This time however they are not putting up any opposition to the tax on

Revenue and Taxation.

principles, nor are they following the lead given by Captain Schwartz, who hastened to stigmatise Sir Alan Pim's proposals as "this most barefaced attempt to add an impoverished country with a permanent additional burden of taxation which is neither justified nor required." They are taking the much more reasonable attitude of apparently accepting the report but arguing that so far from the country being impoverished, its recovery since Sir Alan Pim's departure has been so great that the taxation suggested is not now necessary.

To begin with everybody must hope that this premise is right and that we can in the forthcoming year look forward to a diminution of total taxation by £141,600. But I am afraid I must doubt it. The £48,520 saving recommended by Sir Alan for instance cannot operate at once unless a big figure is to be put on the expenditure side for pensions. You cannot sack the Commissioner for Local Government for example without giving him a pension, and some of the economies must of necessity be long range. It is more than probable too, that extra expenditure will be required next year for defence, and in view of the sacrifices which are being made for this purpose everywhere else throughout the Empire, this can hardly be resisted. However, this is probably more than compensated by the fact that the Government's surplus of revenue over expenditure will be more than the conservative estimate of £100,000. But what about providing for a small surplus? Surely now that we are getting back to better prices we shall do more than just balance our Budget. Five times since 1920 this Colony has been unable to balance its Budget and has had to fall back on its surplus balances which have now shrunk from just on nine hundred thousand pounds to under three hundred thousand pounds, a good deal of which is not negotiable. What has been the constant cry during the last five years? That our only industry, agriculture, was down and out because we had no money to assist it in the way that other colonies and competing countries were doing. We have had seven long lean years and it is now looks more than probable that we are in for a very much better time. But just as the natural corollary to a slump is a boom, so the natural

Kenya Weekly News.

Edited by F. J. Coadrey

SUBSCRIPTION RATES.

Delivered in Nakuru ...	Sbs. 10	00
Posted to any address IN EAST AFRICA.		
Yearly ...	Sbs. 14	00
Half Yearly ...	Sbs. 7	50
3 Months ...	Sbs. 4	00
ELSEWHERE		
Yearly ...	Sbs. 17	00
Half Yearly ...	Sbs. 9	50
3 Months ...	Sbs. 5	00

BIRTH.

BELL—To Freda, wife of Patrick Bell at Nakuru War Memorial Hospital, on September 17th, a Son.

NAKURU FRIDAY, 18th SEPTEMBER, 1936.

NOTES OF THE WEEK.

Unfortunately it cannot be said that the position in Europe has developed for the good during the week, in fact the prospects

The Week of world peace appear on the surface anyhow to be gloomier than they have been since 1914. Both Italy and Germany have sent replies on similar lines to the request of the Locarno Powers for a further conference and although both accepted the principle, both maintain that the preliminary conversations are necessary first. Obviously both are desirous of shelving a further meeting and the prospect of it taking place next month as was suggested are very dim. In the meantime Herr Hitler's anti-Bolshevik tirades are becoming decidedly more obnoxious in tone and at Nuremberg Monday he wound up a great Nazi demonstration on a distinctly warlike tone. In an airmail letter from a friend in London, a very keen observer, who had just then returned from Berlin were the following words, "I gathered the impression that Hitler's army has got too big for him; the cost of it is enormous and there is a grave danger that he may be forced to use it in order to show some justification for the colossal expense." That may well be the case and is indeed the danger which has been foreseen by everybody for some time. Of special interest to us was his declaration of Germany's need for colonies and his statement that Germany's aim must be the re-possession of her pre-war colonies now administered under mandate. It is further interesting to note that he based his claim on economic grounds showing that economies are becoming more and more the absorbing subject in Germany. Comment on this point in his speech is futile because it is perfectly clear that it will be in Europe that this point will be decided, but if his speech has the effect of driving us in Kenya into closer co-operation with South Africa, who if it came to a show down would undoubtedly be our strongest allies, then the speech will not be entirely useless.

The position in Spain is just as obscure as ever. The tragedy of it is that in all probability the great majority of the wretched people are indifferent as to which side wins, they have little to hope for from either, but as is always the case they are being made the shuttlecock between two violent minorities.

In England the event of the week has been

the trial of MacMahon. The fairness of the trial and the moderation of the sentence must be received in Moscow and Berlin with something very like incredulity, and the refusal of the British people to be jockeyed out of their calm by the prisoner's dramatic outburst fittingly demonstrates the advantages of a level-headed democracy over either Bolshevism or Nazism. (Cannot you imagine how an event like that would have been seized upon in Berlin or Moscow for one of their periodic purges. England's increasing trade prosperity has been further revealed during the week by the publication of their trade returns for August which are the highest since 1930.

Of Empire news, apart from the opening of the great Exhibition at Johannesburg, the principal event has been the presentation of Australia's prosperity Budget which reveals a most satisfactory state of affairs, it makes large reductions in taxation and provides for no less than eight million eight hundred thousand Australian pounds for defence, the highest vote ever sanctioned in peace time. Lest however you be inclined to envy Australia's financial position to the detriment of Kenya's financial position it still paid there would soon disillusion you. In Australia today you pay two income taxes, state and federal, and two local taxes, whilst the indirect taxation is enormous.

The Atlantic has again been crossed by two American fliers who crashed on landing; it is significant that the last three times this feat has been done, each of the fliers has crashed. It would look as if in each case physical endurance had been taxed to the utmost.

A tragedy of a somewhat novel nature has occurred in Norway. A huge landslide collapsed in Lake Lonn in Western Norway which caused a tidal wave so large that it swept away two whole villages, drowning in less than seventy four people. I do not know the size of the lake, but this accident must surely be unique.

In spite of the report, and the Johannesburg Exhibition, the principal interest around the country districts still

Local Topics.

naturally centres around commodity prices. These are if anything somewhat lower than last week, but are still good and small variations are to be expected. What is down by about two shillings a quarter and a curious position has arisen here, for the first time that I can remember, Manitoba wheat is quoted at a shilling less than Australian. I am afraid I do not know why unless the drought has affected the quality of the Manitoba variety. Maize, that is white maize is perhaps a little lower, but the Argentine maize is distinctly so, being quoted at Sbs 2/5/0. This is due to the fact that American buying has not been so brisk as was anticipated. As regards white maize (in which of course we are mainly interested) there is a definite shortage, and I am backing my opinion that the price will rise before long. Butter also has steadied back and is quoted at a hundred and five shillings a hundred weight. Sisal is steady. Pyrethrum remains round about £50 a ton.

Most districts have reported good falls of rain, very good in some parts, and a good deal of the local maize may be said to be safe. Great interest is being taken in the Johannesburg Exhibition which they are apparently doing in great style, without any stint of money. It is stated to have cost two million pounds. His Excellency returns tomorrow from his Transport Conference which has of course

been merely staged as an excuse to draw all these Government people down to the Exhibition, and Lord Princes' Suit will leave on the 24th on a brief visit where no doubt he will renew his acquaintance with Mr Pirow and meet other South African statesmen. This Exhibition, as you know, has been arranged to commemorate the fiftieth anniversary of the city's foundation and is a wonderful example of how a young country can progress given favourable circumstances. But if Nairobi is to spend two million pounds to commemorate its fiftieth birthday, as far as one can see, they had better start now putting a few cents by.

Whilst on the subject of South Africa it is interesting to note that Mr Hofmeyer in Mombasa the other day is reported to have said that "South Africa's frontier lies on the Kenya Abyssinia border." Incidentally these words were used in these columns six weeks ago, which only shows how obviously true it is. One of the most hopeful signs in this Colony today is the growing rapprochement with the Union. We shall need their help some day.

The opposition to Income tax in Nairobi has not been long before coming into the field. This time however Revenue and they are not putting up any opposition to the tax on principle, nor are they following the lead given by Captain Schwartz, who hastened to stigmatise Sir Alan Pina's proposals as "this most barefaced attempt to saddle an impoverished country with a permanent additional burden of taxation which is neither justified nor required."

They are taking the much more reasonable attitude of apparently accepting the report but arguing that so far from the country being impoverished, its recovery since Sir Alan Pina's departure has been so great that the taxation suggested is not now necessary.

To begin with everybody must hope that this premise is right and that we can in the forthcoming year look forward to a diminution of total taxation by £141,600. But I am afraid I must doubt it. The £48,520 saving recommended by Sir Alan for instance cannot operate at once unless a big figure is to be put on the expenditure side for pensions. You cannot sack the Commissioner for Local Government for example without giving him a pension, and some of the economic must of necessity be long range. It is more than probable too, that extra expenditure will be required next year for defence, and in view of the sacrifices which are being made for this purpose everywhere else throughout the Empire, this can hardly be resisted. However, this is probably more than compensated by the fact that the Government's surplus of revenue over expenditure will be more than the conservative estimate of £100,000. But what about providing for a small surplus? Surely now that we are getting back to better prices we shall do more than just balance our Budget. Five times since 1929 this Colony has been unable to balance its Budget and has had to fall back on its surplus balances which have now shrunk from just over nine hundred thousand pounds to under three hundred thousand pounds, a good deal of which is not negotiable. What has been the constant cry during the last five years? That our only industry, agriculture, was down and out because we had no money to assist it in the way that other colonies and countries were doing. We have had a long lean year and it now looks more probable that we are in for a very 'mucky' time. But just as the natural corollary to a slump is a boom, so the natural

SEPARATORS

LISTER'S

ALL BALL - BEARING

MODEL

now

IN STOCK

CALL AND INSPECT

GAILEY AND ROBERTS. Ltd.

collorary to a boom is a slump, and although I hope and believe that we are in for a considerable period of better prices, it will not last for ever, and there are still such contingencies as locusts and drought, and surely we have learnt something from the last slump. If we have any political sanity at all, we shall take advantage of the better years to build up a moderate reserve.

However, let us for the moment concede the point raised by the joint committees of the two Nairobi constituencies, and agree for the sake of argument that the improved times justify this remission of taxation. I most sincerely hope they are right, and that I am wrong, but let us see what their proposal is. As I read it, their proposal is that they shall leave on all the indirect taxation which hits the poor man at the same flat rate as the rich, and take off the only taxes based on capacity to pay, the special income tax on officials known as the official levy, and the tax as well as the trade licenses. Now it has to be admitted that we have got to take off the official levy, that was in any case a tax paid by one class of the community only, and which under no circumstances should be paid by any other, and although justified as an emergency measure, is obviously unfair when the emergency has passed. The same argument applies to the emergency trade licenses. But I fail to see any reason why the officials and trades people are to be released of their special taxes that they, in common with the rest of the country, should be relieved of all taxation based on their capacity to pay. Political memories are short but how often during the last five years I wonder have our politicians stressed the slogan "keep

the farmers on the land" and yet they want to take off the only taxes which the farmer does not pay (unless he is making an income) and to keep on such taxes as the postal tax and the petrol tax which he has to pay, whether he is making an income or not. It was only a few months back that our Elected members supported a resolution to vote £12,500 to help bring the price of maize up to somewhere near the cost of production, so as to help the maize farmer to carry on. It was not enough, incidentally, and the maize farmers will still for this year have no income, but it is hardly consistent with that action to take off the only taxation which they do not pay and leave on all that they do. It was, you remember, revealed in the Legislative Council a couple of years back, that the total amount of graduated poll tax paid by the agricultural community was a little over two thousand pounds. It is, in short, a tenable argument to say that you should not help agriculture, but it is not a tenable argument to say that you should make every effort to help it and then take care that as soon as there is a chance of tax remission, the only taxes taken off are the ones that affect the farmer the least or not at all. I cannot believe the up-country members will agree to that. If as the Nairobi people suggest, but which I am sorely afraid is not the case, the time has arrived when we can with safety take off some taxation, then the right course to take is to go all out for a remission of some of the more glaring indirect taxes and leave on a tax based on income, and as a proper income tax is preferable to the graduated poll tax, which has been so much evaded, let us have a proper income tax with proper exemptions for families etc., but see that it is small.

There is also another point in this taxation business. Leaving aside any question of the equity of a tax based on income, it is I submit highly desirable in a country of this nature that it shall not be entirely dependent for its revenue on indirect taxation. It was all very well in the early days when capital was pouring into the country and things were booming, but it is a different story when lean years come along. The first effect of bad times is naturally and invariably that the tax payer adjusts his income by restricting his purchases, this of course immediately reacts on customs revenue, and if the Government, which must have revenue, tries to counter this by increasing duties, it only tends to further restriction of consumption. We saw the effect of that in the last slump. Obviously the best system for any country past the puppy stage is a well balanced system of combined direct and indirect taxation, but if you admit that then it is a short step to admit that the best method of direct taxation must be based on capacity to pay. In this country in its present undeveloped stage I believe that the ratio of direct taxation to indirect can safely be lower than in older more highly developed countries, and that is presumably why Sir Alan Pim recommended only a small income tax.

Armitage Smith in his classic book on "Principles of Taxation," speaking on stability of revenue says:

"To every tax-system objections can be raised; the problem is to find the least objectionable and most effective system. A well-balanced system, combining direct and indirect taxation, comes nearest to realising this end,

(Continued on page 12.)

B/L ton from the tariff rates for handling and wharfage, provided the relative free storage period is not exceeding in which latter case ordinary rates will apply" (Effective from 1st September, 1936)

Clause 24, Page 23.

Delete the fourth word or appearing in the heading and substitute the word of thereof (Effective from 1st September, 1936).

Clause 27, Page 24

Add the following additional sub-section as (c) —

"(c) While awaiting re-shipment transhipment cargo shall not leave the custody of the Administration and shall not be subject to manipulation, otherwise ordinary import and export charges will be applied." (Effective from 1st September 1936)

Clause 28, Page 26

Delete sub-section (k) and substitute the following therefor:—

(k) Local rail haulage within the Harbour Area

(i) Privately warehoused cargo for export Harbour haulage bet ween warehouse and quay.

Per 4-wheeled vehicle per haul Sh. 2

Per 8-wheeled vehicle per haul Sh. 4

(ii) other than the above traffic:

Per 4-wheeled vehicle per haul Sh. 3

Per 8-wheeled vehicle per haul Sh. 6

Add the following additional sub-section as (p) —

(p) Bunkering of Ships:

Subject to a permit having been obtained from the Port Manager bunkering of ships may be carried out.

(i) Over the Deep Water Quay on payment of a charge of Sh. 1 per ton of 2,240 lb. covering truck hire and internal Port haulage; Ship to hose down quay; and

which imported.

Storage rent shall cease from the date the on-carrying vessel commences to load.

(b) On expiry of the free storage period, transit shed or lighter storage rent will be charged at the rate of Sh. 1 per ton or part thereof, per week or part thereof.

(c) While awaiting re-shipment, transhipment cargo shall not leave the custody of the Administration and shall not be subject to manipulation, otherwise ordinary import and export charges will be applied" (Effective from 1st September, 1936).

Clause 40, Page 34.

The paragraphs of this Clause should be numbered as follows —

(a) First paragraph.

(b) Second paragraph, down to and including "k"

(c) From the words "The following are the overtime rates charge etc. down to and including "Gang 'K' - During any overtime hour or part thereof, cost plus 5 per cent."

(d) "In addition to the foregoing:—

(i) Where on hatchway, etc.

(ii) When ships in the stream, etc.

(e) Overtime when incurred, etc."

Add the following additional paragraph as (f):—

(f) When overtime is required to be worked in cases of urgency on Christmas Day and Good Friday and the prior authority of the Port Management has been obtained, this will be carried out on payment of a sum of Sh. 500 plus overtime at double rates" (Effective from 1st September 1936).

Headquarters Offices.

Nairobi.

1st September, 1936

G. D. RHODES,

General Manager.

Progress in Nakuru.

Fine New Buildings in Donald Avenue.

A definite step forward in the architectural and shopping amenities of Nakuru has been made by the erection of a fine three story building at the corner of Donald Avenue and Club Road. The building which is now completed and in use, is constructed of reinforced concrete and the fireproof qualities of this style of building have been admirably proved by the recent disastrous fire, when the premises on each side were completely gutted, whilst this building which was then nearing com-

pletion only suffered from smoke discolouration. The premises were erected for Mr A. J. Simpson of Solai by Messrs W. H. Lewis and Sons to the design of Miss Uhlmann A. R. I. B. A., and all three are to be congratulated on the results. The bottom floor consists of two spacious shops leased one to Messrs Spake Ltd and the other Mr Colin Usher. Both are fitted in the most up to date style.

Messrs Spake Ltd., the well known grocers and confectioners have transferred their business from their former premises in Lake Road which had become too small for them. A feature of their new shop is a frozen counter, believed to be the first in the country, in which

fresh fish etc will be displayed. The second floor which can be accessed either by a Waygood Otis lift or a staircase ornamented with Terrazo flooring is utilised as a restaurant and a work room for Mr Usher's outfitting business. The restaurant is a spacious room tastefully decorated and well fitted with tubular steel furniture.

The room can also be used for dances and private dinners, when it is expected to be capable of catering for 100 people. The top floor is taken up with kitchens, a bake house and stores, and when the new fuel oil oven is installed, it will be one of the most up to date bakeries in the country.

NOTES OF THE WEEK.

(Continued from page 9.)

and equity is more attainable by this means; all classes may thus be made to contribute in the manner most convenient to them, and to do so more nearly in proportion to their ability; the pressure of taxation is distributed more evenly while it inflicts the minimum of disturbance on industry."

I agree that we need not defer too much to alleged authorities however renowned, but on the other hand their views must merit study.

A correspondent who hides the name of a well known critic of the Government under a nom de plume, chides me in the correspondence columns for having as he says changed my outlook towards official economy and also challenges me to show any value in the *Pim Report*.

We will deal with the question of economy first. I quite agree that a couple of years back and for a very long time a great deal of space was occupied in this paper in urging Government economy, and that, in common with the universal demand throughout the country, was not without its effect. There is no question that compared with the expenditure of a few years ago the Government have made great economies, and it does not matter two hoots whether or not this was only done as the result of unofficial pressure. It is not always realised how much of the Government expenditure is represented in annual increments over which the Government have no immediate control. Loan commitments, for example, are over a quarter of a million more than they were in 1930, whilst pensions have risen in the same time from £114,000 to £216,000 and of course the liability for this large increase which combined amounts to £335,000 was contracted before the effect of the slump had been appreciated.

It is not too much to say that had we not experienced the late slump, we should by now have been budgetting for four millions expenditure. As it is the Government expenditure in 1930 was £3,428,874, whilst last year it was £3,252,764. In other words, the Government have reduced the expenditure over which they had control by well over half a million, and it is futile under these circumstances to maintain that the unofficial cry for economy has fallen entirely on barren ground.

Sir Alan has described the recent financial history of the Colony very briefly and well. He says it can be divided into three periods. The first of economy from 1922 to 1924, then of general expansion and lavish expenditure from 1925 to 1929, followed by steadily increasing depression and enforced economy from 1930 onwards, and we are just as much responsible for the lavishness between 1925 and 1929 as the Government. Anyhow as far as expenditure is concerned, it seems to me that we have got to accept Sir Alan's verdict. His report is not the result of a commission sent out to us by a wicked Government or a still more wicked Colonial Office. We asked for him ourselves, and it is rather late in the day to find out that he is either a nincompoop, incompetent of doing his job, or that he is a knave who has been bought. He is of course neither, but an able

man who has given an impartial verdict, which is not as much in our favour as we had hoped, but the fact that he has not been able to conjure some rabbits out of a hat, must, if we are to retain a reputation at all for level headedness, be accepted as prima facie evidence that there are not any rabbits to come out.

As regards any value of his report. Quite apart from the valuable précis he has compiled, the economies he recommends are by no means inconsiderable. It must be remembered that the Government had declared, that they could not save another penny, and he shows how in the very near future, they can save just on fifty thousand pounds, and has thus entirely justified the unofficial attitude over the 1935 Budget, because if this report is adopted, the Government will save well over the hundred thousand pounds which was then demanded by the Elected members. They have already saved a lot of course. Again it must be repeated that his strong advocacy of employing local personnel for any posts for which they may be fitted, as soon as they become vacant, must, coming from such a source be of infinite value to us in the future. His plea too for the remission of the contingent liability of five and a half millions for the Railway, must it properly handled settle once and for all that thorny point and remove for ever that liability which the Imperial Government has tried to keep banging over our heads like a sword of Damocles. I believe also that his suggestions on taxation will in the future be of inestimable use to us. I regard Income tax as inevitable. We should in any case demand it ourselves before long. The presence of the Gold companies alone ensures that

But in the near future we shall I hope have lots of concerns out here, such as sial companies, tea companies and firms such as Liebig's, who will make money in the Colony for their shareholders in England and the public would then undoubtedly demand that this money shall not go out of the Colony where it is earned, without paying some tax especially as this will not affect the shareholders, who will of course get a rebate in England for the income tax paid here. Actually the amount of money which already goes out of the country to pensioners and mortgagees and shareholders must be fairly considerable, and all tax free, only to pay income tax at home. That being the case, and believing that income tax is inevitable, I believe it to be of very great value indeed that such an authority as Sir Alan Pim should advise that it should be on a scale so moderate as compared with our neighbouring countries that it will not discourage intending Settlers, because although I am a firm believer in an income tax, I also believe in a new colony it should be kept as light as possible. In this respect also his suggestion of borrowing annually up to a hundred thousand pounds to help our budget is of great value. Because although improving revenue conditions will probably render it unnecessary, it is a how a tacit admission from an expert that the taxable capacity of the individual in the Colony has been reached.

These points surely demonstrate that the report is of value and if as one naturally hopes it also puts an end to the very bitter controversy over expenditure which although necessary has been one of the most unpleasant aspects of our political life, then the report is very valuable indeed.

Naughticus.

Successful HOME BAKING easy with ROYAL



It's so easy to bake with Royal. You are sure before you start that your cakes will be a success. Royal is made with cream of Tartar, a product of luscious, healthful grapes, that gives cakes a feathery lightness and delightful flavour.

Get a Tin today!

Free! Your Coupon (free edition of "100 Things to Make") to PHILLIPS & CO. LTD., P.O. Box 582, NAIROBI

NAME.....

ADDRESS.....

HUGHES & COMPANY LIMITED.

FORD DISTRIBUTORS

DONALD AVENUE EAST

(NAIROBI SIDE)

Begin to announce that they are now in a position to undertake repairs to Ford vehicles as usual. Supplies of parts are arriving daily and as our complete staff of mechanics has been retained we hope to render not only efficient but economical service to our large and esteemed clientele.

In addition to our large stocks of new Ford cars, which we are pleased to say escaped damage by fire, we have a large range of good used cars at very attractive prices. We cordially invite your inspection.

FULL STOCKS OF PETROL, OILS, GREASE, BATTERIES, TYRES
AND OTHER MOTOR ACCESSORIES—BY LEADING MANUFACTURERS.

Ford



The Kenya Car.

HUGHES & COMPANY LIMITED.

Phone 26.

Box 49.

Telegrams: "HUGHES."

INCOME TAX.

ELECTED MEMBERS ATTITUDE.

Rongai
September 17th
To The Editor,
"The Kenya Weekly News"
Sir,

The European Elected Members have carefully considered the principles involved in the taxation proposals suggested by Sir Alan Pim and I have been asked to put before the country the general result of such considerations.

In the first place, European Elected Members as a body are not opposed in principle to Income Tax, but they are in unanimously opposition to the present proposals for the following reasons:—

1. If the proposals are adopted it will have the effect of consolidating permanently revenue measures which were definitely introduced as temporary emergency measures to bridge a temporary gulf. In 1931, when the proposal to double the non-native poll tax was before the Council, and again in 1933 when the Graduated Non-Native Poll Tax was introduced, together with the amended Licensing Ordinance, and the Package Tax (since repealed) Elected Members made it perfectly clear that they only accepted the measures to assist Government in its belated attempt to deal with the financial crisis which Government had refused to recognise, despite the continuous warnings of Elected Members. That these measures were in fact temporary was not at the time challenged

by the Attorney General speaking on behalf of Government.

2. The present proposals which are permanent in intention would in effect alter the ratio of revenue collected by direct and indirect taxation by increasing the gross amount of direct taxation, without reducing the gross amount of indirect taxation. The most ardent supporter of Income Tax as a principle could hardly have anticipated such a proposal.

3. The suggestion that the proposed new taxation should eliminate the levy on Official salaries would in fact transfer a burden of approximately £40,000 from that section of the community least affected by the slump to that most affected.

4. The Elected Members believe that there is a case for careful consideration of the desirability or otherwise of varying the ratio of direct and indirect revenue, but they are unanimous in opposing the enforcement upon the Colony of a tax which in substantive effect can only be a super tax upon the European Unofficial community, unless and until its range and application can be controlled by the representatives of the community affected. It is inevitable that with an uncontrolled arbitrary Government Income Tax must result in increased expenditure which can always be met by raising the scales of Income Tax to meet such increasing expenditure.

While these are the main reasons for our united opposition to the proposals, I would add that we are not prepared to consider any piecemeal implementation of the report at the whim of Government nor are we prepared to be rushed into effecting only such proposals as may commend themselves to Government leaving the balance of the recommendations to be implemented or not in the dim and distant future, and in this respect it is significant that as far as can be gathered, the only major recommendation of the report which it is proposed to implement forthwith is that portion of the terms of reference relating to taxation, which was never agreed to by the unofficial community who, at the time, protested against an extension of the terms of reference originally asked for and who dissociated themselves from such extended terms the moment they were made known.

Elected Members are confident that their views will commend themselves to their constituents and feel sure that they will have the country's support in opposing any proposals on Government's part to increase the fiscal burden of the unofficial community.

Yours faithfully,

FRANCIS SCOTT,

Chairman of The European Elected Members.

CORRESPONDENCE.

The Editor does not accept responsibility for the views expressed by his correspondents in these columns. In all cases the name and address of the writer must accompany a letter, not necessarily for publication, but as a guarantee of good faith. Brevity is essential to ensure consideration. Correspondents are requested if possible to type their letters.

Kenya Publicity.

London,

22.8.36

The Editor,

"Kenya Weekly News."

Sir,

I see in the K.W.N. of July 17th which I receive weekly and read with much interest, you blame the E.A. Office for not giving sufficient publicity to Kenya.

I wonder if you realize how impossible it has been for anyone to obtain publicity for Kenya up to date.

No paper would accept any optimistic reference to Kenya. I was told by an influential man who offered to get some articles in for me that the only news the papers would look at would be about lions or social gossip.

The Indian papers accepted an article some time ago. I also was told by the Management of the Piccadilly News Theatre they would gladly show any films of Kenya preferably Domestic life.

I tried to get some films from the E.A. Office but they had not any.

I cut out from the "Morning Post" yesterday

of film we see is not the ordinary propaganda or advertising film. We try to get those that picture normal scenes and events in the natural life of overseas Empire countries.

"This type of film is vital to the life of the Empire in an age of rapidly changing conditions. Sixteen new copies of Canadian films have arrived. These will be useful, but what are they among so many applicants? It is an opportunity that should not be missed."

These are shown especially for School children but are very popular as the entrance is only a penny or two. May I suggest you get any of the Kenya public who are anxious to assist the Colony to use their cameras, Cine or other wise, to show what life in Kenya really is and can be.

Now that Italy is so close on our borders there is a decided tendency to look more closely at Kenya.

Yours faithfully

A. LOOK.

Pigs.

12.9.36.

To The Editor,

"Kenya Weekly News"

Nakuru.

Dear Sir,

It was, I think, at the beginning of this year that Naughtious wrote a long article on the need for looking into the Pig industry, and since then we have had the satisfaction of knowing that the Meat and Livestock Committee have been making enquiries

expert advice for the most economical scheme, especially as the margin of profit to the producer is bound to be narrow.

Yours faithfully,

LARGE WHITE.

The Editor,

"Kenya Weekly News"

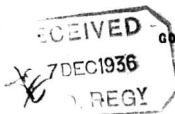
Nakuru.

14.9.36.

Sir,

Can you let us know what is going on about the frozen pork scheme? So far as the outsider is concerned, it seems that when the Livestock and Meat Committee or whatever it calls itself, started to think about dealing with pork, they co-opted one man (there being no pig man on the Committee already) who is not a farmer at all, but the employee of the very factory that it is proposed to buy out. Why has no pig farmer been put on the Committee? Now, the man who sells me my bacon says that he has been asked to put in a memorandum on the scheme with his objections etc. to be considered presumably by the representative of a rival concern. Perhaps, Sir, you can let us know whether there is any chance of a capable, experienced pig producer being appointed to the committee even at this late hour, or whether they intend to get all their views from an obviously interested party. Perhaps also you would give us your opinion on the value of the committee's recommendations if producers

BY AIR MAIL.



GOVERNMENT HOUSE,
KENYA,

2
88

EAST AFRICA.
27th September, 1936.

My dear Bottomley,

I am presuming that you have returned from leave and I hope you have had a good rest.

Now as regards the Pin Report - which as yet has only had a limited circulation - I consider it excellent. He is a wise little man and he took immense trouble personally to ascertain the views of the different interests. It should be the aim of this Government - as far as it can - to give effect to the recommendations, it being recognised that most are long range recommendations. It must also be realised that in the course of time, and I refer particularly to the great reduction of administrative officers, ideas may change and it may be found desirable not to relax but to tighten our control of the native administration. The unofficial community, through their representatives, should be given a full opportunity of expressing their views on the Report and this opportunity can be given by means of a full dress debate in Legislative Council. Prior to the debate the Elected Members organisation can be asked formally for their observations.

observations with a view to facilitating the discussions in Council.

The Report is now being dissected and each major recommendation is receiving close consideration.

Before the examination is complete and until we have heard the unofficial views I would hesitate to announce more than general acceptance of the Report at home. You will remember what happened over the Moyne Report.

What I am worried about is the recommendation regarding native taxation and the raising of the age. To make a clean job of it I personally would have liked to tackle this in the Estimates but as Pim states the loss of revenue will be £45,000 and practically by this amount we shall have an unbalanced budget. I may add that none of us is greatly in favour of the proposal to raise a loan to deal with this contingency.

I note that you are obtaining the Treasury views on the suggestion and I would cordially welcome guidance or instructions from the Secretary of State as to the course we should adopt. This I submit should reach me without delay.....

delay as it affects our budget and my budget speech.

Will you please give us a little time to examine the proposal to re-organise the Secretariat - it is far reaching and many questions affecting personnel are involved.

My personal opinion is of little value as I shall not be here when the change is made, but admitting the financial control of the Treasurer I doubt whether his department is the proper one to delve into all the administrative and other departments with the object of ascertaining whether economies are possible. The Treasurer naturally has the final say but he has not the administrative experience to make the detailed preliminary examination: the Colonial Secretary's, in my judgment, the Department which should do this. We had a similar controversy over this in connection with the Moyne Report.

Now as regards Income Tax, I have already cabled my views to the Secretary of State indicating that any wavering would be deplorable. We shall never get stability until the Tax is substituted for the present unsatisfactory.....

unsatisfactory taxes and we shall never, I think, get a more suitable opportunity. To delay introduction is just what Schwartz & Co. want and it will revive all the acute political agitation we have had to suffer in the past.

If Mr. Orsmy Gore could spare the time I would ask him to read a leading article by Couldrey which I received yesterday. As you know he is a pretty severe critic of Government but he is a level headed fellow and his paper carries far more weight with up-country Europeans than does the East African Standard. The views he expresses are those held by the majority of thinking people in the colony.

Yours sincerely,

Sir W.C. Bottomley.
 K.C.M.G., C.B., O.B.E.
 The Colonial Office.
 LONDON. S.W.1.

"Kenya Weekly News."

Edited by F. J. Cooldrey

SUBSCRIPTION RATES.

Published in Nakuru ...	Sbs. 10 00
Posted to any address	
IN EAST AFRICA	
Yearly ...	Sbs. 14 00
Half Yearly ...	Sbs. 7 50
3 Months ...	Sbs. 4 00
ELSE WHERE	
Yearly ...	Sbs. 17 00
Half Yearly ...	Sbs. 9 50
3 Months ...	Sbs. 5 00

MARRIAGE.

MAY - WHOR: At the Boughton-Knight Memorial Church, Kisumu, on Sunday, September 20th, 1936, by the Rev. G. Clarke, Ralph May of Miwani and Birragarri Australis, to Josephine Gwynnedd, only child of Captain and Mrs. Whor of Miwani and Dorking, England.

NAKURU FRIDAY, 25th SEPTEMBER, 1936.

NOTES OF THE WEEK.

As the letter from Lord Francis Scott only arrived as we were going to press, I was unable last week to comment on the Elected Members' attitude to the Pin report. The letter starts off by saying that the Elected members AS A BODY are not opposed in principle to income tax, but are all going to oppose it for several reasons given later. It is of course known that certain of the Elected Members are definitely opposed to it in principle, whilst others will not go to that length and so obviously perhaps quite naturally, in order to get a common basis for agreement, they decided that the opposition shall not be made on principle, but for the reasons which are detailed in the manifesto.

That the Elected members if they were to remain unanimous would have to oppose the proposals of the Pin Report was obvious, as Captain Schwartz had already committed himself to bitter opposition in a letter to the Press, the first day the report was published, and before anyone else had had time to read it. And so when the Elected members met they were either faced with a split or they had to agree to oppose. And they have agreed to oppose, and once again the question whether or not our fiscal system should include taxation based on capacity to pay is going to be confused with a resistance to the imposition of more gross taxation.

Now let us examine the reasons. They give as the first reason the well worn argument that a permanent measure of taxation is being introduced to replace a temporary measure, and Graduated Poll Tax and the amended Licensing Ordinance are cited as examples. I will refer to that later, but in passing would point out that although these two measures are so generally quoted as temporary, they are not by any means the only taxes which were introduced under that category which have not been repealed. The Education tax of a flat rate of thirty shillings for every European—rich and poor alike—was introduced as a temporary measure, and so was the flat rate consumption tax on spirits which was brought in at the same

time, and so was the flat rate consumption tax on petrol. Not one of these measures of course are based on capacity to pay, but whether or not that is the reason that they have been allowed to remain, as far as I know, the Elected members have never made any strenuous efforts to get them removed.

The second objection is that an Income tax would alter the ratio of direct taxation to indirect, but surely Sir Alan Pin's recommendations are that Income tax which is of course direct taxation should supersede the Graduated Poll tax, the Education tax, and the official levy, and the Trades Licences and certain native taxes, all of which are direct taxes, and so how does that alter the ratio? However, later on Lord Francis admits that the whole question of the ratio of direct to indirect taxation should receive careful consideration and I entirely agree so we need not waste time over that.

The third objection is that to take off the official levy and to compensate for the loss of revenue thereby occurred would transfer a burden of £40,000 from that section of the

community least affected by the slump to that of those most affected. All potential income tax payers are by no means producers, there are unfortunately only a little over two thousand European producers in the Colony, and many of the unofficials such as lawyers, bankers and commercial firms have not been very much affected by the slump or anyhow have now recovered. As regards the producers, as the tax is to be levied on their incomes which will presumably be assessed on a three years average income, they will pay very little. Anyhow the proportion that was paid by them of Graduated poll-tax would seem to confirm this. I hope the Elected Members are not going to oppose the removal of the official levy: I believe it is a certainty that the Colonial Office will order its removal, and to put it on no higher plane, it is always politic to make a virtue of a necessity. I happen to believe that the levy should come off, and I am hoping it will be done gracefully, as certainly one of the Elected Members, Major Cavendish Bentinck, voted against its retention last year, whilst Sir Robert Shaw abstained from voting either way.

The fourth reason is in brief the old one that Income tax is an unsafe tax to leave in the hands of an arbitrary government until the Elected Members have arbitrary control themselves. I do not know whether the inference is that they would then impose an income tax but if so it is another tacit acknowledgment of the essential equity of that form of taxation. However, this argument about the Government being so easily able to increase Income tax naturally applies to any form of taxation, and in fact if it takes the Government as long to increase Income tax as it does to bring it in, it is easily the safest tax to have.

Those are the four main reasons outlined by Lord Francis Scott on behalf of the Elected members and he then goes on to make a statement which really did make me sit up and rub my eyes. He said: "I would add that we are not prepared to consider any piecemeal implementation of the report at the whim of the Government etc." Surely I am not mistaken in believing that it is the Elected members themselves who only want a portion of the report implemented. If however this letter does not mean what it says and the Elected members are going to push for the implementation of the report in toto, then perhaps we shall be able to do, what everybody wants to do, that is wholeheartedly to support them.

Lord Francis Scott concludes his letter with what is in effect an appeal for support. Now the first tendency of any Settler is naturally to support our own people, and as I am concerned I still hope to find some way of doing it, but what is their policy? This latest manifesto of theirs is purely destructive, there is not a single constructive proposal in it. The position as I see it is this. Whatever Captain Schwartz said in 1932 whatever Mr McGregor said, whatever anybody said, the cold, hard, brutal fact remains that somehow or other, and by some means or other, we have got to find sufficient revenue to balance our budget for 1937. We appealed to an arbitrator on the question of expenditure and his decision was that save for an amount of forty eight thousand pounds no more saving in that direction could be made, and he suggested that our taxation should be

INCOME TAX.

It seems, however, necessary to lay stress on one point with reference to the introduction of this form of taxation. The Colony cannot afford another Income Tax fiasco. Apart from the confusion and uncertainty which it would leave in connection with non-native taxation, a repetition of the events of 1921 and of 1933 would be likely to have serious repercussions in the field of native taxation. The Native community can no longer be regarded as living in a sphere of their own, unaffected by occurrences in the other sections of the community. The moral advanced by their members are diligent students of the newspapers and might apply to their own case lessons learned from such controversies.

SIR ALAN PIN.

community least affected by the slump to that most affected. That argument is worth noting because if the Elected members mean that the officials ought to be taxed because their capacity to pay is greater, then they are enunciating an important principle with which most people agree. Whether the officials are over-paid or not is beside the point. The levy was a direct tax on the official salaries based on their income and only differed from a proper Income tax in that it did not give allowances for families, insurances, etc., and that it was not properly graded. It was put on as an emergency measure at the same time as a similar levy was put on the salaries of railway officials and officials in the neighbouring territories of Uganda and Tanganyika. As an emergency measure it was justified, although I always believed that its incidence fell unduly hard on the juniors, but at that time most commercial firms such as banks, petrol companies and the like were imposing cuts on their personnel also. Now Tanganyika, Uganda and Railway officials have all the levy rescinded, whilst as far as I am able to find out most commercial firms are restoring the cuts they previously imposed. It is in my opinion also not a complete picture

PAINTS

ENAMELS

DISTEMPERS

and

VARNISHES

GAILEY AND ROBERTS, LTD.,
NAKURU & ELDORET.

Spend Christmas in England

B. I.

Xmas Excursion

Return Fares £100 and £82.

Leaves Mombasa per s.s. MANTOLA 14th Nov. 1936
Leaves London per s.s. MANTOLA Jan. 1937
or per s.s. MALDA Feb. 1937

Tickets are interchangeable with the Holland-Africa Line.

Next Sailings on the Bombay-Durban Service

Leaves Mombasa for Durban s.s. TAKLIWA 26th Sept
s.s. KENYA 11th Oct.

Next Home Sailings

s.s. MATIANA Leaves Mombasa 17th Oct.
s.s. MANTOLA " " 14th Nov.

Tickets are interchangeable with "Union-Castle" "Holland-Africa" and "K.P.M. Lines." Also with "Imperial Airways."

For dates and rates apply —

THE KENYA FARMERS' ASSOCIATION

(CO-OPERATIVE) LIMITED.
NAKURU.

CHIEF AGENTS

SMITH MACKENZIE & Co., Mombasa & Nairobi.



By shopping at:

Ibrahim Karimbux, Limited.

HIGH CLASS GROCERS
Donald Avenue, NAKURU.

Ask for a Copy of Price List

Printing of all Descriptions.

Letter Heads, Invoice Forms, Receipt Books,
Programmes, Statements, Hand Bills,
Circulars, Labels, Menus, &c. &c.

Nakuru Press, Ltd., Box 2, Nakuru.

readjusted to admit of raising some of our revenue by direct taxation based on capacity to pay. Without waiting for the budget, without waiting for any disclosure of the Government's intentions (anyhow as far as the country knows) the Elected Members rush into opposition and whilst maintaining that they are not opposed to income tax on principle, publish in a manifesto the principles on which they oppose it. It is difficult to see how this is going to help anybody, and we have a right to expect more from our Elected Members than a mere reiteration of a non-possimus attitude. The last thing that the country wants just now is a repetition of one of those political agitations which, however justified in the past can certainly now do no good to anyone.

It is just about time that we took stock of what is really happening in this Colony. Quite apart from the fact that recent events have entirely altered Kenya's strategic position and that we now have the Italians on one frontier and the Germans striving to get on another; within the Colony itself things are changing. In the native reserves development is proceeding at a rapid rate and native exports and native trade are attaining ever greater importance. That is all to the good, but if we Europeans are to maintain our privileged position here we have got to put all our energies into development as well. Lord Francis was absolutely right when at Njoro the other day he stressed the importance of attracting more Settlers, it is the most important of all our problems, because even if we had a hundred Orders in Council protecting the White Highlands unless we Europeans develop those Highlands, we shall have to let in others who will. We cannot retain for ever a large undeveloped country, with intense development going on all round, unless we develop it.

And we have got a splendid opportunity to do it, and I have no doubt will. We have got a wonderful country here, how wonderful it is we are going to find out within the next few years. As Sir Alan points out our recuperative powers are enormous, and in the very near future we shall feel the benefits of the recovery in commodity prices. We have not felt them yet, the maize farmer for example has not as yet benefited one penny from the higher prices now ruling, for the simple reason that he has not sold any of his crops at those prices, but he will very soon. Now, if ever is the time to promote more settlement, more development and more production. But to do so we have got to have a trace from this incessant political wrangling. Lord Francis himself stressed the need for better propaganda, and it cannot be called good propaganda to say, "Come to Kenya and be merged in a perpetual political fight against the Colonial Office, against the local Government, against the Indians and against the Members representing the Natives." I happen to be in favour of an Income tax on principle, as of course are many others, but quite apart from that I believe to try at this juncture to raise a popular agitation against it is politically hopeless. The Secretary of State for the Colonies after investigating our problems on the spot himself reported in favour of it, and it can be taken for granted that if the Colonial Office decide to impose it, in view of Sir Ian Pitt's warning as to the dangers of usco they dare not give way again. To make a die-hard attitude towards it only pleasing to the hands of Indians. They will presumably support it and vote for this tax which has in principle received the approval of every English speaking country. Again, we shall be presenting them with the best political

weapons or if you like, what the whole of the Empire will call the best weapons. It is useless going on saying that we few Europeans here are right in our theories of taxation and that the whole of the rest of the Empire is wrong. The right course and the best course for us to take politically is to accept the principle of Income tax and concentrate on seeing that we get a moderate one, and one fitted to the peculiar circumstances of the country. Here Sir Alan's report will materially help us, you perhaps remember his words:

"With this minimum (50/-) it should be possible to frame a scale of taxation so moderate as compared with the corresponding taxes in other countries as would meet the fear which has been repeatedly expressed that the imposition of an income tax would discourage the import of the fresh capital which is so badly needed."

Some time ago our Nairobi contemporary started a "Plan for Prosperity" campaign. As events turned out it was unfortunately premature, but something of that nature might with advantage be started now, and it seems to me that it is on these lines that our leaders should work. As regards the forthcoming budget, it is impossible to say what our attitude should be until we know what it contains. Probably it will need a good deal of drastic criticism, budgets have that habit and it is quite probable I shall be one of the severest critics; but we can at least see that the criticism is constructive, and nothing is gained by trying to work up a popular agitation strenuously opposing everything and everybody before we know in detail what we are to oppose, and what our own suggestions will be for balancing the budget.

(Continued on page 10.)

NOTES of the WEEK.

(Continued from page 19.)

I suppose it is true to say that the international hub has again shifted to

The Week. Geneva when the League of Nations is holding its autumn session. The session is being held for the first time in the new Palais de Nations which has been built at colossal cost to symbolise the unity of nations and the triumph of collective security and universal peace. The delegates can anyhow now see concrete evidence of where some of their country's contributions have been spent, but it is to be hoped the architect has had the foresight to put in bomb proof cellars and gas proof shelters.

The British delegation is the biggest seat to Geneva since the first session and consists of seventy people, including several Cabinet ministers. That is probably due to the fact that Britain has got to do something to try and maintain some sort of prestige for this pretty dream which she has so strongly supported, and as Britain is now devoting all her energies to rearming a little window dressing does not matter. The Assembly were faced with a very pretty problem just as soon as they met. The Abyssinian delegates proposed to attend and in fact the Negus appeared in person to do so. This was distinctly embarrassing because in spite of the fact that Italy has triumphantly defied the League, the fact that the unfortunate lady had to look so low that the one thing they want most is conveniently to forget all about it, and welcome Italy with open arms. Italy will naturally not attend if the Abyssinians do, and so something like an impasse has occurred. Anyhow the problem beat the Credentials Committee who have passed the buck on to the Court of International Justice. This does not suit Italy who will not play, and so the League is going to discuss the peace of the world without Italy, Germany, Japan and America being present.

In the meanwhile the proposed discussion on a new Locarno pact does not seem likely to mature. Hitler still adheres to his seven point plan and has not deigned to answer Mr. Eden's questionnaire on the subject, and a further hitch has occurred because Germany backed by Italy refuses to consider any question of extending the discussion to include Russia.

I have given up the unequal struggle of trying to find out who is winning in Spain, but the Rubels seem to be more insistent in their claims of victory. France has closed the Franco-Spanish Moroccan frontier in lieu of recovering compensation for the death of a French subject at the hands of the Spanish rebels, but I do not see how that is going to help the other side very much, whilst it may lead to an accusation of intervention. Japan is reported to be going to take a firm line in China, in fact a miniature war seems to be raging there now. Apart from that and apart from the Palestine show the world seems to be comparatively peaceful.

As regards Palestine, Lieut. General Dill has now taken over command and fresh troops are arriving. Even now however the work of restoring order is not going to be too easy and fresh outrages are occurring daily. One hopeful speech of the week has been the declaration of Sir Samuel Hoare, the First Lord of the Admiralty who returned to England after inspecting the Mediterranean defences. He declared that so far from abandoning the Mediterranean, Great Britain was going to strengthen

the defences of what he described as the vital connecting link of our Empire" and be further hinted at large developments in Cyprus. Great Britain seems to be waking up at last.

The note on local topics must unfortunately be a sad one this week. **Local Topics.** and reports of the death of friends whom we have known and honoured must take first place.

The tragic death of that intrepid airman whom we shall always remember round here as Tom Black, came as a shock to all. "Death the inevitable and will come when it will come", but his loss seemed the more poignant after his adventurous career as his accident according to the brief accounts which have come to hand appeared almost unnecessary. He played a great part as an aviator and he was only just attaining to the prime of his utility. On Monday we heard of the death of Monty Blunt another old timer (he had been there twenty three years) who was well known, especially in racing circles all over the Colony. He was a cheery sportsman and a stout friend and we shall miss him sadly. And still one more pioneer has gone on Monday too we heard that Colonel Neylan had passed away. Colonel Neylan was a splendid specimen of that type of adventurous Irishman to whom our Empire owes so much. Going out as a young man in 1879 to fight in the Zulu War, under Lord Wolsey, he had remained in Africa ever since and had taken part in every campaign which has been fought in this continent since that date. In 1880 he joined the Cape Mounted Rifles, and eventually attained the rank of second in command and for some time commanded his unit in the field during the Boer War. Although well on in the eighties he retained till the end his erect carriage and military bearing. A fine man who had led a fine life.

There is not much change in commodity prices this week; maize is definitely better and the forward position is improving. Butter however is lower, but this appears to be seasonal. I have just looked up the prices ruling this time last year. Maize was sixteen shillings and six pence a quarter against twenty seven now. Sisal was then on the rise and had just reached twenty one pounds a ton and all the pessimists were saying it was just a flash in the pan. Butter was about the same and coffee was quoted by Dalgetys "A" grade average at £16 per ton and today is quoted at £19 to £20.

As regards the weather, more showery would be appreciated in some parts, but on the whole the season is definitely good, and in many districts the maize crop may be deemed to be safe.

It is useless to pretend that there is not a great deal of perturbation in the minds of pig producers that one of their number has not been appointed to the Meat and Livestock Committee to assist that body in the consideration of schemes for rationalizing the pig industry in Kenya. The facts are these.

Pigs Again. It will be remembered that the Meat and Livestock Committee have for some months past been considering the possibilities of exporting frozen pork from Kenya and control of the industry generally. Last June they issued a memorandum and a questionnaire to producers, in the former the projected scheme of taking over Kenya's largest bacon curing business was mentioned as a possibility, and in

the latter information was sought from producers. The Committee, which did not include a representative of the pig producer in its original personnel, had co-opted the manager of the aforesaid bacon factory to assist them, and after the circulation of the memorandum it was sufficiently expected that some actual pig producer would also be nominated. This however has not been done and one wonders why. There is certainly no lack of experienced and competent men for the job. It must be obvious that to suggest such an addition is far from crabbing the scheme, indeed it can only show a desire to give it every possible chance. Nor can it be maintained that it is unnecessary to consult producers until the scheme is formulated and that if it is submitted to them then, they would be satisfied. The Committee will, of course, hear and examine a deal of evidence and information, in which a pig producer might spot material for constructive suggestions which might easily escape the notice of the present Committee. It is difficult to think of any conceivable objection to enlarging the Committee for this purpose, and since most control schemes are bound to meet with a certain amount of opposition anyhow, what is the use of courting criticism in this way? Moreover, it must be helpful in drawing up a scheme to get the criticism of the producer step by step at the time, rather than wait until its completion, and have a whole lot more work in revision. Such an appointment is all the more desirable when, as one of our correspondents pointed out last week, rival careers are being asked to submit their views. It is not unreasonable that they should resent the idea of discussing their affairs and matters affecting their business with an employee of a rival firm. It would certainly tend to a less free discussion of the subject, which is the very last thing to be wished.

The frozen pork business would, if practicable, be of the greatest importance to Kenya, so an avenue should remain unexplored, and the Committee cannot possibly tell what suggestions a good representative of the pig producers might make until they appoint one to consider the evidence with them.

We are up against the same old problem of how to compete in an export market with countries most, if not all of which are subsidized. Having no industries from the taxation of which an export trade can be subsidized, the only alternative course is to see what can be done by averaging the price to the producer by pooling both local and export sales, and stabilizing the former at the best price we can. Bacon is almost entirely a European dish, and is not an essential form of food, so that any considerable increase in price would probably lead to decreased sales, and it is little difficult to see how the local market could help a large export trade to any great extent. Whether with increasing priority any form of subsidy can be considered remains to be seen.

The matter is so important, and the problems so great that these investigating it are surely ill advised to refuse representation and help from the community which is, after all the most vitally concerned.

It is unnecessary to add that there is no suggestion at all that the member of the bacon firm co-opted on to the Committee would be in any way biased or prejudiced, and in fact he is a man who enjoys the universal respect of all who know him. But this is a suspicious world and as such a simple step would ally suspicion it is difficult to know why the Committee do not take that step.

Naughticus.

RECEIVED
X 7 DEC 1936
C. O. REGY

The Secretariat,
Nairobi.

7th September, 1936

Dear Flood,

I think you may like to see the enclosed report of a speech by Lord Francis Scott, from which it does not appear that he has returned from England in a very chastened frame of mind!

On the second page I have marked two passages, (a) and (b). (a) does not seem to me to be in the best of taste. (b) is a strange profession of faith from one the burden of whose song has so often been that Government will not cooperate. He now proclaims that the duty of him and his followers is always to keep "at" Government all the time.

I suppose that he and his people will sing their annual hymn of hate at our forthcoming budget session. It is the only tune they know, and they feel they owe it to their constituents to sing it, not always in perfect harmony, whenever they get a chance of doing so.

I think that Francis Scott, at any rate, is determined to be a nuisance, and I expect others will follow him. I rather gather that they will take the line that we are indecently and dishonestly perpetuating by the introduction of income tax taxation which they were led to believe was ephemeral.

Yours sincerely,

Adams

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

LORD FRANCIS SCOTT AT NJORO.

HIS MISSION TO ENGLAND.

Under the aegis of the Njoro Settlers' Association Lord Francis Scott made an important speech describing his recent visit to England and his impressions thereon.

He also dealt with several local problems of immediate interest to the Colony.

Sixty-five people were counted when the meeting opened but this number was considerably augmented by later arrivals who came to hear the principal speech of the evening.

After the ordinary business of the Association had been dealt with the President, Mr E.H. Wright, in calling upon Lord Francis Scott, paid a tribute to him for his fine ambassadorial qualities displayed in an important function which no one else could fulfil so well for Kenya.

Lord Francis Speech.

Lord Francis Scott, who had a most cordial reception, said:—

"My Chairman, Ladies and Gentlemen—I think you will probably all realise that it is very difficult for me to tell you anything in a Public Meeting like this—I think everything I did at home was confidential.

There has been a certain amount of criticism in the country that I have not made any public statement. I cannot tell you any of the little things I could tell you in private.

I was home for about six weeks. I did not have much rest, but I quite enjoyed it—I saw many people and I also had time to amuse myself as well. Just to let you know, I saw the following:—

Joint East African Board

East African Section—etc. etc.

East African Section Overseas Club.

Independent Section in the House of Lords Political Society at Eton.

The Labour Party and Kenya.

Apart from this I had arranged to give an address to the Commonwealth Group of the Labour Party. I tackled Major Atkin and said—"Your party have always taken an antagonistic attitude to us and I should like to have a chance to come and talk to some of you." He arranged a meeting for me but unfortunately I had to put it off a week, then when it came to the next Monday there was the motion of censure on Mr Duff Cooper and none of them were able to attend, so all I was able to do was to have a talk with Mr Lunn and Mr Pethwick Lawrence. They asked me to send them a memorandum.

I hope that Major Cavendish Bentinck who has gone home will get an opportunity of meeting them when the House of Commons meets again. I have written to ask that Major Cavendish Bentinck may be able to have the talk that I failed to have. Some of them are very antagonistic and none of them will change.

Apart from addresses which I gave to various people I wrote articles in "The Field," "National Review" and "Crown Colonist." I was interviewed by the "Morning Post," the "Daily Mail" and "East Africa." The "Daily Express" sent a man all the way up from London to Scotland to interview me, and there is no question that at that particular time, thanks to the war in Abyssinia, that Kenya was very much to the fore and one really could

have got articles in any newspaper that one wanted to, if one had the time to write them. What did strike me was that there are so many of these groups at home who are all working for the same objects and if they could all concentrate working together they would be much more efficient.

I did have an interview with His Majesty the King, but you must not put any political interpretation on that—it was purely friendly, but he did send for me and as he always does he wanted to know the news about Kenya, but there was no political aspect about that at all.

I saw Mr Pirrowayd I got to know him quite well—I think that perhaps was of some rather definite value to the Colony. He undoubtedly takes a very real interest in the White Races in this part of Africa, and he said we must have much closer contact between the white people of these countries.

I do believe that it is the very greatest importance that we keep contact with all people of our race in the Union of South Africa and the Rhodesias.

I have arranged to fly to South Africa on the 24th September to spend a few days down there when I hope I shall meet some of the South African leading people. I think it is all to the advantage of the European population in Kenya as we want all the friends we can possibly have.

The Bond Scheme

The first thing was the question of the Bond Scheme. You instructed me to go home and put the arguments as well as I could before the parties. I did what I could. I must say the officials at the Colonial Office went very thoroughly in to it—they were perfectly fair in their discussion—they did not poo poe the thing, but they said it had to go to the Treasury, but they did not think that the Treasury would agree to it.

At a meeting in Nakuru I said at the time I hoped that Major Grogan would also go home with me. I did wish I could have had him by my side, but even he, I am afraid, would not have been able to dig a hole in the conservative outlook of the Treasury officials.

There were two points in that despatch and one was that it showed they did not mind who the people were who were developing the land as long as the land was developed—in other words—they did not care whether farmers in Kenya cleared out as long as somebody else came along to develop the land. I maintain it is their duty to look after all the people of our race in whatever part of world they are in. There is no real sympathy with our outlook in the machine in London which controls our destinies.

The report also says that the great object is that we should continue to have access to the cheap money which is available. From the Land Bank you can get money at 5 1/2% or 5 1/4% + 1% sinking fund but that is not cheap money and I think if the Secretary of State thinks it over again, he will realise that steps have been taken for the people of this Country to have cheap money. When people at home talk about cheap money they mean 3% or 3%. I am sure if people want to hear more

about the Bond Issue scheme Major Grogan will say something about it.

Question of our Loans.

I tackled the Crown Agents about this. Sir William Gowers took a great deal of trouble to try and find out for me what could be done.

I saw Springgoers who are Stockbrokers for the Colonial Office. I was dealing with the 6% loan. People who hold that 6% loan do not want to convert. Springgoers told me that they had tried and found that the majority of the holders were not anxious to convert. They had made their arrangements to get 6% up to 1946. However Sir William Gowers said he would approach the chief holders of this loan. The biggest holders are the Crown Agents on behalf of other Colonies and for other big institutions, but they want too big a premium to make it worth while.

White Highlands

You have seen a good deal about this in the papers since I left England, the debate on the Colonial Office vote came up, in which the question of the White Highlands was discussed, and I think you saw what the Secretary of State said they did mean to continue the present practice in which the White Highlands were reserved for White Settlement, but could not make it a legal enactment.

The Colonial Office did give me an assurance that it was their intention to see that the White Highlands were reserved for the White people. It seems to me that all we will get will be an Order in Council defining the area of the White Highlands, and that the present administrative practice is continued. What we have got to do is to see that Government do carry that out, and if they do not, we must see what steps we will take to see that our security in the Highlands is maintained.

Increased White Settlement in Kenya

To my mind it is the most important thing that we have before us and I must say that I was not very happy at the attitude they were taking on this subject. I am afraid at home they are frightened to recommend anybody to come out here, because the financial position of the farmers has been so bad as it has been the last few years.

We are hard up and the reason is owing to the very low prices. We are not exceptional as every agricultural country in the world has been through the same difficulties. The remarkable thing in Kenya is that so many of the farmers have been able to carry on and so exist. When one thinks of this question of White Settlement immediately one realises that however good a man one had in the London Office, however much work the Kenya Association does, however much work private people do, it is not going to achieve adequate results till we get an entirely different kind of publicity in Great Britain. Only sensational things appear in the papers about Kenya at present.

(Continued on page 34.)

THE LONDON LETTER.

(Continued from page 2)

Mr Edon and M Blum are trying to come to a settlement with Signor Mussolini and Herr Hitler, and a settlement cannot be expected if current happenings suggest that big bodies of Englishmen seem to be working for the overthrow of Fascism and Nazism. The essence of the international situation is non-intervention, not only in Spain, but in the affairs of any foreign power. "Mind your own business" is the only safe rule at the moment, and it may well prove the only safe rule for years ahead. If a Fascist versus Communism conflict is to develop in Europe, Britain had better keep out of it, as England largely kept out of the Wars of Religion in the 16th and 17th centuries.

Wars and Rumours of Wars

Meanwhile, very properly, the Government is speeding up supplies of aeroplanes and other war material, and the Autumn manoeuvres this year have been exceptionally subtle. The Territorial Army secured a considerable number of recruits as a result of the war scares, and, at the annual camps, the amateur soldiers strove to make their exercises as like the real thing as possible. Thus mechanised warfare has been practised assiduously, the motor-car has been used for the speedy movement of troops

One thing, the War Office has not done. It has not adapted an American device whereby combatants during manoeuvres are sprayed with a liquid dye, and are thereby automatically put out of action for the rest of the day. Not only is the manoeuvres dye highly coloured, but it has a distinguishable odour, lasting for several hours. If a battalion is discovered by the judges stained a bright green and smelling like a skunk, it is regarded as wiped out!

Fido in Wartime.

The "Manchester Guardian," to whom I am indebted for these amusing facts, has also had occasion to comment upon the action of the Government, in response to a communication from the National Canine Defence League. The League wants to know, what about pet dogs in the event of air raids? Will they have anti-gas respirators or will they not? The reply of the Government is satisfactory to the League. The War Office is considering the question of gas respirators for Fido. Indeed, the "Manchester Guardian's" poet commented upon the news in verse:—

Think, in this enlightened age,
Fido now goes up a stage,
For his quarrels in the past,
Were not very highly classed.
War with him was just a lumbie,
Somewhat vulgar, rough and tumble.
Now he rises to the station

Of the birds of all creation,
And prepares for war's disaster
On the model of his master,
Proud to share, as dogdom's guardian,
This, the White Man's latest burden.

Olympic Finance.

Germany made a heavy loss upon her staging of the Olympic Games. The receipts for tickets rather more than balanced the running expenses, while the games were in progress, but left no margin for the heavy capital expenditure incurred in building the stadium, preliminary advertising, and the rest, which was originally borne by the German State. Yet 44 million entrance tickets were sold, and a total of £375,000 was realized. However, the Games attracted more than a million people to Berlin and not a few were foreigners, so the indirect receipts were considerable. Hotels, State railways and restaurants coined money. During the fortnight the festival also gave Germany an opportunity for displaying its culture and the service to Nazism must be regarded as worth a good deal of money. Everyone agrees that the management was super-excellent. There was a squabble over the solitary football match, but that was the only set-back suffered by the organisation from beginning to end. Four years hence when the Games are held in Tokio, Japan will have a chance of equalling Germany's organising feat.

The Standard Bank of South Africa, Limited.

with which is incorporated The African Banking Corporation Limited
ESTABLISHED 1862

Bankers to:—The Imperial Government in South Africa, the Governments of Northern and Southern Rhodesia, Tanganyika Territory and Nyasaland

Capital:—SUBSCRIBED—£10,000,000 PAID UP—£2,500,000
RESERVE FUND—£2,500,000

Head Office:—10 Clement Lane, and 77 King William Street London, E. C. 4.

Other Offices in London:—63 London Wall (City), 9 Northumberland Avenue (West End) (opposite Royal Colonial Institute).

New York:—67 Wall Street

Hamburg:—Schauenburgerstrasse 49.

Over 376 Branches throughout the Continent of AFRICA, of which 21 Established in East Africa

Agents in: BOMBAY, CALCUTTA, KARACHI, MADRAS, HONG KONG, YOKOHAMA, KOBE, and all principal Cities of the East

The appointment of The Standard Bank as Executor and Trustee ensures Security, Continuity and Privacy. Particulars obtainable at any branch of the Bank

List of East African Branches:—

Kenya Colony:—Eldoret, Kakamega, Kisumu, Kitale, Mombasa, Nairobi, Nakuru, Nyeri, Nanyuki Agency. **Tanganyika Territory:**—Arusha, Bukoba, Dar-es-Salaam, Lindi, Morogoro, Moshi, Mwanza, Tabora and Tanga. **Uganda:**—Jinja and Kampala. **Zanzibar:**—Zanzibar.

SUPERINTENDENT OF EAST AFRICAN BRANCHES:

H. PARKER, P.O. Box 303, MOMBASA.

80

BROAD BRAN

Specially Manufactured
for the feeding of

PEDIGREE

Horses and Cattle

CAN NOW BE OBTAINED

FROM OUR

ELDORET MILL

Quotations from:—

UNGA LIMITED,

Box 106.

ELDORET.

80

LORD FRANCIS SCOTT AT NJORO.

(Continued from page 32.)

The most important thing is to get an improved publicity Overseas and I do want it to emanate from the commercial side. I do believe that the future strengthening of White Settlement does depend on our getting a better form of publicity from the activities of Kenya than we have got to-day.

I have talked to the Colonial Office on the question of our Constitutional advance. I got a patient hearing though some I do not think they were enthusiastic about it, but I had hopes that my words had not altogether fallen on barren ground and something may come of it.

The other important question which I dealt with was the question of the mandate of Tanganyika. I was very depressed about it when I first reached England as I heard a very unsatisfactory interview had been had with the Prime Minister and the Chancellor of the Exchequer. The fact that it was taken up strongly both in Kenya, Tanganyika and the Union of South Africa had very real effect on the views of the people in England, and I came away with the feeling that Tanganyika will not go out of the Empire. (Loud Applause.)

I personally feel that Tanganyika is safe, but I do feel very strongly that we must not go to sleep about it; and everybody who believes in our Great British Empire should join what has been started as the Tanganyika Defence League. (Applause.)

Local Affairs Defence Force.

I resigned from Executive Council because I thought that His Excellency had not treated me the way he constitutionally should have, on this question. It was quite obvious that his intention was to abolish that force—a Committee was formed to go into the question and they issued their report and I think all of us must agree that that report is an extremely good one. Where it fails is where they played up to the Political side of the Governments wishes. They disbanded the Defence Force and then they immediately reconstitute it. The other point where I think they have made a mistake is they do not like to call it a Defence Force so they call it an Auxiliary Force.

Dairy Control Bill.

This has had many crises in its life and it was definitely referred to the Standing Board of Economic Development. I hope that before the end of the year that we may have some form of Dairy Control Bill in existence.

Pim Report.

The most important thing of all is the question of Sir A. Pim's report—I asked over and over again when I was in England when were we going to get it and all I was told was that it was in the printers hands. Now there is no good discussing what is going to be in Sir A. Pim's report, but from what I have been told I believe it is probable that he will recommend considerable reductions in the Administration staff of the Colony—he will probably recommend various other reductions of expenditure. On the taxation side it is generally assumed some of the taxation we have got to-day will be taken off and some form of Income Tax be put in its place.

I do want to hold out a word of warning to those who are in favour of Income Tax.

What will happen is that Government will say it is very late in the year, it is quite impossible for us to put into force any recommendations regarding reduction of expenditure—they cannot suddenly send Administrative Officers out of the Country and they will do nothing in this coming Budget. They will probably put an Income Tax on, but as they have not been able to reduce expenditure, the result will be we will get an Income Tax superimposed on all the other taxes we have to-day. I do want to hold out this word of warning, I do hope you pro-Income Taxers will not be too jubilant when it is recommended unless you take care to see that Government deals with the other parts of the report as well. There are objections to Income Tax. It is quite impossible in a Country like this to make it a fair tax. I would like to draw attention to a document I have here on Southern Rhodesia, (Lord Francis read an extract from it) where it is pointed out that a married couple pay nothing on first £800 and only 6d in the £ on the next £500. If Income Tax is going to be imposed we certainly should have much more to say in the control of the finances of the Colony. (Applause.)

To come to the general position of the Country to-day I think we must all agree that the economic position is better than it has been for some time. The prices of commodities have gone up.

On the political side we all hope we may have quiet times in politics, but it all depends on the Government. If the Government are going to try and trick us again, we shall have more trouble than we had in the past.

We Elected Members are criticised at two angles. There is one section of the people of the country who say that had we not made so much bother we should be all right. I say this is entirely wrong—it emanates from gentlemen who like a cheap meal at Government House. What would have happened if we had not been badgering Government to do something for the farmers? If we had not done this there would have been no reduction in expenditure. It is because we have been perpetually at Government all this time that we have got things down to the position of today.

There is another side, that we have not taken advantage of the state of the country the last few years and had a proper row. Now I am not ashamed, I do not apologise for anything we have done in the political sphere during the last few years. I have personally always held that our right policy is to keep on with our perpetual pressure on Government and keep at them all the time. We realise we cannot trust them and so we have had to keep at them. We have had to accentuate the state of the farmers in the Country. We had to do this because otherwise we could not get Government to pay any attention.

We have served your interest during these years in the very best way which was in our power to do so without landing this Country into serious trouble.

We trust that this next year 1937 may usher a better atmosphere all through and we must be on to get increased settlement and to get all the things which we believe are better for the country. Let us keep together solidly side by side and I am sure we will find that better times are coming.

Rift Valley Tennis Championships, 1936.

A Tennis Championships Meeting will be held at Nakuru on Friday, Saturday and Sunday October the 2nd, 3rd and 4th, 1935.

Matches will be played on the Courts of the Rift Valley Sports Club, The Nakuru Athletic Club, The Railway European Tennis Club and The Railway Asiatic Institute.

EVENTS.

Men's Singles.	Ladies Singles.
Men's Doubles.	Ladies Doubles.
Mixed Doubles.	

ENTRANCE FEE.

Shillings Five per entry.

CLOSING DATE.

Entries accompanied by Entrance Fees, should be sent to J.W. Smith Esq., P.O. Box 45, Nakuru, on or before Friday, September the 25th, 1935.

In addition to the above events a Mixed Doubles Handicap Tournament will be held. The Entrance Fee for this will be advertised later.

Spalding Tennis Balls will be used throughout the Championships.

The Cabinet.

Preliminary Meeting.

(British Official Wireless Press.)

31st Aug. 1936.

Questions arising out of the international situation, which were examined at the recent meeting of the Foreign Affairs committee of the Cabinet, will be reviewed at a meeting of Ministers on Wednesday. It will probably not be a full meeting of the Cabinet, as some Ministers who are still on holiday at considerable distances from London are not expected to attend. The meeting is regarded as a preliminary to the resumption of regular sittings of the Cabinet.

2nd Sep. 1936

The meeting of Ministers held at 10 Downing Street on Wednesday morning was, it is understood, chiefly concerned with a review of Foreign Affairs. Arrangements for the meeting were made before Parliament rose for the summer recess, and in preparation for it, current international questions were examined at last week's meeting of the committee of the Cabinet. Owing to indisposition, the Foreign Secretary, Mr Anthony Eden, who is confined to his room with a slight temperature, was unable to attend, in his absence Lord Cranborne, the parliamentary Under Secretary for Foreign Affairs was present.

RAIN.

Weekly Report

For the week ending 26th August 1936, at certain stations in the Colony and Protectorate of Kenya and other East African Territories.

District	Over a period of 7 days		No. of Days	Total	
	[Aug 20th/Aug. 26th]	[Aug. 20th/Aug. 26th]		[Jan 1936]	[Aug. 26th]
Cherangai, Cross Roads	1.10	5	5	37.41	
Eldoret, D.C.	2.60	5	5	37.20	
Eldama Ravine, Etrick Est.	1.48	5	5	44.24	
Eldoret, Eldalat					
Fort Hall, D.C.	0.4	3	3	30.89	
Fort Ternan, Kipteris	2.35	5	5	48.83	
Gilgil, E.A.L. & Dev. Co.	1.51	5	5	26.31	
Kabete Observatory	0.21	4	4	29.07	
Kaimosi, Kapwaren	4.06	5	5	73.68	
Kericho, D.C.	2.35	5	5	57.87	
Kiambu, D.C.	0.18	3	3	28.39	
Kiambu, Kigwa	0.13	3	3	24.85	
Kijabe, Bamboo Forest	1.68	2	2		
Kilifi, D.C.	0.60	-	-	32.98	
Kisumu, Mtaraka	0.89	6	6	52.88	
Kipkarren River, Olemusogai	1.77	7	7	42.44	
Kisumu Marine Dept	1.47	4	4	29.01	
Kitalo, D.C.	2.02	5	5	37.53	
Koru, Ngirimori	1.1	7	7	60.12	
Lamu, D.C.	0.06	-	-	39.05	
Limuru, Mabroukie	0.64	6	6	43.82	
Lumwa, Mtaragon	1.86	5	5	46.40	
Machakos, D.C.	0.00	-	-	31.59	
Mackinnon Road, K.U.R.	0.00	-	-	14.04	
Makindu, K.U.R.	0.00	-	-	6.55	
Makuyu Esal, Ltd.	0.12	1	1	27.01	
Makuyu, Kinenguy					
Malindi, D.C.	0.01	1	1	36.66	
Maragua, Njugu Est.	0.44	4	4	30.87	
Menengai, Vron Farm	1.35	4	4	27.41	
Meru, D.C.	0.00	-	-	29.35	
Moiben, Spring, Valley Est.	1.30	5	5	40.73	
Miwani The Mill	0.75	3	3	47.57	
Molo, Murimani	2.96	7	7	36.70	
Mombasa Observatory	4.34	3	3	39.74	
Nairobi, K.U.R.	0.30	2	2	22.80	
Naivasha, Sterndale	1.07	7	7	30.46	
Nakuru, D.C.	0.58	5	5	29.26	
Nandi Escarpment	2.2	5	5	45.90	
Nanyuki, Silverbeck Hotel	0.60	-	-	28.16	
Narok, D.C.	0.00	-	-	23.40	
Njoro, Plant Breeder	2.81	6	6	33.54	
Nyeri, Mwega	0.47	6	6	29.72	
Nyeri, D.C.	0.35	5	5	28.40	
Rongai, Molo Farm	1.32	-	-	35.67	
Rongai Miti Mingo	1.77	5	5		
Rumuruti, D.C.	0.46	3	3	23.30	
Ruiru, Sukari Ltd.	2.16	1	1	24.52	
Ruiru, Marula	2.22	2	2	24.65	
Ruiru, Kamiti	0.54	2	2	21.38	
Ruiru, Kosima	0.73	3	3	33.34	
Ruiru, Kabuguni	0.32	2	2	28.06	
Samba, K.U.R.	0.00	-	-	24.64	
Songhor, Mboge Vale Est.	0.61	4	4	59.88	
Soy, Soy Estate Ltd.	2.96	-	-	44.26	
Thika, Avontuur	1.00	3	3	27.47	
Thika, D.C.	0.34	5	5	21.13	
Thika Karamsini	0.36	4	4	30.98	
Thika, Kitimuri	0.00	-	-	30.36	
Thomson Falls, Marmaret	1.89	4	4	39.99	
Tsavo, R.U.R.	0.00	-	-	12.81	
Voi, D.C.	0.20	1	1	19.53	
Kampala Observatory	0.95	5	5	37.63	
Butiaba, Uganda	0.37	2	2	22.68	

Notes—Visitors to or interested persons in Great Britain may be regularly furnished with the above information upon application being made to the Commissioner, E.A. Trade and Information Office, Grand Bldg., Trafalgar Sq, London

The Johannesburg Air Race.

FOURTEEN ENTRIES

(British Official Wireless Press)

2nd Sep. 1936.

The Portsmouth Airport has been chosen as the starting point for the England to Johannesburg air race, for which the Royal Aero Club have now completed the final arrangements. The race will begin at 6.15 a.m. on September 29th competitors leaving at intervals of one minute. These differences will be adjusted at Cairo, the only control at which competitors must land and report. All the competitors must, however, be seen to turn at Zuzun aerodrome, Belgrade. Imperial Air-

ways has assumed responsibility for the lighting and ground control at the airports en route between Cairo and Johannesburg.

The race has been organized in conjunction with the Empire Exhibition at Johannesburg which opens on September 15th. Mr I.W. Noblesinger, the South African Industrialist, has provided £10,000 as prize money. The contest is confined to British subjects, aircraft and engines, the official list of entries comprises 14 aircraft, but the total field is not likely to exceed 13.

The man who smokes Player's gets Quality

Now available in this packing

UNVINCIBL

Player's CIGARETTES MEDIUM

John Player & Sons

EA/PLS