



554 DOMESTIC

EAST AFR. PROT.

C.O. 23505

No. 23505

REC. 3 JUL 07

Individual
1907
July
Previous Paper
23372

(Subject)

Kenia Forests

Submits returns in reply to Mr
Hutchins remarks

(Minutes)

Mr. Antrobus.

Mr. Hutchins has talked matter over with Mr. Master Hewson & I do not think that it is necessary to pursue the matter further. The question of the value of the land is a matter which will find as good a market in the Cape as Mr. Hutchins anticipates. If, as Mr. Hutchins seems to suppose, the land can be readily sold in the Cape & probably at the same price as Irish, viz. 2/6 to 3/6 per acre foot, then Mr. Hewson's criticisms are far at any rate as this particular land is concerned, full to the ground.

H. J. R. 26 July 07

Kevins is that because trees in Cape Colony are worth 3d a cubic foot
 and Kenia trees are 1d. The Cape Colony timber is not exported (there is a large
 import), it supplies the local market. There is no local market for Kenia
 timber. But suppose Kenia supplies South Africa - what if there were even the
 railway built, then at a halfpenny rate it costs 5 pence per cubic foot
 at Mafasa & 2d more to ship it to Capetown. Then again at Capetown the duty
 on foreign timber is 12 per cent ad valorem, let us put the valuation at Cape
 Town at 14 pence per cubic foot, 2 pence, we are thus at a disadvantage compared
 with the Cape Colony tree of no less than 9 1/2 per cubic foot. If this comparison
 is reliable the Kenia timber is worth about seven pence per cubic
 foot less than nothing.

Done
 Hut



23505

CABLE HOUSE, NEW
3 JUL 07
NEW GROUND

R.N.W. 556

Recd. July 1907.

Sir,

I have the honour to acknowledge receipt of your letter No 22757/1907 of the 28th. ult., and in reply hereto submit the enclosed memorandum.

I have the honour to be,

Sir,

Your obedient servant,

Ernest C. ...

312

C. O.
23505

3 JUL 07
557

MEMORANDUM

Area of Kenia. The average width of the timber belt as estimated by me is 8 miles (not 6 miles as stated in Mr. Moreton Frewen's memorandum). Vide page 4 of my report on the forests of Kenia. The data on which my estimate is framed both of the length and breadth of the timber belt are detailed in my report.

Value of the timber. I have estimated the average value of the timber standing in the forest at 2 1/4, which is the average value of similar timber in the Cape forests. Though the Cape forests are at an great distance from the southern and eastern coasts, the country between the forests and ports is mountainous and in some instances the cost of transport is particularly expensive. Thus the Yellow-wood which is paid for in the forest at rates varying from 1d to 3d per cubic foot, is, when sawn into sleepers and delivered at the port of Mombasa, paid for by Government at the rate of 1/2 per cubic foot. The cost of getting the wood from the forest to the port of Mombasa may be taken at not less than 3d per cubic foot, which is Mr. Moreton Frewen's figure for the cost of Railway transport from Kenia to Mombasa.

The timber rate proposed by me is based on a carrying rate on the Uganda railway of a farthing per ton mile. The railway and the forests, being Government property, it is a matter of accounts, whether a lower rate be paid for timber in the forest or on the transport of timber on the Uganda railway; but so much stress is laid on the long land carriage from Kenia to the coast both in South Africa and in London, that I think it

important, in order to attract capital and enterprise that a farthing rate should be conceded over the Uganda railway. My reasons for recommending this concession are more fully given in my report on the forests of British East Africa which will be submitted in a few days.

The forest and its timbers. Mr. Morston Frewen has submitted a most interesting memorandum, and I note with pleasure that he considers these forests "much too beautiful and an water protectors too important to be handed over on destructive leases." He adds that while there is a market for the soft woods, Teak, Eucalyptus and Cedar, in the northern Hemisphere, it would be risky to attempt to place the hard woods there. In this I entirely concur. The market for the hard woods is the South African mines. It is probable that the best market for the soft woods will be found also in South Africa. A point omitted to be noticed in Mr. Morston Frewen's memorandum is the value of Ibean Campher (Gamboni). This I have since had the advantage of discussing with Mr. Morston Frewen, so that it is unnecessary to add more here. It is difficult to see why Ibean Campher should not make its way on the markets of South Africa and of the northern hemisphere, and gradually attain the price now paid for Teak, which is from 5/- to 7/- per cubic foot. I have arranged to send Mr. Morston Frewen a sample of Ibean Campher on my arrival in British East Africa. I handed a sample for trial to the Manager of the Uganda railway shortly before leaving Nairobi. Mr. Currie and a number of

Handwritten notes: 2/7

experts to whom I have since shown the wood all speak most highly of it and class it with teak.

Length of leases. Mr. Marston Frewen thinks that 20 years is too short. I recommended a period as long as 25 years with some hesitation, and only in view of the fact that the leases might have to contribute largely to the cost of the branch line of railway to Kisumu. If the Railway be made by Government I think the time proposed for the leases should be shortened as the lessee will then have to put less capital into the enterprise. It will be borne in mind that what is contemplated is a timber lease, not a forest lease. The sooner the exploitable timber is worked the better for all concerned. In South Africa the owners of timber mills and others working the forest, are given from one to three years to work up with Section of forest. If Mr. Marston Frewen is of opinion that the exploitable timber on 100,000 acres is too large to be dealt with in 20 years there would be no objection to reducing the timber area. Conditions for taking up further areas on the conclusion of the first lease, are noted in my report.

Transport of the timber to a sea-port. Mr. Marston Frewen estimates the average stock of timber in the Kisumu forests at not less than 5300 cubic ft. My figure is 4300 ft. I see no likelihood of my figure being exceeded.

If there were 4 Companies in the field with a capital sufficient to work the 4 proposed leases simultaneouly this would represent an amount of traffic for

the Uganda railway which could not fail to bring prominently forward the consideration of broadening it and rendering it capable of carrying the traffic of a trunk line. It will be recalled that the Beira railway in South Africa had to be enlarged to the standard gauge in a few years. Here the original gauge was narrower than the Uganda Railway and the present is but a 3ft. 6" gauge, but the traffic it is called upon to carry would never equal that of the timber from the forests of Kenya. Pending the raising of the gauge of the Uganda railway as a trunk line to 4 ft. 6" (the standard gauge) there is the possibility of bringing out the timber by floating down the Tana River. Both the railway to Kenya and the Tana River are now being examined by Engineers, and till their reports are received it would be premature to speculate on the ultimate cost of timber transport from the Kenya forests to a sea-port, or whether that will be so high as to necessitate special low rates for the timber in the forest.

E. J. L. L.