1922

KENYA

C.O.
60695
REC 8 DEC 22

FROM	DATE.
INDIA	7TH DECEMBER 1922

FOR CIRCULATION

SUBJECT

218

POWER FOR INDIAN OFFICERS ON SECURITY OF GRATUITIES

Encloses copy of telegram received from Govt of India. No communication received from Kenya cannot make exception to rule that no charge or assignment of gratuity will be recognised. J.O.

Mr Grindle

Forwarded for the information of the Secretary of State for India.

MINUTES

Sir H. Read

We see no reason on 59166.

[illegible] from the J.O. to reconsider [illegible] we can see, in my opinion, [illegible] to take the risk of [illegible] advances [illegible] which, [illegible] of [illegible] [illegible]

Tel. [illegible] 59166 that the J.O. refuses to [illegible] [illegible] in favour of the [illegible] of [illegible] [illegible] the [illegible] [illegible] given.

Confirm by [illegible] cable [illegible] C.O. of 60695 & the telegram [illegible] [illegible] receipt of 59166 it [illegible]

Subsequent Paper

500/11301/13

(14981) Wt. 20817—30. 60,000. 11/21. T.S.

[illegible] further communication on this subject should [illegible] addressed to—
[illegible] Under Secretary of State for India,
Military Department,
India Office,
London, S.W.1.
[illegible] following reference quoted:—
9717/22

INDIA OFFICE,
WHITEHALL,
LONDON, S.W.

[illegible] December 1922.

9 Dec 22

Sir,

[illegible] forward, for the information [illegible] copy of a telegram that [illegible] Government of India, regarding [illegible] Bombay [illegible] proposals [illegible] under the [illegible] April 1922 (copy enclosed), allowance provided for [illegible] that Warrant, may be permitted [illegible] payable under Rule 7 of the same Rules [illegible] of the Kenya Colony.

2. The reference in the repeated message [illegible] Governor of the Colony to a telegram sent to the Secretary of State for India is not understood, as no communication on the subject has been received in the India Office; but I am to say, for the information of the Secretary of State

Under Secretary of State,
Colonial Office

ROYAL WARRANT.

Retirement of Surplus Officers of the Indian Army.

GEORGE R.I.

WHEREAS a necessity exists for reducing the number of officers in Our Indian Army:

OUR WILL and PLEASURE is that any of such officers whom Our Secretary of State for India in Council may, within a period of twelve months from the date of this Our Warrant decide to be surplus to the requirements of Our Indian Army, shall, unless appointed to other branches of Our Army or to Our Air Force, be retired from Our Army with such retiring gratuity and under such conditions as Our Secretary of State for India in Council may prescribe.

Given at Our Court at St. James's, this 25th day of April 1922, in the 12th year of Our Reign.

By His Majesty's Command,
PEEL.

Rules in regard to the Retirement of Surplus Junior Officers of the Indian Army issued by the Secretary of State for India in Council under Royal Warrant of 25th April 1922.

The Secretary of State for India in Council has decided that the retirement under the provisions of the Royal Warrant of junior British officers of the Indian Army who may be decided to be surplus to requirements shall be governed by the following rules. The selection of officers for retirement under these rules will be made from among those whose date of commission for promotion in the Indian Army falls between 1st January 1915 and 31st December 1918, both dates inclusive:—

1.—(*a*) An officer, if in India, will be granted entitled passage for himself and family (subject to payment of messing charges for his family) to the United Kingdom, or to any port in the British Empire he may select (or be granted an allowance in lieu), provided he complies with any sailing orders he may receive from Government, and notifies his selection within such period as may be prescribed.

(*b*) An officer, if in the United Kingdom, will receive passage to any port in the British Empire for himself and family (less payment of messing charges for his family) or be granted an allowance in lieu, provided he has not already received a passage under (*a*) and provided he claims the passage within such period as the Secretary of State in Council may prescribe.

(*c*) If an officer is in India and his family in the United Kingdom, or *vice versa*, the family may be granted passage (less payment of messing charges), or an allowance in lieu, to any port in the British Empire outside India and the United Kingdom to which the officer himself is granted passage or an allowance in lieu, or (in the second case) to the United Kingdom if the officer is remaining there, provided the passage is claimed within such period as may be prescribed.

(*d*) An officer in the United Kingdom, unless granted a passage to an Indian port, may have his and his family's baggage conveyed free from India to the United Kingdom, or to any port to which he is himself granted passage.

(*e*) The amount of baggage of the officer and his family, which may be shipped free under (*a*), (*b*), (*c*) or (*d*) will be limited to double the sea scale laid down in para. 104, Army Regulations (India), Vol. X.

(*f*) The grant of passage or allowance in lieu to an officer or his family will also carry the right to free conveyance by rail to the port of embarkation, but not to payment of any travelling expenses in the country in which he or they disembark.

5522—1 300 6.22

2. (a) An officer, if in India, [illegible] the appointment he last held up to the date [illegible] Kingdom, provided he embarks as directed, or [illegible] to the United Kingdom, [illegible] prescribe as date of embarkation, or from [illegible] to be taken as the equivalent thereof, [illegible] to grant such full pay leave as may [illegible] months' leave on the full pay of his [illegible] as more advantageous to him.

(b) The officer, if [illegible] affairs in the United Kingdom on the date on which he [illegible] retired, will from such date, as the Secretary of State in Council may prescribe, [illegible] one month's leave on the full pay of his substantive rank as [illegible] equivalent to that of embarkation from India will be p[illegible] of Rule 7. Ordinarily this will be taken as the date on w[illegible] full pay leave starts.

3. An officer in [illegible] to India on duty on the day of his last appointment [illegible] come under the provisions of paras. 1 and 2 applicable [illegible]

The provisions of [illegible] (b) and 2 (a) will apply to an officer serving in Egypt, Palestine, [illegible] that country being substituted for "India" therein. Conditions similar to those in paras. 1 and 2 will be specially fixed for the case of any officer serving elsewhere than in the United Kingdom, India, or one of the countries named in this paragraph.

4. From the expiry of the full pay leave referred to above, the officer will be retired from the Army and will be under no further obligation for service. If any doubt arises as to the correct date of retirement under these rules, either owing to misunderstanding of sailing orders or from any other cause, the Secretary of State in Council shall fix a date.

5. An officer who is on leave on medical certificate when he is informed that he is surplus to requirements will either (i) be retired under the Royal Warrant of 25th April 1922 when he has been passed fit for service in India, or (ii) be retired on an invalid pension under the ordinary rules when he has been found unfit for further service in India, *provided* that he is found either fit or permanently unfit within two years from the date on which he was struck off duty on proceeding on sick leave. An officer who at the end of two years from the date [illegible] is not permanently unfit will then be given, [illegible] under these special rules or on an invalid pension. The same option will also be given to an officer who is in the temporary non-effective list when he is declared to be surplus.

In all cases of retirement on the special terms under this paragraph the question of the grant of any leave under para. 2, of the date up to which service for gratuity shall count and of the date on which the rights under para. 1 shall come into force will be specially considered and decided as the Secretary of State in Council may determine.

6. On retirement an officer will be entitled to draw a gratuity of the amount laid down in para. 7 at any time he desires between the date of retirement and the date three years therefrom, giving notice in writing to the Accountant-General, India Office, if payments to be made in United Kingdom (or elsewhere except in India), or to the Military Accountant-General, India, if in India. Payment will then be made as soon as possible to any bank in the United Kingdom of India respectively. (*See also* 12 below.)

7. The amount of the gratuity will be:—

(a) For subalterns, 850*l.*, with increments at the rate of 75*l.* a year for the period of service in the rank of Second Lieutenant or Lieutenant from the date of his first commission as adjusted after appointment to the Indian Army, with an addition at the rate of 60*l.* a year for any period of commissioned service prior to that date, which under Indian regulations is allowed to count for pension but not for promotion.

(b) For Captains, 1,250*l.* with increments at the rate of 150*l.* a year for the period of service in the substantive rank of Captain, as adjusted after entering Indian Army.

The period of service under (a) or (b) will in each case be calculated to the nearest completed month, one-twelfth of the appropriate yearly increment being admissible for each completed month.

Service for the purpose of this rule will be considered to terminate on the date of embarkation or prescribed equivalent date (or date specially fixed under Rule 5). Rank will be reckoned as adjusted after entering the Indian Army. An officer promoted to Captain after the termination of gratuity earning service will receive gratuity as for a Lieutenant.

If paid in India the gratuity will be converted into rupees at the rate of exchange, as communicated weekly to Controllers of Military Accounts by the Military Accountant-General, prevailing on the date of the officer's application.

8. From the date of retirement up to the date on which the gratuity is issued an officer will be entitled to an allowance at the rate of 200*l.* per annum if single and 300*l.* per annum if married (subject to a maximum period of three years). If the allowance is drawn in India, it will be converted into rupees at the current rate of exchange as defined in the rules regarding the conversion into rupees of sterling pensions. All claim to continue to draw the allowance will cease (subject to para. 9) from the date of the issue of a form for the payment of the gratuity. The gratuity will not be paid until the officer notifies his desire to draw it, except that it will be issued at the end of three years if he has not previously signified his desire.

9. An officer may at any time after he has been informed that he will be retired under these rules, and before he receives the gratuity, draw in advance a portion of the gratuity not exceeding 10 per cent. of it in the case of a single officer, and 20 per cent. in the case of a married officer. The receipt of this advance will not prejudice the officer's right to draw the allowance mentioned in para. 8 until he receives the balance of the gratuity. No part of the gratuity in excess of the above limits can be drawn without forfeiting the right to continue to draw the allowance. Any advance drawn in India under this rule will be converted into rupees at the rate of exchange prescribed in Rule 7.

10. For the purpose of Rules 8 and 9 an officer will be regarded as a single man married after the date of his retirement or if he is a childless widower or if he is separated from his wife and children (if any) and does not contribute to their support.

11. No assignment of [illegible] on the gratuity will be recognised by the Secretary of State in Council.

12. Payment of gratuity or allowance in the Colonies will ordinarily be arranged through the officer's bankers in the Colony, but all applications on the subject should be sent to the Accountant-General, India Office, except in cases of transfer of the allowance from India to a Colony, when the Military Accountant-General, India, should be addressed.

13. If the officer dies after the date of his retirement and before he has drawn the gratuity, the issue of the allowance will cease with the date of his death, and the gratuity (or any balance thereof) will be credited to his estate.

14. An officer who receives an advance of gratuity under para. 9 before the date of his retirement, and whose retirement under these rules is for any reason, or in any event, carried out, will be required to repay the advance by such instalments as the Secretary of State in Council may direct. In the event of his death before retirement the question will be specially considered.

15. [illegible] his [illegible] will [illegible] be eligible for the benefits of any [illegible] provisions of the "Royal Warrant [illegible] of the Army" relating to widows and families pensions.

16. From the date of retirement an officer will not be allowed to continue to subscribe to the India Military Widows' and Orphans' Fund, and he and his family (if any) will have no claim to benefits under the rules of that Fund.

All contributions paid by an officer, whether married or unmarried, during the term of his membership will be refunded with interest.

17. In the event of an officer retiring under the Royal Warrant of 25th April 1922 and these rules obtaining employment under the Crown, not paid out of Indian

revenues, no claim that any part of his service in the Army should be considered as pensionable service for the purpose of his new employment will be admitted against Indian revenues.

18. The foregoing rules are not applicable to an officer who having been retired from the Army under the provisions of the Royal Warrant of 25th April 1922, may accept a permanent civil post under the Crown in India. In such cases the conditions of his retirement and re-employment will be specially considered by the Secretary of State in Council.

19. The position of an officer who has been seconded from the Indian Army to undergo a course at a University, either on probation for a civil post under the Crown or otherwise, who would but for his seconding come under these rules, will be specially considered, and the Secretary of State in Council will prescribe such conditions regarding the retirement of such an officer as he may think fit.

RJR/REH (100 words) 9081.

COPY OF TELEGRAM.

From Viceroy, Army Department, to Secretary of State for India

Dated Delhi, 28th Nov. 1922

Received 8 a.m., 29th Nov. 1922

[illegible]

[illegible] Secretary of State for India [illegible]

[illegible]

90 Kenya
60695/22

223

53

13

14 Dec 1922

DRAFT.

Annd 11301/23

Kenya
No 1819
Mr. Margesson

MINUTE.

Mr. Jewell 12.12.22
Mr. Battesbee
Mr.
Mr. Davis.
Sir G. Grindle.
Sir H. Read.
Sir J. Masterton Smith.
Mr. Ormsby Gore.
Duke of Devonshire.

Sent 20 7 Dec 1922 (Tel)

Sir I have the honour to acknowledge the receipt of your No 413 of the 29th of Nov, regarding the desire of certain Indian officials now in Kenya to borrow money from the Bank in the Colony on the security of the gratuities to which they are entitled under the Royal

confirm my tel of the 13th of Dec on the
subject which stand as follows:
[illegible]
I have now a copy of a tel
from the IO, also a copy of a tel
from the Govr of Kenya to the Secy S for
[illegible] to the I.O. [illegible]
Indian [illegible] on the receipt of your telegram
it was found that the IO already had
the matter in hand.

3. I shall be glad to receive
information
particulars with regard to the telegram
which is stated to have been sent by the Colonial Secy
to the Secy of State for India

3. The reference
given to the
to the Kenya
to a tel from
the Colonial Secy
to the Secy S for
in the under
and I shall
to send full
particulars
appeal to the

Colonial Secretary

(Signed) DEVONSHIRE

Kenya

Secretary

Secretary

MINUTE.

Mr. Snell
Mr. Batterbury
Mr.
Mr. Davis.
Sir G. Grindle.
Sir H. Read.
Sir J. Masterton Smith.
Mr. Ormsby Gore.
Duke of Devonshire.

MECHANICAL
refuse

PARTIALLY
in favour of

GRANT
Govt of Kenya

SD

Secretary therefor

draft

GREATLY
Award be given
DEVONSHIRE

Mr Cook say in
answer to these people

WSch.

Mr. Hl. 22

1. The unbleached goods are the famous "americani" & Lancashire has always given much desire to compete in this line.

Might we, even to benefit Lancashire, to influence the Indians to lower the prices — & thus avoid wearing — bleached goods which some authorities have stated lies in wait?

Have no reason to suppose that U.S. A have disposed of this market, so soon expect a protest from them. Japan may ought not to be more disposed to take kind to us than in any other.

I expect that any fall in the price of these goods will, on the ground of greater cost to the expense, would a return to the old volume basis, but the action proposed will carry us on until the tariff comes up for review next spring.

As proposed?

Cecil 15.12.22

W.S.Sch 16/XII/22

Mr 9.14-15 the right time

	Mean Origin
U.S.A	36 %
British India	31 "
Austria-H	16 "
Italy	5.5 "
U.K.	5.1 "

H.

* If the 60% surcharge for dutiable is right there must have been some fall. etc

Any question affecting Cotton piece goods ought to be referred to the Dept of Overseas Trade or Board of Trade for their concurrence before we take action, or Lancashire may give trouble, even if their share of the Trade is small. Subject to the above I agree to the proposed action.

16.12.22

W.S.Sch

agree.

M: Bottomley.

Is it intended that that reference to Dept of Overseas Trade or Board of Trade should be deferred until the Government policy is received?

If so —

? Pulty

M. 29/12/22.

Mr Bottomley

? We can wait until we have the Govt's policy

WS 30 XII 22

Yes — at present our information is incomplete.

Cecil 30.12.22 in abeyance

JRM

INDIA OFFICE,
WHITEHALL,
LONDON, S.W. 1.

8th December, 1922.

228

Sir,

I [illegible] of State for India in [illegible] from the Government of India [illegible] levied by the Administration [illegible] Kenya Colony on cotton goods, and with reference to [illegible] thereof to [illegible] any observations that [illegible] the Duke of Devonshire [illegible] to offer, copy of letters [illegible] from the Bombay Millowners' Association to the Government of Bombay, and the Government of India to the Government of Kenya Colony, on the subject.

I am, Sir,
Your obedient Servant,

E J Turner
Secretary,
Commerce & Revenue Department.

The Under Secretary of State,
Colonial Office.

No. 210.

Government of India.

Department of Commerce.

Delhi, the 16th November 1922.

D. T. Chadwick, Esquire, C.I.E., I.C.S.,

Secretary to the Government of India,

To

His Majesty's Under Secretary of State for India,

India and Foreign Department,

Whitehall Gardens,

London S.W.1.

Sir,

I am directed to refer [illegible] letter No. [illegible] dated 4th November 1922 forwarding [illegible] representation from the Bombay [illegible] regarding the new Customs [illegible] on piece-goods.

2. It is understood that [illegible] protested on October [illegible] to [illegible] of State for the Colonies regarding [illegible] of these new Customs Schedules. It is therefore [illegible] that the matter is under review by His Majesty's Secretary of State for the Colonies. I am to request for your consideration, if you see no objection, the advisability of placing our letter to the Kenya Government together with the representation of the Bombay Millowners' Association before His Majesty's Secretary of State for the Colonies.

I have the honour to be,

Sir,

Your most obedient servant,

Sd/- D. T. Chadwick,

Secretary to the Government of India.

No. 199.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE.

19

Dated the 8th November 1922.

230

W. S. Chenevix Trench, Esquire, C.I.E.,

Secretary to the Government of India,

The Honourable the Under Secretary of State for India,

Commerce and Revenue Department,

India Office.

I am directed to forward for information a copy of a letter from the Officer Administering the Government, No.824/12, dated the 30th October 1922, and a copy of my letter to the Chief Secretary to the Government, Kenya Colony, No.7/29 dated the 30 November 1922.

[illegible] Kenya Colony [illegible]

[illegible] to me.

[illegible] obedient servant,

[illegible]

Assistant Secretary

for SECRETARY TO THE GOVERNMENT OF INDIA.

D.N.M.

Copy of a letter from the Secretary, Millowners' Association, Bombay, to the Secretary to the Government of India, Department of Commerce, Simla, No. 824/123 of 1922, dated Bombay the 5th October 1922.

231

I have the honour, by direction of my Committee, to address you on the subject of the proposed import duties to be levied by the administration of Kenya Colony on cotton piece-goods.

2. From a cable received from the Indian Merchants' Chamber and Bureau, Mombasa my Committee understand that it is proposed to levy an import duty of 4 5/16 d. per lb. on unbleached piece-goods while the duty on bleached piece-goods is to remain at 20% ad valorem.

3. While my Committee admit that the above proposal provides an equitable method of levying import duty so long as the price of piece-goods remains at the present level, they desire me to point out that, if the price of piece-goods were to drop, then, while the duty on bleached piece-goods would remain at 20% ad valorem, the duty on unbleached piece-goods would rise to a figure considerably above that level, and if this were to happen it would result in considerable hardship to traders in unbleached piece-goods and the Indian export trade would suffer accordingly.

4. Also I am to remind you of the importance of the Indian export trade in unbleached piece-goods to East Africa by mentioning that, of all such piece-goods imported into the East African Protectorate during the year ending March 31st 1921, sixty per cent (of the value) were from India or Burmah; whereas of the bleached and other types of piece-goods imported into East Africa during the same period only ten per cent were from India or Burmah.

5. Thus my Committee are in favour of the East African import duty remaining an ad valorem duty on both bleached and unbleached piece-goods not only because the proposed change is liable to give undue preference to a certain section of the trade but also because an all round ad valorem duty provides a

Copy of a letter from the Secretary, Millowners' Association, Bombay, to the Secretary to the Government of India, Department of Commerce, Simla, No. 824/123 of 1922, dated Bombay the 5th October 1922.

231

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2. From a cable received from the Indian Merchants' Chamber and Bureau, Mombasa my Committee understand that it is proposed to levy an import duty of $4\frac{5}{16}$ d. per lb. on unbleached piece-goods while the duty on bleached piece-goods is to remain at 20% ad valorem.

3. While my Committee admit that the above proposal provides an equitable method of levying import duty so long as the price of piece-goods remains at the present level, they desire me to point out that, if the price of piece-goods were to drop, then, while the duty on bleached piece-goods would remain at 20% ad valorem, the duty on unbleached piece-goods would rise to a figure considerably above that level, and if this were to happen it would result in considerable hardship to traders in unbleached piece-goods and the Indian export trade would suffer accordingly.

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5. Thus my Committee are in favour of the East African import duty remaining an ad valorem duty on both bleached and unbleached piece-goods not only because the proposed change is liable to give undue preference to a certain section of the trade but also because an all round ad valorem duty provides a

a simpler and more permanent basis of assessment for all the various prices at which the goods may be sold.

6. Consequently I am to request that the Government of India give this matter their most careful consideration and that if they are in agreement with the opinions of my Committee to address the Government of East Africa accordingly.

No. [illegible]

GOVERNMENT [illegible]

INDIA [illegible]

[illegible]

DELHI, THE [illegible]

FROM

D. T. CHADWICK, [illegible], C.I.E., [illegible],

SECRETARY TO THE GOVERNMENT OF INDIA,

[illegible] for

[illegible]ry,

[illegible] London.

[illegible] 199, dated [illegible]

[illegible]ation a copy of

[illegible] Association

[illegible] Kenya Colony on

[illegible]

[illegible]hamber of

[illegible]ister's Secretary

[illegible] for it is [illegible] to

[illegible] the case of Mombasa, [illegible]

[illegible] any instance if an [illegible] is done

[illegible] the case of other place [illegible].

I have the honour to be, [illegible],

Your most obedient servant,

D.T.CHADWICK,

SECRETARY TO THE GOVERNMENT OF INDIA.

TRUE COPY

S. R. Khan,

Superintendent

I.O. /60904/22 Kenya

Copy

22 December 1922.

233

Sir,

I am to acknowledge the receipt of your letter No. C + R. 4667/22 of the 19th December, regarding [illegible]

DRAFT.

P.U.S. (Commercial Dept.)
India Office

MINUTE.

[illegible]

Government of India, and I am to request you to inform Viscount Peel that he will obtain a copy of the reply which

3 dfts.

I.O. 60906/22 Kenya 22

17 December 1922

234

Sir,

With reference to your telegram

DRAFT.

(60456/22) ~~Telegram of the 6th of December~~

~~and connected correspondence~~

Kenya
No. 187
~~Confidential~~

Governor Coryndon

MINUTE.

regarding the Customs Tariff.

I have the honour to transmit to you for your information copies of a letter from the Indian Office on the subject of the duties levied respectively on bleached and unbleached cotton piece-goods.

2. I understand that a communication letter, dated the 6th of November,

Mr. Lindsay 18.12.22

Mr. Battiscombe

Mr.

Mr. Davis.

Sir G. Grindle.

Sir H. Read.

Sir J. Masterton Smith

Mr. Ormsby Gore

Duke of Devonshire

This should be Confd.
Letter I thought. The fact
seems that his adv. Cty of the matter
[illegible]

I.O. 8 Dec.

Indian Govt to U.S.of S. 10 & Nov. 1922.

Secretary's Despatching Commercial to Secy Indian Govt 4 Nov.

Secy Melbourne to Secy Commerce Dept 5 Nov.

3d/6

I.O. 60906/22 Comm. 22

27 December 1922

234

Sir,

With reference to your memorandum

DRAFT.

(60906/22) ~~Telegram of the 6th of December~~

~~and connected correspondence~~

regarding the Customs Tariff.

I have the honour to transmit to you for your information a copy of a letter received in this department from the India Office on the subject of the duties levied respectively on bleached and unbleached cotton piece-goods.

I understand that a communication letter, dated the 4th of November,

Hewson
No. 1857
~~Confidential~~

Governor Bombay

MINUTE.

Mr. Lister 18.12.22

Mr. Batterbee

Mr.

Mr. Davis.

Sir G. Grindle.

Sir H. Read.

Sir J. Masterton Smith

Mr. Ormsby-Gore

Duke of Devonshire

This should be carefully considered. The fact that India has only 5% of the cotton trade

I.O. 8 Dec.

Letter sent to U.S. 10 & 16 Nov. 1922

Secy. Defying Commerce to keep letter for given

Secy. Mallowan to keep Commerce Dept. 5 Oct.

3 d/ft

has already been addressed to the Colonial Secretary by the Secretary of the Government of India, drawing attention to this feature. I have to request that you will furnish me ~~on this occasion~~ with a copy of the reply sent to the Govt. of India with any observations on the subject which you have to offer.

I have &c

(Signed) DEVONSHIRE

MINUTES.

MINUTES NOT TO BE WRITTEN ON THIS SIDE.

[illegible] of Kenya

[illegible] goods

2. / Her Grace [illegible] that [illegible]

[illegible] of the Kenya [illegible]

[illegible] been [illegible]

No. 212.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE.

DELHI, the 23rd NOVEMBER 1922.

237

FROM

D. T. CHADWICK, ESQUIRE, C.I.E., I.C.S.,

SECRETARY TO THE GOVERNMENT OF INDIA,

TO

His Majesty's Under Secretary of State for India,

Commerce and Revenue Department, India Office,

London.

New customs duties imposed in Kenya Colony on cotton piece-goods.

Sir,

In continuation of my letter No. 211, dated the [illegible] November 1922, I am directed to forward for information and for transmission to His Majesty's Secretary of State for the Colonies, a copy of the papers cited in the margin, on the above subject.

Letter from the Secretary, The Indian Merchants' Chamber and Bureau, No. T-1177, dated the 8th November 1922, and enclosures.	
Letter from the Joint Secretaries, Bombay Native Piece-goods Merchants' Association, No. 124, dated the 13th November 1922.	

As prices of piece goods fall the specific duty on the coarser qualities will have in reality the effect of making the duty heavier proportionately to value on Indian exports of textiles to Kenya than on those from countries making a higher grade of goods.

I have the honour to be,

Sir,

Your most obedient servant,

D. T. CHADWICK,

SECRETARY TO THE GOVERNMENT OF INDIA.

Commerce - 2 (1)(5).

No. 0.8.

[illegible] Mehta, Esquire, M.A.,
[illegible] Chamber and Bureau, to the
[illegible] India, Department of Commerce,
[illegible], Bombay, the 8th November 1932.

[illegible] My Committee has been drawn to the [illegible]
[illegible] Government of East Africa [illegible]
[illegible] tariff [illegible] for unbleached piecegoods [illegible]
[illegible] ort duty [illegible] ied. [illegible] while the duty [illegible]
[illegible] goods [illegible] 24 per cent [illegible]
[illegible] is [illegible] the United [illegible]
[illegible] Indian unbleached goods to disadvantage.
[illegible] enclose herewith copies of statements
[illegible] cotton piecegoods into Kenya and
[illegible] ber with their respective values from
[illegible] imports of cotton piecegoods bleached
[illegible] allowing a [illegible] per cent ensuring exports of
[illegible] British and [illegible] East Africa [illegible]
[illegible] from [illegible] statements it will be
[illegible] cent [illegible] values of unbleached
[illegible] imports of the bleached
[illegible] goods into [illegible] East Africa during
[illegible] were from India or Burma.
[illegible] for East Africa [illegible] his letter of
[illegible] a copy of which has been
the 11th [illegible]
supplied to my Committee [illegible]
Commerce, points out that [illegible] of the [illegible]
imports from India accounted for about 70 per cent [illegible] the
total of unbleached piecegoods. This is the only article
in the Schedule for which duty is suggested on gross weight
and Mr. Leitsch is right in observing that "there is a wide-
spread feeling in the Indian mercantile Community that the
imposition is a deliberate differntiation against Indian
trade".

My Committee draw your attention also to the observation

[illegible] of the Bombay Millowners' Association in their [illegible] to your telegram, October 1922, No. 824/123 of [illegible], that the proposed [illegible] should not give undue prefer[illegible] to a [illegible]

[illegible] the Indian [illegible] industry and such [illegible] still [illegible] a heavy [illegible] [illegible] Government [illegible] honourable [illegible] him to [illegible]

	1913-14	1914-15	1915-16	1916-17	1917-18	1918-19	1919-20	1920-21	from April to Decr. 1921.	from January to June 1922
United Kingdom.	1270170 £14,753	551,567 £.6,736	531,036 £.10,347	1509027 £.35,829	1310375 £.44985	679240 £.30158	969,790 £.28,552	1048299 £.48,795	116,862 £11,788	137,919 £8,251-16
India & Burma.	4971949 £.63901	3364930 £.41,348	6319857 £.81,931	23654071 £.351,390	11137110 £244,325	5153859 £158975	10171242 £311,085	8356027 £223117	4484772 £136572	1346318 £41937-16
Italy.	2105242 £21,562	597,200 £.6,587	174,300 £.2,034	12,634 £. 478			540 £40	40038 £2367	3,048 £.289	
U.S.America.	11936418 £131,140	3856217 £.41,770	10364394 £.106,018	4583989 £.71,914	4380261 £.97,581	1654646 £.51,116	4019440 £.111253	2973955 £110948	781,[illegible] £19,138	1885111 £52300-17
Japan.		7,600 £.113	46,900 £.654	267,286 £.5,126	639,566 £.14,881	696,569 £.22,624	1018953 £38,028	1904531 £98,748	4224316 £142892	3544148 £[illegible]514-4
Arabia.		14563 £.253	1244 £.27	14,831 £.461	195 £[illegible] 268	6225 £447	8422 £530	6774 £787	38 £.5	[illegible]
Austria-Hungary.	1502666 £15,479	1835838 £18,943								
Belgium.	279,449 £.2421	221,911 £.5,879	58,068 £1,838					114,063 £.[illegible]	66,514 £8,108	122,[illegible] £[illegible]
France.	74,034 £.1,861	34,835 £. 481	1,500 £. 20		162 £.6				8,546 £[illegible]	
Germany.	116,149 £.2,722	78,573 £.2,217	800 £.17	6700 £155				9,160 £.237	[illegible] £375	[illegible]
Holland.	510,154 £72,36	85,910 £.2,279	36,621 £.966	196,960 £.6,800	66,638 £.2,108	14,781 £.516		61,604 £.1,641	35,148 £.[illegible]692	8,[illegible] £.[illegible]
Switzerland.	486,169 £12,218	142,951 £3,013	157,166 £.4,775	£.99,913 £.6,256	92,614 £.4,431		19,896 £.1,436	2,526 £.753	12,681 £.[illegible]	2,[illegible] £.[illegible]

30th June [illegible] with their values.

	1913-14.	1914-15.	1915-16	1916-17.	1917-18.	1919-20.	1918-19.	1920-21.	From April to Dec.	From Jan. to June
Un.Kingdom	5,333,922	1,817,847	1,861,695	[illegible]	3,[illegible],491	225,949	2,704,935	897,167	801,579	369,153
Values.	£71,335	£28,591	£28,012	[illegible]	£ 79,[illegible]	£ 26,[illegible]	[illegible]	£[illegible]	£[illegible]	£[illegible]
India&Burma	98,110	41,692	71,121	77,[illegible]	[illegible]	32,614	14,020	147,647	42,215	27,716
Values	£ 1,[illegible]	£ 591	£ 1,109	£ [illegible]	£ [illegible]	£ [illegible]	£ [illegible]	£ [illegible]	£ [illegible]	£[illegible]
Austria Hungary.	4,617									
	£ 97									
Belgium	1,770	1,000						600		[illegible]
Values	£ 53	£ 25						£ 24		£[illegible]
France	14,376	2,254	2,000			195		24,[illegible]	1,0[illegible]	
Values.	£ 249	£ 64	£ 36			£ 58		[illegible]	£ [illegible]	
Germany	64,584	14,956						4,[illegible]		
Values.	£1,056	£ 365						£ 81[illegible]		
Holland	6,53,249	4,215	129,29[illegible]			13,234	46,198	57,[illegible]	94,414	25,2[illegible]
	£ 7,265	£ 114	£ 2,643	£ [illegible]	£ [illegible]	£ 502	£ 1,927	£ 2,[illegible]	£ 4,447	£1081-7
U.S.America	1,12,948	31,292	132,695	36,400	800		15,600	16,000		
Values.	£ 1,600	£ 507	£ 2498	£ 691	£ 34		£ 624	£ 1189		

	1913-14	1914-15	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	From April 1 to June 22
			[illegible]	1,124	58,109	1,000	[illegible]	[illegible]	[illegible]	
			[illegible]	£ 96	£ 1,167	£ 62	[illegible]	[illegible]	[illegible]	
Italy	7,896	1,863	[illegible]		[illegible]		[illegible]	[illegible]	[illegible]	
	£ 195	£ 37	[illegible]		£ 1,628		£ 19	£ 2,[illegible]		
Switzerland		844			106		6,358			16
		£ 26			£ 9		£ 67			£ 3.1
Japan			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	10,982		9,060
			£ 847	£ [illegible]	£ 1,607	£ 62	[illegible]	£ 474		£ 278-10
Hong-Kong			[illegible]							
			£ 67							
E.Africa					[illegible]					

Quantity in Pkg.

Value

Quantity in Pkg.

Value

Apr. 1921 to Mar. 1922

Apr. 1922 to June 1922

Apr. 1921 to

Apr. 1922 to

Copy of letter No. 128, dated the 13th November 1922, from Messrs. Gokaldas Jivraj Dayal and Harjivan Valji, Hon. Joint Secretaries, Bombay Native Piece-Goods Merchants Association, Bombay, to the Secretary to the Government of India, Department of Commerce, Delhi.

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Our Committee most respectfully beg to draw the attention of the Government of India to the recent proposal of the East African Government to impose an Import Duty on Grey Piece Goods of 4-8/4d. per pound. A large number of our members are buying Indian Grey Piece Goods which are exported by them to East Africa and the imposition of this heavy duty is likely to demolish the Indian Trade in course of time. This will be quite apparent from the fact that the duty in this case only has been fixed on gross weight whereas in cases of all other cases of piece goods the duty is fixed on Ad valorem basis.

After the war the tendency of the Trade is to reach lower values and in course of time when lower values are being reached the duty on gross weight will amount to not 20% but will be equal to 25% and even more according to the ruling prices. The merchants will thus be discouraged to enter into transactions for Indian Piece Goods and the markets will be lost to the Indian Trade.

My Committee therefore requests the Government of India to communicate to the Secretary of State for the Colonies the deliberate injustice sought to be inflicted on the Indian Trade and the desirability of imposing an Ad Valorem Duty on Grey Piece Goods.

Yours,

R. R. Marwin

In Secretary Commerce Department

COPY of RESOLUTION [illegible]
Kampala, [illegible]

RESOLVED [illegible]
record their [illegible]
[illegible]
[illegible] Government [illegible]
[illegible] on the October [illegible]
absolutely unjustified [illegible]
[illegible]ion of Government to Uganda,
[illegible] of all classes of the com[illegible]
[illegible]sed hitting hard the active [illegible]
[illegible]rimental to trade and industr[illegible]

[illegible]ED that a copy [illegible]
[illegible]ing Government [illegible]
[illegible] the [illegible]
[illegible] and the cause to send
[illegible] of Commerce, London, British Indian Chamber of
[illegible] Association, London, British Indian Chamber of
Association, Bombay, The East African Indian National
Congress, Nairobi, and Central Council of Indian
Associations of Uganda and Tanganyika and Kenya [illegible]

East Africa

DRAFT

1943

Mr.

Mr. Dixon

Sir G.

Sir H.

Sir C. Mackenzie Smith

Mr. Gent

Mr. Jones

C036 [illegible]

Copies of letters from the Secretary of State for India & the Indians Overseas Association regarding the customs duties levied

on cotton piece goods imported

into Kenya, and he requests

you to inform Viscount Peel

that a copy of this letter from

~~that copies of these papers~~

the first of which with its enclosures

communicated

is ~~are~~ being sent to the Govr

of Kenya for his concern.

Yrs

[Signed] H. J. READ

that he is fully alive to the importance of reducing native garrison as soon as it is practicable to do so; and we know too that he is making every nerve to effect economy and retrenchment. We should of course be able to make play with these facts in answering Lord Randolph.

DRAFT

Sir E. Northey's letter is [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(a) [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

The Governor has this in hand and has appointed a strong Committee.

(c) But no taxpayer can be shown exact value for his money, and the native's share in the benefit of general administration is a real, but necessarily indefinable, return for his money.

(d) The development of Kenya, especially since the war, has largely gone on the lines of the employment of natives by European settlers - due in great measure to the fact that there is no staple industry for the natives. Much of the present difficulty is due to the fact [illegible] only for [illegible] are [illegible] wages cannot [illegible] ver of [illegible] Wages will [illegible] production will be encouraged provided marketable commodities can be found for him to grow. This need not mean any serious subtraction from the European labour supply.

A despatch to the Governor could be required after the Conference.

19.4. Sir J. Masterton-Smith

W.C.B. 15.4.22

Whoever replies for the Colonial Office will require a fairly full memorandum on the lines of Mr. Bottomley's minute - and probably a brief memorandum dealing specifically with the points raised in Sir H. Leggett's letter. Have these prepared now.

H.J.R. 18.IV.22

Yes. Look out [illegible] [illegible] [illegible]

Mr Bottomley

Memo. suggested for Mr. Wood's debate based on your minute. It can of course be expanded as desired. I suggest that the C.O. representative should also have letter from Sir H. Leggett's letter attached to 16570, in case reference is made to the points raised in that letter.

MB

27.10.22

Sir H. Wood

The Good Case. It may be that the C.O. representative will draw a letter not so much a brief as a sketch. In that case he will before one.

He shall probably send on an additional note on a report of a letter which I have just had from Sir H. Leggett. But that is hardly a bid.

Mr Wood

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Mr Bonar asks the Colonial Office to draft the [illegible] letter of the Prime Minister. Draft [illegible]

Mr Bottomley

Petty [illegible]

MEMORANDUM FOR HOUSE OF LORDS DEBATE

(2) A brief statement of the facts [illegible]

[illegible] Uganda, [illegible]

[illegible] Kenya there is no [illegible]

[illegible] estimated [illegible] year to bring in [illegible]

The native Poll Tax in Kenya [illegible]

was Rs. [illegible] (or 2/-) at a time when the labour

wage [illegible] Rs.5 (or 7/6) a month has been [illegible]

raised [illegible] it now stands at an average of

while the rate of Europeans' wage has only risen [illegible]

[illegible] there is a movement on foot to reduce it [illegible]

[illegible] duty was

[illegible] tax [illegible]

[illegible] the Government [illegible]

[illegible] recently

received [illegible] the Secretary

of State's authority for a general reduction from

16/- to 12/-, which is estimated to involve loss of revenue of £165,000. The Secretary of State has approved this reduction.

(3) But there is a limit to the extent to which native taxation can be reduced, as such taxation (is the source from which funds are possible) ~~provides funds~~ for native education and development. We have not made the progress we wished in this direction, and everyone is agreed as to the importance of doing more. The native Labour Bureau Commission in Kenya has recently reported strongly in this sense and their recommendation is supported by the Governor. But if more is to be done we must have money (for the ultimate welfare of the natives). What is wanted is not so much reduction of native taxation, though some reduction is undoubtedly desirable, as the devotion of a larger share to the direct benefit of the natives.

(4) Similarly, as regards ~~the items~~, some reduction is desirable if possible, but it is difficult to see how such reduction is practicable in present financial circumstances, especially if, as has been suggested, the income tax is to be abolished. What is possible is to substitute a more Minimum tariff of specific duties for the present rough-and-ready ad valorem tariff. The question is receiving attention.

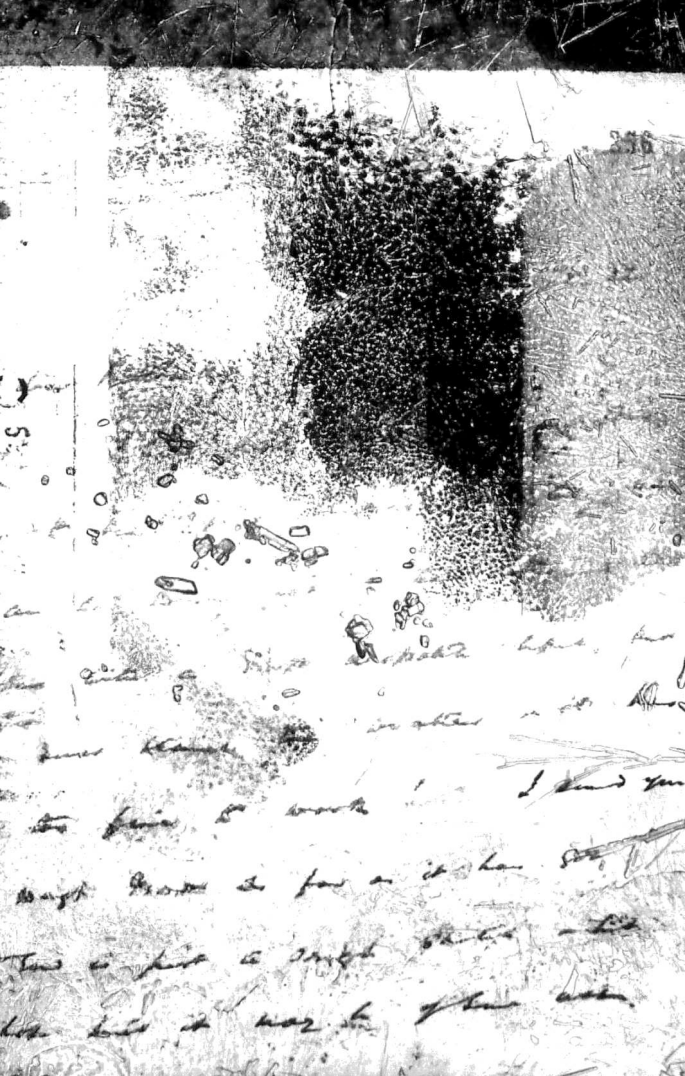
(5) The first step is to cut down expenditure generally so far as this is possible without impairing the vital interests of the community, and to consider whether some reduction of the incidence of taxation is possible so as to secure an equivalent revenue without injury to trade. The Governor has

has this question in hand and has appointed a strong committee with a view to making recommendations. No time will be lost here in considering these recommendations when they are received.

(6) While it is true that the question of the incidence of taxation requires consideration and that not so much has been done for native education and development as the Government would desire, it has to be remembered that, apart from purely native towns, a ~~great deal has been done for the natives and a~~ large proportion of the ordinary expenses of Government administration, by medical, etc, is spent on their behalf. No taxpayer can be shown exact value for his money and the native share in the benefit of general administration is a real but necessarily undefinable return for his money. It is doubtful whether, if Kenya were administered as a purely native state and there were no Europeans at all, much reduction of native taxation would be possible. In Uganda, which is almost a purely native state, the taxation (15/-) is practically as high as Kenya, but it should be borne in mind that in Uganda the native is fortunate in having a staple article of production (cotton) and is therefore better able to pay the tax.

(7) The development of Kenya, on the other hand, especially since the war, has largely gone on the lines of the employment of natives by European settlers - due in great measure to the fact that there is no staple industry for the natives. Much of the present difficulty of that Colony is due to the fact that only few native labourers are required and for these high wages cannot be afforded.

That



I hope there is not too much [illegible]

Forgive haste

Yours Dear

B.B.

We hope [illegible] to have very [illegible] you

the Sands are glorious for [illegible]

I hear Sir Sidney Olivier is still in King's College Hospital and that he would like to see me about Jamaica if I could run down to the Hospital some day. Do you see any objection to my doing so and is there anything that you would rather I did not say if I do so?

Yours ever,

W Rundy Gore

COPY.

Confidential.

C.M.S. Kambia,
Fort Hall.
Jan. 24th, 1922.

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Dear Friends,

I wrote you a very hasty note soon after my arrival, chiefly concerned with news received from two of the oldest missionaries out here; one of them, at any rate, has got right at the back of the native mind, and I regarded their information as reliable; but I have found that it was only partially true; and applied to the country round Kahuhi and the natives there. I got back here to find a very different state of affairs, and to-day I am having a second meeting with my own folk, a number of them, the results of which may be momentous; I do not feel that I am exaggerating to say that we stand at the cross roads, to rebellion and the destruction of all that has gone before in the way of constructive work, or on the other hand to a new shouldering of the burden of responsibility, and to determined progress.

A day or two after I arrived, a delegation visited me to tell me that our Christian natives wished to meet me in secret session; we met and their spokesman informed me that they did not wish to hide anything from me, and therefore had asked me to be present at their discussion. They then informed me that they were in the habit of meeting at regular intervals, with the natives of the surrounding district - a large area stretching from Fort Hall westwards to Kinangop, and south to Shika and the Chania river. To these gatherings chosen representatives of the different villages were sent, and they met for the discussion of their grievances under the guidance and leadership of a clever native Kikuyu, Harry Thuku. He is very much under Indian influence, and whilst some regard him as a professional agitator without much native support (he

My Lords, I am glad that the Noble Lord has brought forward this motion to-day. The question which forms the subject of the motion is one of the most important connected with East Africa with which the Government is called upon to deal. The problem is not confined to Kenya or Uganda, but is common to all the Tropical African Dependencies alike. It is in one aspect or another, constantly before my Right Honourable friend, the Secretary of State for the Colonies, and I am glad to have an opportunity of expressing his views in your Lordships' House.

What are the facts with regard to taxation in the two countries mentioned by the Noble Lord? The chief sources of revenue, both in Kenya and Uganda are (1) The Customs (2) The Native Hut and Poll Tax. In Kenya, out of a total revenue of £1,952,876 the first produces £516,972 the second produces £566,670. In Uganda, out of a total revenue of £845,109 the first produces £165,828 the second £407,102. I am referring to the 1922 estimates in each case. In Kenya there is in addition an income tax which is estimated to bring in this year £141,442, and in Uganda there are various duties connected with the cotton industry which are estimated to bring in about £60,000. There are, besides, other sources of revenue, e.g. game licenses, traders' licenses, stamp duties, etc., but these are, individually, unimportant

as compared with the sources of revenue mentioned above. Of the two main sources of revenue, while the hut and poll tax is of course paid by the natives, the customs duties are in the main paid by the non-natives, and it is the aim of the Government so far as it is practicable to preserve a proper balance between the two.

Now, it is true that as compared with before the war, we have roughly speaking, doubled the rate of taxes Native and that there has also been a considerable increase in native taxation, but this increase of taxation is one of the inevitable consequences of the war. It is not only in Europe that the war has necessitated a great increase of budgets. The rise in prices and the general increase in the cost of administration has affected Tropical Africa just as much as it has this country. The increase in the cost of administration must be met, and it can only be met by an allround increase of taxation. That increase is no doubt uncomfortably heavy on all classes of the community, but I venture to think that if taxation in this country had increased in proportion as little as it has in East Africa Noble Lords would consider that they had every reason to congratulate themselves. At the present time it is really useless for anyone to propose reduction of any particular tax unless he can suggest some alternative means of raising the revenue required or some economy in administration which will render the reduction possible.

The

The only other alternative is an Imperial Grant-in-aid, and I do not think that this is

As one of the first results of the recommendations made to the Governor of Kenya by the Committee I have just mentioned, I am [illegible] to be able to announce that the Governor has [illegible] the poll tax this year [illegible] that the Secretary of State [illegible] of this recommen-

[illegible] desirability [illegible] sincerely [illegible] possible, it [illegible] not-much in [illegible] is [illegible] ely to high [illegible] back in [illegible] is the [illegible] to high [illegible] has to [illegible] general [illegible] famine [illegible] in [illegible] native cotton [illegible] from planting [illegible] in the [illegible] of [illegible]

[illegible], in consequence the amount of [illegible] to be assessed [illegible] taxation of the native to [illegible] different [illegible] in [illegible] there are local native treasuries, and where the taxes pa[illegible] by the native to the Central Government do not represent the total amount of taxation which he is called upon to pay. The position in Kenya, owing

As one of the first results of the recommendations made to the Governor of Kenya by the Committee I have just mentioned, I am glad to be able to announce that the Governor has proposed the reduction of the hut tax this year from 16/- to 12/- and that the Secretary of State has telegraphed his approval of this recommendation.

But while I fully admit the desirability of reducing native taxation and am sincerely glad that some reduction has been found possible, it would be incorrect to attribute the set-back in native industry in East Africa entirely to high taxation. That set-back exists but is due to the glut in markets, falling prices and general trade depression. High taxation may be a factor but in my opinion it is not the determining factor as to a certain extent taxation of the individual should act as a stimulus to effort. I may observe that in Uganda the increase of the poll tax from 5 rupees to 7½ rupees was announced in December 1918, but this did not prevent the native cotton growers from planting a record acreage in the Spring of 1920.

Further, in considering the amount of native taxation in Kenya, it should be observed that the position as regards the taxation of the natives in that Colony is very different to what it is, say, in Nigeria where there are local native treasuries, and where the taxes paid by the native to the central Government do not represent the total amount of taxation which he is called upon to pay. The position in Kenya, owing

owing to historical causes which I need not detail today, is very different. There the white administrative officer is the sole collector of tax, and the hut tax of 10s/- now reduced to 12s/- is the sole amount which the native is called upon to pay.

So much for the reduction of native taxation. As regards the other chief source of revenue, the Customs, though I fear I cannot hold out any hope that in present financial circumstances any large reduction of Customs Duties may be practicable, yet I trust that it may be possible to substitute for the present rough-and-ready ad valorem system a more scientific system of specific duties which, by differentiation between articles in accordance with their importance to the trade and industry of the country may be something to reduce the burden which is at present imposed.

But we have not only to reduce the burden of native taxation so far as it may prove unduly heavy on the native. We have also to increase the provision for native services, for education, for agricultural training, for medical [illegible] the Reserves. We have got to take [illegible] possible to foster native industries [illegible] to encourage native production. This policy of education and [illegible] being the only one compatible with our trusteeship for the natives, is in the long run the best calculated to promote the commercial prosperity of the country. It both stimulates the natives wants and affords him the opportunity of satisfying them.

In

In this respect, the natives of Uganda have

[illegible]

[illegible] or five years

[illegible] had to

be devoted to the war against the Germans in

East Africa. [illegible]

[illegible] problems of various kinds, including

[illegible]

settlement on the land of ex-service officers and men, left little o[illegible] for the considera-tion of other problems, [illegible] Then come the trade depressi[illegible] Africa as severely as [illegible] part of the world, and it is only now [illegible] as we hope, trade is beginning to improve and [illegible] are beginning to get back to the normal th[illegible] give to these questions the time [illegible] deserve. The latest [illegible] Department of Agriculture, [illegible] that are already being taken to im[illegible] cultural production.

The problem in[illegible] war difficulties. The [illegible] especially since the War, has lar[illegible] of the employment of nativ[illegible] due in great measure to th[illegible] already alluded that there [illegible] for the natives. But if th[illegible] ry generally is to pro[illegible] hat he should also becom[illegible] account, as he is in Ug[illegible] ropical Africa. The[illegible] our Bureau Commission, whi[illegible] published, draws attention to th[illegible] of the introduction of improved meth[illegible] cultivation, house building and afforestation in the Native Reserves, and the

Governor

Governor has expressed himself as entirely of the same mind as the Commission on this subject. Nor need the encouragement of native production necessarily mean any serious subtraction from the European labour supply. Everyone who has knowledge of East Africa knows that in the past the most uneconomical use of native labour has not been made. Efforts in this direction are now being made by means of inter alia the system of piece work, and in this way, by effect economy in the use of such labour by offering a larger reward for better work. This, undoubtedly, is a step in the right direction, but until the native is given an opportunity of earning better wages in return for a better output of work, one great spur will be wanting to drive forward to labour in increasing numbers. In the present state of the industry of the country it is probably true that higher wages cannot be afforded, but as trade improves these are bound to rise, and in its turn this rise of wages will have the effect of improving the labour supply, of restricting wasteful employment, and of leading to labour-saving methods and the more general use of machinery. At first sight the interests of the Europeans and natives in this matter appear divergent, but in my opinion the divergence is apparent rather than real and I am far from being without hope that a way will be found of effecting a harmony between the two.

With

With regard to the references which the Colonel Desmond's Noble Lord has made to Colonel [illegible]

The following point may be raised by Lord Hindlip.

At the annual meeting of his Company, the British [illegible] Corporation, it was [illegible]

[illegible]

[illegible] Office [illegible]

[illegible] to include [illegible] feet [illegible]

[illegible] East African [illegible] is about [illegible]

[illegible] transactions [illegible] outside the ordinary

[illegible] of the [illegible] Government, [illegible]

[illegible] that Government has been incurred [illegible]

[illegible] Department [illegible]

The following point may be raised by Lord Hindlip.

At the annual meeting of his Company, the British [illegible] Corporation, it was [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] Office [illegible] claims [illegible]

[illegible]red to include [illegible] feet African [illegible]

[illegible] East African [illegible] is about [illegible]

[illegible] transactions [illegible] outside the ordinary

[illegible]ations of the [illegible] Government [illegible]

[illegible] that Government has been [illegible]

[illegible]

29.11.

Royal Societies Club
63. St James St

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Dear Mr Satterbee

I am afraid my cogitations have not led to much result. Encouragement of industry

1908 or [illegible] There was an official [illegible] to the principle of [illegible] enquiry [illegible] starting [illegible] on a large scale in the Nyeri District.

I do [illegible] think it had much result, or even welcome

1911-12 Mr Ainsworth in Kavirondo Province of which I knew Mumias District was distributing cotton seed

Hickory King maize & Leopard flax experimentally among the natives, & was sharply criticised for the latter.

1910 or 11 onwards. Constant attempts made by Mr. D. W. Hemsted to improve the hide & skin trade among the Masai & get a tannery started.

General sporadic attempts by various officers to get the glue trade on a proper basis, whenever there was milk to spare.

attempts to get rice grown under experience on the Tana & Umba Rivers.

Benefits of civilization.

It must be remembered that the natives have not always regard them as benefits but we claimed included.

(a) Improved accommodation & railroads & roads. The appreciates particularly.

(b) Education. Black [illegible] appreciate of [illegible] in America [illegible] [illegible] (c) Equal [illegible] black & black. [illegible] [illegible] black [illegible]

of coals & other mineralogical
studies now in progress.

I trust these will
will be what you want.
It is not very easy, away
from all records & authorities, to
give anything like an
exhaustive list

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Yours very truly
B. F. Mathews

There has been delay in the drawing up of a minute by the Colonial Office. Col Wilson & I

Colonial Office 1/2/22

Downing Street.

June 1922.

DRAFT.

NORTHE

MINUTE.

Mr. Battcock 30.5.22.
Mr.
Mr.
Mr. Davis.
Sir G. Grindle.
Sir H. Read.
Sir J. Masterton Smith.
Mr. Wood.
Mr. Churchill.

Sir,

I have the honour to transmit to you the accompanying copy of the Report of a debate in the House of Lords on the 10th May on the subject of native taxation in Kenya and Uganda. It will be seen that though the immediate subject of Lord Hindlip's question was taxation of the native population and products and its effect on trade, the debate covered a wider ground and dealt with the question of native policy generally in its broader aspects. I have had this subject under my consideration for some time past, and the present occasion affords me an opportunity of expressing in greater detail my views on this question as expressed generally in the speech of the Duke of Sutherland who replied on behalf of the Govt.

2. I am well aware, as indeed was stated by the Duke of Sutherland, that during the War and the period of reconstruction immediately following it there was little time to devote to this problem, the importance of which is commercially admitted. Difficulties, financial and other, continue and will continue no doubt for some period to come, but with the return, as I trust, of more normal conditions, I am of opinion that the time has come when an advance should be

a carefully thought-out programme laid down and approved by Government, adapted to the varying requirements of the different Reserves, and capable of being developed as larger funds can be devoted to the purpose. Part of this programme should be the training of workers in the village industries which flourish in other parts of Tropical Africa and should be capable of development in Kenya to the great advantage of the Colony. For the reasons explained by the Duke of Sutherland in the House of Lords, I do not consider that the better industrial and agricultural training of the native will mean any real subtraction from the labour supply for European farms. On the contrary, I believe that in the long run it will tend to the benefit of the European employer, in as much as the labour will be much more efficient.

6. Another subject of great importance is the provision of better medical service in the Reserves, and the institution of medical training schools for the natives. I am aware that this is largely a question of finance but I do not think that the Colonial Administration should rest content until a considerably larger proportion of the expenditure of the Medical Department is devoted to the medical care of the native inhabitants than is the case at present.

DRAFT.

MINUTE.

Mr. Davis.

Sir J. Masterton Smith.

Mr. Churchill.

present. This in my opinion is a matter demanding the immediate attention of the Government, and I shall be glad to be furnished with a report covering the last ten years showing what medical officers have been stationed in the Reserves. If the administration is to fulfil its duties as guardian of the native interests it is essential that all steps possible should be taken to improve the health and physique of the native population, and in this connexion I would especially mention the training of native women in midwifery and infant welfare work.

This will [illegible] Rmo in the different [illegible] function of [illegible] work done by his [illegible] a German clerk [illegible] to [illegible] his own [illegible] the expressions [illegible] further [illegible] Walker.

(I fear from my co[illegible] with Walker such a re[illegible] will make a very bad [illegible] showing)

7. Question of land tenure. Have learned from various reliable sources that there is much native disquiet on this head, and there must continue to be until reserves definitely marked out and gazetted. Glad to note from recent despatch that this work is being pressed on but must urge with all possible force that there shall be no further delay in this work which should have been finished long ago.

(Rest is mere sketch hastily [illegible] [illegible] against time)

I think [illegible] might be [illegible] the work done earlier work [illegible] etc.

B. J. Walker

8. Institution of native Council District and Central Advisory Council on which both Govt. and unofficials, missionary bodies, etc. represented. Ask for Governor's views on this point.

9. Summing up. Impossible for Government to justify its position as trustee for native interests unless it is in a position to shew more definitely than it can at present ~~time~~ that it has a carefully thought-out programme to develop all sides of native welfare. Try to gain a point without saying so in so many words that we cannot justify an argument of trusteeship as against the Indians unless we do more.

Kpc Kenya
22184

Draft Reply to Mr. Thomas Griffiths

The Governor's despatch has now been received, [illegible] for making a somewhat lengthy reply, [illegible] that the House should be put in [illegible] the full facts of the case. [illegible] questio[illegible] [illegible]go was arrested on the 14th March under [illegible]tives Ordinance for conduct dangerous to [illegible]der. He was brought to Nairobi on the [illegible] [illegible]ned at the Police Lines pending [illegible] [illegible] a number of [illegible] Police [illegible] the conduct of the [illegible] the release of Thuku, [illegible] Commissioner of [illegible] Nairobi, the crowd [illegible] [illegible]ing all night [illegible] mob swelled to [illegible] speech [illegible]ders were [illegible] Kenya [illegible] and [illegible] but I am [illegible] Thuku [illegible] [illegible] I have [illegible] native reports [illegible] Labor [illegible] recently sen[illegible] [illegible] Government had ordered his arrest [illegible] the late [illegible] action might lead to native unrest [illegible] They were instructed to inform [illegible] of these facts, and to make every endeavour to [illegible] these instructions they undertook to [illegible] carry out. In the interim - between 9 and 12 a.m. -

the

the crowd had greatly increased, and owing to seditious and inflammatory speeches had become excited and almost beyond control. When the deputation returned, two of them went among the crowd and called upon them to disperse. In response to this address a large number of the crowd stood up and appeared to be on the point of moving off, but they were ~~so~~ prevented by the taunts of the women, which had the effect of further enraging the mob.

The crowd surged up to the gates and walls round the Lines, and the position became ~~very ugly~~ dangerous. It was decided to call upon the K.A.R. for assistance, but the military had not arrived when the firing took place. The incident leading to the first shot was ~~that~~ the action of a ~~very truculent~~ agitator ~~was~~ encouraging the mob to close in on the Police. The Officer in command of the particular section went to arrest this agitator but was seized by the shoulder and ~~was~~ surrounded by the mob. As he fell, the crowd shouted, threw stones, and rushed towards the fence. At this onrush one of the Askaris fired a shot which was followed by rapid firing from about 40 askaris under the command of the officer who had fallen. The firing lasted one or two minutes. The Acting Commissioner of Police, on seeing the crowd begin to disperse gave the order to cease fire, and the firing ceased immediately the bugle sounded. As a result of the firing 21 natives were killed, including 2 women, and 22 men and 9 women were injured.

My Right Honourable friend deplores the loss of life incurred, the more especially as many of those killed were no doubt merely the tools of the agitators who organised the riot; but after a searching examination

into

under which Thuku was arrested.

Mr. Wood can quote section 111 of Ordinance 18 of 1909:- "Where it is shown by evidence on oath to the satisfaction of the Governor that any native is conducting himself so as to be dangerous to peace and good order in any part of the Protectorate [illegible] endeavoring to excite [illegible] people of the [illegible] Protectorate [illegible] or [illegible] of the Protectorate [illegible] concern, it is [illegible] that this [illegible] is the [illegible] enquiry [illegible] effect.