

1924

KENYA

334

no. 45233
23 SEP 24

FROM
HARRISON, C.N.M.

DATE
22nd September 1924.

FOR INFORMATION :-

Mr. *Bottanley*

Mr.

Mr.

Asst. U.S. of S.

Asst. U.S. of S.

Asst. U.S. of S.

Secretary of State

SUGAR CULTIVATION. PROPOSED GRANT OF LAND.

States as to endeavours made to establish industry and expresses apprehension at reported intention of Govt to grant land to a rival company of Mauritius. Proposes to find further capital on assumption that this is incorrect.

Previous Papers

MINUTES

Please see record of interview on 43766/24. I was careful not to say anything to give him the impression to which he refers at X in letter, and we must be careful to disclaim responsibility for the consequences of any action which he may take on the supposition that there is nothing in the proposed rumour.

I Reply as in dft. and send copy of cover to Gov.

*Original 26 Sep 24
copy comes to Gov Kya 12.5
Reminds to Gov 384/24 23 APR 1925
Reminds to Gov Kya 45 cover 13 JAN 1926*

Subsequent Papers

See T 54302
101-115

MINUTES.

MINUTES NOT TO BE WRITTEN
ON THIS SIDE.

4. 356. 2/24 asking
for a report.

Cff. 24. 7. 24.

If passed. we had
not known to bring him
into consideration if we
set the scheme for the
Governor, tho, I sincerely
hope, will not prefer to
give away 20,000 acres
of the dilapidated Reserve.

C.A.
24. 7. 24
am

Remind OAG LF.

Cff 17. 4. 24

at once

Again remind LF

C.B. Stanley

8/1/26 at once

C.O.
40
45233
23 Sept 2426 Stafford Terrace
Kensington, W. 8
22nd September 1924

Sir,

I beg to refer to my interview on Saturday the 20th inst. when I enquired whether you had received any communication from the Administration of Kenya Colony as to a proposed grant of land to a Mauritius Syndicate for purposes of Sugar cultivation and manufacture. ~~In this connection~~ I beg to bring to your notice the following facts.

Some years ago a Company was formed in Kenya for the manufacture of Matalite Motor Spirit and a large Factory was erected at Mile 15 on the Thika branch line and some of the adjoining Settlers were persuaded to plant Sugar on their land from which the spirit was to be manufactured. The Company however failed and went into liquidation and the Sugar Cane which had been grown by the Planters looked like proving a complete loss. To obviate this a small Company with an authorised Capital of £20,000 was formed in Nairobi in April 1923 for the purpose of utilising the growing Cane and manufacturing Sugar therefrom. The site for the erection of the Sugar factory adjoins the Matalite factory and as it stands at an altitude of over 5500 feet above the sea it was in the nature of an experiment and only a small Mill was purchased with a maximum capacity of 4 tons of

Sugar a day.

I am a Selfiator by profession and have been practising in Nairobi for nearly 21 years and as I was instrumental in the forming of this Sugar Company and took Shares in it I was elected Chairman of the Company. We commenced producing Sugar from the Mill in December 1923 and the experiment has proved quite successful. I came home on a holiday in the middle of May last and shortly after I left a deputation consisting of four gentlemen interested in Sugar arrived from Mauritius. Certain Negotiations then took place between these delegates, who, I understand, had no executive power but were acting in an advisory capacity, with a view to taking over our Company which is known as "Subari Limited" but these negotiations came to nothing. At the beginning of August I received a Cable from my Beard informing me of this and enquiring whether I could interest Capitalists here with a view to the formation of a new Company and the erection of a Sugar factory on a much larger scale. Failing this I was asked to endeavour to arrange financial assistance for our Company with the same object through the Trade Facilities Committee. Within a day or two of the receipt of this I received a further Cable from the Beard, extracts from which I read to you at my interview, stating that from additional information received it appeared that the Mauritius Syndicate was to be given a grant of 20,000 acres of fertile land in the Fort Hall District subject to same being sanctioned and approved by your Office. I have since received

a letter from the Secretary of the Company confirming these two Cables and giving further particulars to the effect that the suggested Grant of 20,000 acres of land suitable for Sugar cultivation was to be in the Native reserve in the Fort Hall District with two powerful Waterfalls on it and the Bow Thim-Nyoni Railway extension passing through it and the suggestion was that as a quid pro quo Government should receive 10% of the net profits made from the manufacture and sale of the Sugar.

My Board points out that if this Grant were made the Mauritians would have overwhelming advantages in that they would incur no capital outlay in the acquisition of this land nor have any rent to pay, also that they would have cheap power and, being in a thickly populated Native reserve, a plentiful supply of cheap labour, besides having at their command all the experience and knowledge required to make the venture successful. In fact the Chief of the delegation informed the Secretary of my Company that if the concession were granted they would be able without difficulty to produce sugar at 28 a ton.

I should have stated before that in order not to be in the hands of and entirely dependent on the Planters for the Cane required for our factory we raised £4000 on Debentures and purchased a property adjoining the factory suitable for the cultivation of Sugar and expect to have 1000 acres of this land planted with Sugar in the next big rains.

You will realize therefore that my Company is vitally interested in the matter of the proposed Grant, and would very much resent any such grant being sanctioned to a Mauritius Syndicate as we, who have lived in the Colony for many years, have been under the belief that the Native Reserves were ~~not~~ sacrosanct and delimited once and for all and that no curtailment thereof would be considered otherwise we ourselves would have put in an application for such a Grant more than a year before the Mauritians arrived on the scene.

Owing to the uncertainty of the situation caused by the above Cables I have made very little progress towards obtaining further Capital over here for the purposes of expansion and enlargement but as I was informed at my interview on Saturday that no communication with reference to such a Grant had yet reached you I feel, with much relief, that I can be almost certain that my co-Directors have been misinformed or that the local administration in Kenya have on further consideration decided not to put forward or recommend any such Grant and that I can now, with an easy mind, endeavour to find further Capital here for enlarging our present factory in Kenya.

Should you however hear anything further from Kenya with reference to any such concession I trust for the above reasons that you will acquaint me and allow me to be heard against it in

the interests of my Company before any such Grant is sanctioned
by your Office.

I have the honour to be, Sir,
Your Obedient Servant,

C. M. Harrison,

The Right Honourable

The Secretary of State for the Colonies

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I
... ..

The
... ..

DRAFT.

3. Should any proposal
of the kind suggested be
brought before the S. of P.
it will be considered whether
your desire to give an
affirmative of making

NOTE.

reference to the same will be
made in the report.

Mr.

Mr.

Mr.

Sir O. Davis.

Sir G. Grindle.

Sir H. ...

Sir J. Masterton Smith.

Lord ...

Mr. Thomas.

completing letter, but in

any case the circumstances

expressed in your letter

will be borne in mind.

(Signed) G. GRINDLE

45933/24

Kenya

RECEIVED
2

401

and previous corres. regarding
a proposal that a syndicate
of sugar growers from
Mauritius should undertake
operations in Kenya.

DRAFT

10/11
23 OCT 1924

to 1026

for Mr. [unclear]
MINUTE.

3562

29/9

- Sir G. [unclear]
- Sir H. Ross
- Sir J. Macarion Smith
- Lord Arnold
- Mr. Thomas

26 of the 8th of [unclear]

Association [unclear]

Mr. [unclear] of [unclear]

C. H. [unclear] Harrison,
on the subject of a report
regarding the [unclear] of land

26 Sept

45923

45233/24

Kenya

REC'D SEP 2

401

and various committees regarding a proposal that a syndicate of sugar growers from Mauritius should undertake operations in Kenya.

DRAFT

19/24

23 OCT 1924

to 1026

For Congdon

MINUTE.

3586

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Ditto

26 Sept

45223

in the syndicate is in
contemplation.

I shall be glad
to learn whether there is any substance in this.

~~To receive a report on~~

~~the matter.~~



(Signed) J. H. THOMAS

H/45233/24
Kenya

C. D.
25 SEP
1924

30

26 Sept. 1924.

Sir,

I am ^{pleas}ed to ack.

the receipt of your letter
of the 22nd. of Sept.,
regarding a report to
the effect that it is
proposed to grant 20,000
acres of land in the
Fort Hall district of
Kenya to a braugharian
syndicate for the purpose
of growing sugar.

2. As you were informed
when you called at
the Colonial Office on
the

DRAFT.

P. M. Harris Esq.

MINUTE.

- Mr. Jeffries 24.9.24
- Mr. W. S. H. ... 24.9.24
- Mr. ...
- Sir C. ...
- Sir G. Grindle
- Sir H. ...
- Sir J. Masterton Smith
- Lord Arnold
- Mr. ...

10.16.24 OCT 1924

copy to the ...

for con tan

H/45233/4
Kenya

402

C. D.
25 SEP
1924

30

26 Sept. 1924

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Mr. B. H. ... 24.9.24

Mr.

Mr. G. D.

Sir G. Grindle

Sir H. ...

Sir J. Masterton Smith.

Lord Arnold.

Mr. Phoenix.

for con't

copy to Mr. ... 10.16.24

H/45233/24

Kenya

402

C.O.
25 SEP
1924

30

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when you called at

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DRAFT.

N.M. Harrison Esq.

MINUTE.

Mr. J. J. J. 24.9.24

Mr. C. C. C. 24.9.24

Mr.

Sir C. Davis.

Sir G. Grindle

Sir H. Read.

Sir J. MacLaren Smith.

Lord Arnold.

Mr. Thomas.

for carbon

1026 E 3 OCT 1924

copy to Sir J. J.

the 20th of Sept., no such proposal has been submitted to the S.D.S. by the Gov. of Kenya. You will, however, understand that the S.D.S. is not in a position to ~~confirm~~ confirm your impression ^{with} that the report is inaccurate or ~~the~~ the proposal has been abandoned by the Colonial Govt., and we could not accept responsibility for the consequences of any action which you might take on that assumption.

3. ^{Should}

3. Any proposal of the kind suggested which might be brought before the S.D.S. would require very careful consideration, and your request that, in the event of such a proposal being put forward, you may be given an opportunity of

24
1923-24

KENYA

2149
14 JAN 24

FROM

DATE

Hodson, A. ~~Smith~~

29 October 1923

OR CIRCULATION:—

SUBJECT

Mr. ~~Bostwick~~
D.V.

Letter to Sir H. Read regarding Lord Curzon's statement in the House of Lords on to absence of reports by Spawery from Consuls in Abyssinia.

APPROPRIATE OFFICERS

Mr. H. Read

U.S. ...

Gen. of S.

...

MINUTES

Head wished this kept secret as Mr. Hodson expresses himself rather freely about Lord Curzon.

We seem to have no paper directly bearing upon the point under point no. 1000 but I annex copy of Hansard and of the Consul paper referred to in the debate.

Dyke for caution hereafter

14.1.24

Armed. (S.O.) 16 Jan 24
Further copies of (S.O.)
To Hodge on 4.9.24
To Whitehead 4.9.24
F.O.

Anti-Boycott Paper