

# East Africa Protectorate.

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ECONOMIC COMMISSION.

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**Final Report Part I.**

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1919.

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**APPOINTMENT OF COMMISSION AND TERMS  
OF REFERENCE.**

: o :—

The Commission was originally appointed under the following notice :—

" THE COMMISSIONS OF INQUIRY ORDINANCE, 1912.

"A COMMISSION.

"I, HENRY CONWAY BELFIELD, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Governor and Commander-in-Chief of the East Africa Protectorate, do by virtue of the powers conferred upon me by the Commissions of Inquiry Ordinance, 1912, by this my Commission under my hand appoint the Honourable FRANCIS WILLIAM MAJOR, Companion of the Most Distinguished Order of Saint Michael and Saint George and a Companion of the Imperial Service Order, Major EWART SCOTT GROGAN; WILLIAM ALFRED KEMPE, Esq.; THOMAS ALFRED WOOD, Esq.; and the Honourable PERCIVAL HERBERT CLARKE; to be Commissioners to inquire into and report on :—

- "(1) Any special circumstances affecting the interests of this Protectorate to be considered in framing a commercial and industrial policy to be adopted after the War.
- "(2) The circumstances of the Protectorate, if any, which call for special attention in connexion with the following questions :—
  - "(a) What industries are essential to the future safety of the British Nation and what steps should be taken to maintain or establish them?
  - "(b) What steps should be taken to recover British and foreign Trade lost during the war and to secure new markets?
  - "(c) To what extent and by what means the resources of the British Empire and its Protectorates should and can be developed?
  - "(d) To what extent and by what means the sources of supply within the British Empire and its Protectorates can be prevented from falling under foreign control?
- "(3) The recommendations of the Economic Conference of the Allies as set forth in Government Notice No. 335 and published in the *Official Gazette* of the 15th day of November, 1916, in so far as the circumstances of the Protectorate call for special attention in connexion with such recommendations.

"And I do hereby appoint the said FRANCIS WILLIAM MAJOR, to be Chairman of such Commission.

"And I do hereby direct that three of the aforesaid Commissioners shall form a quorum.

"And I do hereby direct that the aforesaid inquiry be held at such places in the Protectorate as the Chairman may think fit.

"And I do hereby command all persons whom it may concern to take due notice hereof and to give their obedience accordingly.

"Given at Nairobi, this 27th day of March, 1917.

" H. C. BELFIELD,  
' Governor and Commander-in-Chief."



( ii )

The Commission was subsequently altered in terms of the following notice :—

“ THE COMMISSIONS OF INQUIRY ORDINANCE, 1912.

“ A COMMISSION.

“ I, CHARLES CALVERT BOWRING, a Companion of the Most Distinguished Order of Saint Michael and Saint George, Acting Governor of the East Africa Protectorate, do by virtue of the powers conferred upon the Governor by the Commissions of Inquiry Ordinance, 1912, Section 3, by this my Commission under my hand alter the Commission issued under the aforesaid Ordinance by SIR HENRY CONWAY BELFIELD, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Governor and Commander-in-Chief of the East Africa Protectorate, and dated the 27th day of March, 1917 (Government Notice No. 107), by appointing the Right Honourable BARON DELAMERE, the Honourable WILFRID CLARE HUNTER, and EDWARD POWYS COBB, Esq., to be Commissioners to inquire into and report into the matters the subject of inquiry of such aforesaid Commission of the 27th day of March, 1917, in addition to the Commissioners therein appointed.

“ Given under my hand at Nairobi, this 18th day of May, 1917.

“ C. C. BOWRING,  
“ Acting Governor.”

By Notice dated 29th July, 1917, His Excellency the Acting Governor appointed James Arthur Watson, Esq., to be Secretary to the Commission.

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# East Africa Protectorate.



## ECONOMIC COMMISSION.

### FINAL REPORT, PART I.

#### CHAPTER I.—INTRODUCTORY.

TO HIS EXCELLENCY THE GOVERNOR OF THE EAST  
AFRICA PROTECTORATE.

*Nairobi, 21st March, 1919.*

YOUR EXCELLENCY.

We the undersigned Commissioners appointed under the Commissions quoted on the previous pages, beg leave to report as follows:—

The first meeting of the Commission was held at Nairobi on the 26th April, 1917. The number of meetings held up to the present date is 75 and the number of witnesses examined is 78.

The enquiry has extended over a period of 22 months. With the exception of two sittings held at Nakuru and Mombasa respectively, for the purpose of examining witnesses from the districts adjacent to these towns and one held at Keringet, Molo, for adjusting the draft of this Report, all the meetings took place at Nairobi.

The oral evidence was duly taken on oath, except in the case of one witness (No. 44) who was examined informally. Written evidence in the form of Memoranda was also invited and accepted. All of the oral and most of the written evidence tendered is submitted in a separate volume. The notes of oral evidence were in each case submitted to the witnesses for verification and correction, and in all but two or three instances were duly revised and returned. The exclusion of a certain proportion of the written evidence is due solely to the necessity for strict economy in paper and printing. Returns in tabulated form were also procured from the administrative officers in charge of the various districts, giving particulars as to the production of crops in their districts. We desire to acknowledge our indebtedness to all those who so readily and in many cases at so great a cost of time and trouble assisted us with information on the subject of our enquiry.

The work of the Commission, undertaken as it was at a time when military necessities had deprived each of the Commissioners of all the members of his working staff who could be released without the complete closure of his business, was carried out under conditions of the utmost difficulty. As all the Commissioners are engaged either in the Administration or on production, or in pursuits on which the production of the country directly depends, the public interest did not admit of our devoting to the business of the Commission that unremitting attention which its importance would otherwise have imperatively demanded. Thus great difficulty was inevitably experienced in arranging meetings and sometimes even in securing the necessary quorum of attendance: and we were totally precluded from even contemplating any tour of travel through the different districts of the wide territory under review, the undertaking of which, apart from its absorbing interest, we should under less prohibitive conditions have regarded as our manifest duty.

The terms of the reference made to us embrace the recommendations of the Conference of Paris in so far as they affect this Protectorate. We have accordingly followed the example of the Conference in treating the subject matter of our enquiry under three main headings, viz. :—

#### A—MEASURES FOR THE WAR PERIOD

With these we have dealt in our first Interim Report, dated 28th June, 1917, urging the early abrogation of certain Acts and Treaties the operation of which we found to be detrimental to the economic welfare of the Protectorate and also in our Third Interim Report dated 24th July, 1918, in which we recommended that immediate arrangements should be made for the relaxation of the restrictions which prevent this Protectorate from raising its Customs Duties on imports to a higher rate than 10 per cent

#### B.—TRANSITORY MEASURES FOR THE PERIOD OF COMMERCIAL, INDUSTRIAL, AGRICULTURAL AND MARITIME RECONSTRUCTION OF THE ALLIED COUNTRIES

With these we dealt in our Second Interim Report, the principal recommendations of which were —

- (a) Exaction from the enemy of replacement of shipping illegally destroyed on the basis of ton for ton : temporary exclusion of German shipping from East African ports
- (b) Control of the present shipping monopoly on the lines suggested by the Dominions Royal Commission; by drastic penalisation of actions directed to the restraint of trade, including secret rebates; by setting up a local Board to work in conjunction with other Boards throughout the Empire for dealing with questions of freight; and by continuance of the office of Shipping Controller, so long as shortage of shipping exists, coupled with the appointment of a local representative to communicate with him on behalf of this Protectorate.
- (c) Reservation of our products for the Empire and Allies by prohibition of export to enemies and neutrals of articles selected by the Imperial Government till the supply approximates to the demand; followed by temporary export duties in cases where the opening of the market might prejudice British merchants (*Note* . a separate minority report on the means for making such reservation effectual was presented by Mr. Powys Cobb).
- (d) Total exclusion of enemy subjects, and of enemy imports Admission of neutral imports to be contingent on adoption of a general scheme for obtaining satisfactory certificates of origin and interest.
- (e.) Imperial Preference, and preference for allied over neutral goods
- (f) Establishment of Imperial Development Board and representation of East Africa thereon by a non-official member

Major Grogan, being absent on active service, was not a signatory to the First and Second Interim Reports

#### C —PERMANENT MEASURES

Under this heading is included the group of subjects more particularly specified in Heads (1) and (2) of the Terms of Reference For the convenience of readers of this Report, we have divided this group into two parts

In the first part we have dealt with those measures which concern the Empire as a whole and are therefore appropriate for inclusion in the brief upon which the Secretary of State for the Colonies will represent the interests of this Protectorate at the Imperial Conference

In the second part we shall deal with those questions which primarily concern the Protectorate, and the solution of which lies with the local Government under the Colonial Office

This Report will accordingly be presented in two sections —

The first, after setting out certain particulars necessary to the study of both sections, deals with matters of Imperial interest and is designed to serve as a companion volume to the Reports of the Dominions Royal Commission.

The second, which will be presented at a later date, will deal with internal adjustments, and will constitute not the less important part of our answer to the question contained in Head 2, (c) of the Terms of Reference, "by what means the resources of this Protectorate should and can be developed "

In presenting their Report for the consideration of the Commercial and Industrial Policy Committee, the Commission feel that the real Imperial significance of British Mid-African domains is in danger of being obscured by the trivial figuring of Mid-African statistics when compared with the massive totals of the maturer Dominions.

The Commission, therefore, by way of preface, venture to press that British Middle Africa's part in the Imperial scheme shall be gauged in terms of potentialities rather than of present achievement: and to ask that certain vital qualifying factors should temper consideration of the statistics herewith presented so that the real bearing of Mid-African capacities on an Imperial scheme of organisation drafted presumably in its broad lines to serve all time should not be mis-interpreted in the light of the relative unimportance of presently achieved results.

These qualifying factors are the following:—

(1) The function of Europeans in Middle Africa is to act as a yeast leavening the inert dough of Africa's indigenous peoples

Where one white immigrant into Canada represents merely one additional participant in Canada's development, one white immigrant into East Africa may galvanise a thousand economically speaking "dead" Africans into active participation in Imperial Trade.

Without this white stimulus the African produces and consumes in intensely local self-sufficiency, and has no surplus product for external exchange.

Subject to this white stimulus and the organising capacity of the European mind, the African even without additional toil may produce a cumulatively increasing surplus of food and raw material which exchange through trade channels with the manufactures of overseas.

This process is the natural difference in resultant between organised and unorganised effort. It is beneficial to the native and profitable to all participants in proportion to the varying importance of the parts they play therein

Experience has shown that land under active European control supports a much greater number of natives at a higher standard of comfort than the same land under native control and at the same time produces a large exportable surplus for the enrichment of the local European and Asiatic populations and of the manufacturing folk of England who are thus brought into economic relation with the natives.

The fact that the 7,000 whites of British East Africa and Uganda, the population of a small English town, starting from insignificant beginnings have sufficed to provoke an overseas trade of £6,098,835 (1914 returns) in the short space of 13 years indicates how misleading mere statistics may be in calculations of even quite near futures

(2) Mid-African territories are still in the "Downing Street" stage

They are only beginning to emerge from those delicate processes of territorial accumulation by Treaty and of internal elaboration by Bureaucracy, which are necessarily conducted under cover and in careful seclusion.

The results that have already been achieved, remarkable as they are, afford no criterion of the immense rapidity with which East Africa may develop given a free flow of white immigration and a wider latitude of local administrative responsibility.

The Commission would specially emphasise the importance of the East African market to the United Kingdom.

East Africa is and must for long remain in substance a land of primary production.

Its comparative lack of concentrated water-powers and probably of coal, its immense capacity for primary production, its geographical position and the nature of its peoples preclude it from any important manufacturing development in the visible future.

East Africa's trade with the United Kingdom will persist in terms of complementary and non-competitive exchange, of exchange of crude produce for finished manufactures.

The importance to the United Kingdom of such a market therefore cannot be truly measured by the gross sterling value of its exports and imports, since the actual export value of the crude produce secured by the United Kingdom in this exchange is but a fraction of the total wealth which the United Kingdom can by manufacture generate therefrom.

Nor is it a question of waiting for the slow peopling of these great lands of double summer, as in New Zealand, Australia and Canada. The population of a Canada is already here, needing but the requisite stimulative quota of whites and an adequate transport system, to swell within one decade into a World-Mart comparable with the century-old growths of the Dominions.

A sum which, though substantial if judged by pre-war standards of expenditure, would be small relatively to the immensity of the results it would effect, being in fact equivalent to about the cost of a week of war, would construct an arterial system of docks, railways, lake-ferries, canals and roads sufficient to bring East Africa's remotest confines into intimate connection with the Sea: and it is difficult to imagine any part of this expenditure which would not promptly yield to the Empire, in added gross wealth production, cent per cent.

Without modern transport facilities, the ratio of energy expended in transport to energy expended in production is enormous. Every mile of new rail or road means the transfer of so many men and oxen from the impoverishing task of carrying produce to the enriching task of growing produce: and every reduction of transport costs throws open additional areas to remunerative production and its resulting commerce.

In this general connection of Imperial Transport Systems the Commission venture to hope that the war has finally disposed of the teachings of that English school which held that it was better Imperial business for English money to be invested in a Mexican Railway to obtain a promised 5 per cent. than in an Imperial Railway to obtain  $4\frac{1}{2}$  per cent. and overlooked the patent fact that the cash dividend is but a fractional part of the total wealth production stimulated by a railway and that the whole balance of that production remains with the people (alien or British), whose country the railway penetrates, and their trade associates.

Since transport systems are the arterial system of Imperial Life; and the fattest lands, be they never so populous, are mere wastes in the Imperial Scheme without those essential ties; the Commission trust that the main arterial system of motion within the Empire will be brought under some permanent and representative organic control which will have the means by differential taxation, subsidy, guarantees or otherwise of influencing the investment of British monies towards the channels of greatest Imperial advantage and thus of preventing the immense gross Imperial advantage arising from the application of these monies to Imperial developments from being lost by the attraction of fractional differences in dividend yields to the individual investor.

The problem of East African and Uganda transport is a simple because a concentrated problem.

The rich Congo districts of Haute-Uele, of Ituri with its Kilo Gold Fields, of Western Lowa and Northern Kivu the famed cattle-folk of Urundi, Ruanda, Mpororo and Ankoli: the rolling "elephant-grass" uplands of Toro and Unyoro: Uganda with its incalculable capacity of varied production: the Upper Nile Provinces: Bukedi ready to produce cotton for half the world: Unyamvesi with its teeming peoples, its rice lands, its herds: Kavirondo where naked swarms grow sim-sim and buy bicycles with the proceeds: Kikuyu's incomparable coffee lands and other immense territories with as yet no clear cut economic part to play: one and all must perforce pour their wealth to the Sea down the funnel of the Uganda Railway Trunk Line and its outlet Kilindini Port.

All this stupendous domain, fertile, temperate, watered, double-summered and peopled by ten million souls is a ripe market, needing but amplification of the existing Uganda Railway to flood England with the things England needs in exchange for the products of England's factories.

Rich with possibilities of primary development beyond computation East Africa's real significance to England lies in the fact that all its economic functions are complementary of and not competitive with those of England; and East Africa's real significance to the Empire lies in the fact that many of its main products such as sisal, flax, coffee and cotton are products, for a supply of which the Empire to-day depends mainly upon foreign sources; while other of East Africa's products such as maize, barley, hides and bacon are supplementary to a present Imperial production insufficient for Imperial needs.

## CHAPTER II.—HISTORICAL.

The early history of East Africa is the history of the Coast, as the interior remained unknown and unexplored until comparatively recent years. Contact between Europe and East Africa was first established in 1498 by the Portuguese expedition under Vasco da Gama, dispatched for the purpose of discovering a route to India by the Cape. Da Gama found the Coast lands under Arab sway. Evidence of the interest which the records of this romantic voyage must have excited in England survives in Milton's *Paradise Lost*, where "the empire of the less maritime kings, Mombaza and Quiloa and Melind, and Sofala thought Ophir" are mentioned among the kingdoms of the earth shown to Adam by the Archangel Michael from a hill in Paradise.

Da Gama's account of his travels throws an interesting light on the economic conditions at that time prevailing on the Coast. We learn that Kilwa enjoyed a large overseas trade with Mecca and contained a number of Armenian traders, probably Christians.

On arriving at Mombasa, which he describes as "a great city of trade, with many ships," the discoverer was greeted with a gift of "fowls, sheep, sugar canes, citrons, lemons, and large sweet oranges, the best that had ever been seen": and his followers were entertained by certain "Moors" with "cakes of rice, butter and honey and plenty of fruit."

An unfortunate misunderstanding having led to the precipitate departure of the expedition from Mombasa, Da Gama touched next at Malindi, where the king sent him "cauldrons of boiled rice, and very fat sheep, roasted whole, and boiled, and much good butter, and thin cakes of wheat and riceflour, and many fowls boiled and roast, stuffed with rice inside also much vegetables and figs, cocoanuts and sugarcanes"

From these accounts it would appear that the Coast was well stocked with cattle and sheep, and produced rice and citrus fruits in abundance as well as coconuts and sugar cane: and the conclusion that the "Coast towns were far more flourishing than they have been in recent times" may safely be accepted.

After Da Gama's visit, constant struggles ensued between the Portuguese and the Arabs, in the course of which Mombasa was repeatedly sacked. Eventually the Arabs allied themselves with the Sultan of Muscat, and succeeded in 1698 in finally expelling the Portuguese from the Coast, where they ruled unmolested for a century and a half.

Interesting particulars of journeys into the interior made during this period by venturesome Arab and Swahili traders, who penetrated as far inland as the Victoria Nyanza and Lake Rudolf, besides traversing the Kenia and Kilimanjaro districts and the still little known region of the Lorian Swamp, are given by Dr. Gregory in his "Foundation of British East Africa," to which we are indebted for much of the material contained in this Chapter.

The modern history of East Africa begins with the advent in 1844-1845 of the Moravian Missionaries Krapf and Rebmann, two simple minded but heroic pioneers. After labouring together for some years among the Wanyika, without visible success, they parted company and plunged into the unknown tracts of the interior. Krapf reached Kitui in the Ukamba country, and was the first white man to behold the snows of Kenia. Rebmann, holding further south, discovered Mount Kilimanjaro. The discoveries of both explorers were greeted with general scepticism, even Livingstone joining in the chorus of unbelief but before long their results were confirmed by independent testimony.

The missionaries Krapf and Rebmann were followed in 1857 by the geographical explorers Burton, Speke and Grant, intent on solving the primeval problem of the sources of the Nile. The route followed by these travellers, as also by Stanley in 1874, was the caravan road from Bagomoyo (opposite Zanzibar) through the heart of the territory afterwards acquired by Germany. Speke reached Uganda and the Victoria Nyanza but it was not until after his second visit in 1863, when he traced the Nile to its outlet, that he was able to convince Burton and Livingstone that the Nile rose in the Great Lake. Even then, doubts lingered as to whether the Lake was its ultimate source, and these were not finally dispelled until Stanley's famous journey in 1875.

The object of Stanley's expedition was primarily geographical, but its principal results were political. Deeply impressed with the possibilities of Uganda and the superior intelligence of its monarch and inhabitants, as compared with the other tribes of Equatorial Africa, he issued an impassioned appeal to Christian England to send out missionaries for the evangelisation of the country. The appeal was successful. Protestant missionaries dispatched in 1876 were followed within four years by a party of Catholic Fathers, and much unedifying strife resulted, to the bewilderment of King Mtesa and his Court.

Meanwhile the interest aroused by Stanley's reports of Uganda had induced much discussion as to the possibility of opening up a new and shorter route to Uganda, on a line between Mombasa and the Kavirondo Gulf. This involved crossing waterless and uninhabited tracts, as well as the territory of the formidable Masai tribe: but the difficulties were clearly not insurmountable. A German named Fischer was the first to show that the traverse of Masailand was not impossible for a European. He marched in 1883 from Pangani, past the western slopes of Kilimanjaro, and on to Naivasha. In the same year Joseph Thomson, under the auspices of the Royal Geographical Society, travelled from Mombasa to the eastern shore of the Victoria Nyanza by Taveta, Ngong (near Nairobi), Naivasha and Lake Baringo. His adventures with the Masai are graphically described in his well known book "Across Masailand"

The eastern route having thus been proved practicable, missionary enterprise was not slow in attempting to take advantage of it, and, in 1885, Bishop Hannington started from Mombasa for Uganda. He reached the Nile in Busoga, where he was seized and murdered.

In the same year East Africa was for the first time menaced by the sinister machinations of Germany, which came into collision with the rights of the Sultan of Zanzibar. An international agreement was concluded in 1886, by which the Coast belt from Tungi Bay to Kipini to the width of ten miles was secured to the Sultan, and the northern and southern portions of the interior were declared respectively to be under British and German influence. This Agreement was followed in 1887 by the cession to the British East Africa Company of all the Sultan's territory on the mainland lying within the British sphere. A similar concession was made in 1888 to the German East Africa Company. Unsuccessful attempts by Germany to establish herself at Witu, north of Kipini, culminated in the expedition of Karl Peters, who marched up the Tana Valley through the Kikuyu country and Laikipia to Uganda. But before his return to the coast, Britain had concluded a treaty with Germany whereby the latter abandoned her claims to all territory north of the Tana, while Britain ceded Heligoland

The British East Africa Company was now free to develop its possessions in peace, but trouble was ahead. British traditions necessitated the abolition of slavery: and the Sultan was prevailed upon to free all slaves entering his territories overland, and to prohibit the sale of slaves. Some of the immediate consequences of these benevolent measures were disastrous. Not only did economic conditions on the Coast suffer a set-back from which they have scarcely recovered to this day, but a bloody rebellion of the Mazrui Arabs ensued, which resulted in many of the most intelligent of the Coast natives emigrating to German East Africa. In 1895, while the rebellion was in progress, the administration of the country was transferred from the B E A Company to the Imperial Government

Meantime Uganda also had been immersed in a sea of trouble. In 1890, as a result of the Treaty of Berlin, King Mwanga was obliged to acquiesce in the administration of Uganda by the British East Africa Company but civil war threatened, and attempts were being made to convey arms and ammunition to the disaffected king. Danger was temporarily averted by the arrival of Sir Frederick Lugard, who organised a force from Emin Pasha's followers who had been isolated on the Nile by the Mahdi rising but fighting soon broke out between the Protestant and Catholic factions. The organisation of the country was complicated by a mutiny among the Soudanese troops and the need for a punitive expedition against the Province of Unyoro. In 1893 the administration of Uganda was taken over by the Foreign Office but trouble with the Mohammedans followed

The disturbed condition of affairs in Uganda at length determined the Imperial Government to connect it with civilisation by a railway from Mombasa to the Lake. For this purpose a grant of £2,000,000 was voted, which was afterwards increased to £5,500,000. Preliminary surveys began in 1892 and construction in 1895. In 1902 railhead reached the Victoria Nyanza. The territories adjoining the railway were brought under British administration without serious difficulty and grants of land were given out to European settlers. Immigration continued in a steady stream with extraordinarily satisfactory results as we shall show later on in our Report, until in 1914 the great conflagration broke out which for the time set a check upon all economic development

The part played by East Africa in the Great War is one of which she has reason to be proud. Though official statistics are still unprocurable, it is certain that an extremely high percentage of the European population served with the forces, while the African population also rendered invaluable services.



## CHAPTER III.—GENERAL.

Among the group of Central African Domains comprising Uganda, the Nile Provinces, the Upper Congo and the Conquered Territory of German East Africa, which together form one of the widest and richest undeveloped portions of the globe, the East Africa Protectorate holds the dominating position—both geographically, because Kilindini Harbour offers direct access *via* the Uganda Railway and the future extensions of the Voi-Kahe line to the main productive areas of Middle Africa: and politically, because the climatic advantage of its Highlands is attracting white settlement, and thus establishing British East Africa as a citadel of European civilisation in Middle Africa.

British East Africa is a quarter of a million square miles in extent—double the area of the British Isles. An idea of its configuration will be given by a glance at the attached contour map. It will be seen that most of the land is low-lying. In this are included the Coast belt and the valleys of the three great rivers—all areas of great fertility—as well as vast tracts, the capacity of which is not as yet ascertained. On the other hand, nearly a fifth of the country—an area about the size of England—lies at a greater altitude than that of the top of Ben Nevis. The whole of this high-lying country is a terraced plateau cleft from end to end by the huge trough of the Rift Valley. Whoever wishes to form a correct mental picture of the East African Highlands must discard all preconceived ideas of torrid deserts, or of the sinister luxuriance of tropical jungles. He must rather imagine a country of broad woodlands; of rolling pastures swelling up to levels of over 10,000 feet; of vast escarpments clad here with heath and bracken, there with ancient forest: a country combining the wild grandeur of the Scottish Highlands with a more peaceful beauty all its own, under skies of Italian clearness and brilliancy.

The Protectorate is singularly favoured by nature in many other respects. Its volcanic soils are of extraordinary fertility, yielding abundant crops of such highly valued staples as coffee, sisal and flax while the range of its products stretches from coconuts to trout. Like the other territories of Central Africa, it is a land of double summer. There are two distinct rainy seasons followed by comparatively dry spells, and two crops can generally be harvested in the year, since vegetation is continuous so long as the humidity is sufficient. In the Highlands and on the Coast, the rainfall is copious and well distributed, averaging more than 42 inches a year over the three years 1913-14-15 at 52 stations at which records were kept and there is a plentiful supply of rivers and streams available for purposes of irrigation and power.

No trustworthy statistics of population are available, but the European population is probably about 6,000, of whom it may be estimated that over 5,000 reside in the Highlands. Of these, less than 2,000 are non-official male adults. The Indian population, consisting mostly of artisans and shopkeepers, probably numbers about 12,500. The number of Africans is officially estimated at about 2,700,000. This estimate is mainly based on taxation returns, which afford no sure index of the population, and as probably far too low. The natives have, for the most part, only recently come into contact with western civilisation, which has not yet had time to make them as efficient economically as the natives of other parts of Africa. They are, however, intelligent, and under tutelage are capable of useful work—especially as artisans and mechanics.

The country is administered as a Protectorate under the Colonial Office. Legislation is controlled by a Legislative Council, a minority of the members of which are un-officials nominated by the Governor. The offices of the Governor, and the Heads of all the Government Departments, excepting the Customs and the Judicial Department, are situated at Nairobi. The country is divided into seven provinces, the administrative districts of which are in the charge of District Commissioners, working under their Provincial Commissioners who are directly responsible to the Governor.

The Revenue of the Protectorate, which amounted in the year 1913-14 to £1,123,798, and, in 1917-18, to £1,368,329, is to the extent of about 85 per cent. derived from three principal sources, viz. :—

	1913-14.		1917-18.	
Railway	£546,173	49 per cent.	£650,941	48 per cent.
Licenses, excise, and various internal revenues including hut and poll taxes	£225,632	20 per cent.	£335,622	24 per cent.
Customs	£158,637	14 per cent.	£170,510	13 per cent.
	£930,442	83 per cent.	£1,157,073	85 per cent.

The customs receipts represent the proceeds of a uniform import duty of 10 per cent. on all articles not specifically exempted except alcoholic liquors, which are the subject of special rates and a graded export duty on a limited number of articles.

The subjoined table shows the yearly figures for revenue and expenditure since 1st July, 1895:—

**STATEMENT OF TOTAL REVENUE AND EXPENDITURE OF THE EAST AFRICA  
PROTECTORATE, FROM 1ST JULY, 1896.**

Year	Revenue £	Expenditure. £
1895/6 (9 months)	28,381	59,593
1896/7 ...	39,187	147,636
1897/8 ...	47,948	143,103
1898/9 .	69,401	199,641
1899-1900 ...	68,069	183,868
1900-1901 ..	64,275	193,438
1901-1902	68,453	278,152
1902-1903	95,284	311,469
1903-1904 .	108,857	418,877
1904-1905 .	154,756	302,560
1905-1906	270,362	418,839
1906-1907	461,363	616,089
1907-1908	474,760	691,677
1908-1909	485,668	703,103
1909-1910	503,040	669,405
1910-1911	609,586	682,041
1911-1912 .	729,078	772,354
1912-1913 .	952,525	961,178
1913-1914 .	1,123,798	1,115,899
1914-1915 .	934,756	1,151,730
1915-1916	1,165,561	1,072,917
1916-1917	1,533,783	1,197,390
1917-1918	1,368,329	1,490,571

#### CHAPTER IV—PRESENT PRODUCTION

Before proceeding to deal with the present production of the Protectorate, we feel it necessary to refer again to the concluding paragraphs of Chapter I, and to deprecate in advance any consideration of the comparatively unimposing statistics of production in Middle Africa which is not tempered by a full appreciation of the distinctive conditions prevailing there, and in particular of the fact that the economic results hitherto attained are really adventitious, because the motives and objects which led to our occupation of these territories were strategic and philanthropic, and in no way economic.

The fears expressed in our Second Interim Report that our investigations would be seriously hampered by the absence of systematically compiled tables of statistics (showing among other items the production of the country) have unfortunately been realised. For the figures given we have to rely on three principal sources

- (1) Returns furnished by the District Officers. These returns were in many cases accompanied by a caution that the figures given represented estimates based upon no exact data.
- (2) The Estimates given by the Director of Agriculture in his Memorandum and Evidence, and by other witnesses.
- (3) The Official Returns of the Customs Department, which however only show exported products.

Except therefore for the Returns of the Customs Department, we have to rely solely upon estimates.

#### I—EXPORTED PRODUCTS

The following table shows the value of the principal exports from the Protectorate (excluding products of Uganda and the interior) (a) for 1913-14, the year before the War and (b) for 1916-17

*Principal Exports of East Africa Protectorate Produce.*

	1913-14.	1916-17.	Corresponding figure for G.E.A. year 1912.
	£	£	
Sisal ... ..	12,525	126,258	226,600
Hides ... ..	116,927	123,396	151,750
Sim-sim ... ..	58,564	52,332	20,200
Coffee ... ..	18,502	46,022	63,300
Carbonate of Soda ... ..	1,200	45,056	
Skins ... ..	28,347	32,073	
Copra ... ..	35,587	28,784	92,250
Beans and Peas .. ..	13,437	17,112	
Borities (rafters) . . .	6,479	14,224	
Ivory ... ..	8,764	13,211	24,300
Wool ... ..	9,718	12,327	
Potatoes ... ..	6,716	10,219	
Rubber ... ..	10,532	8,482	239,050
Ghee ... ..	5,063	5,746	
Beeswax ... ..	7,901	5,369	40,850
Fibre other than sisal .	4,083	3,697	
Pulse ... ..	3,534	3,652	
Maize ... ..	34,715	2,748	
Cotton ... ..	5,476	2,425	66,600
Ham and Bacon ... ..	272	1,884	
Groundnuts ... ..	7,131	1,451	24,500
Gum copal ... ..	1,711	962	5,035
Mangrove bark ... ..	8,062	720	
Flax ... ..	—	432	
Cotton seeds ... ..	438	295	
Wattle bark ... ..	1,917	—	
Miscellaneous unclassified articles . . . . .	36,023	28,167	
<b>Total of items enumerated . . . . .</b>	<b>£443,624</b>	<b>587,044</b>	

Notes on the principal products of the country will be found in Chapter VI. The low place of maize on the above list for 1916-17 is abnormal and due to War conditions.

A study of these figures will show that European capital and enterprise is now beginning to bear fruit, and that the whole of the increase in the value of the exports is the result of planting, farming and mining activities initiated and controlled by Europeans.

This tendency may be expected to become more and more pronounced as the cumulative result of the fruition of established ventures, and the importation of new capital which is now following upon the successes achieved.

## 2.—OTHER PRODUCTS.

(a).—*Animal Products.*

The Director of Agriculture gives the following estimates of the number of stock in the Protectorate:—

Cattle . . . . .	1,943,000 head
Sheep and Goats . . . . .	3,515,000 head.

He is unable to estimate how many of these are owned by Europeans and natives respectively.

The crossing of native stock with pure-bred imported sires has been attended with remarkable success. There is a large and rapidly growing number of grade stock, both cattle and sheep, owned by European farmers, which already possess some of the qualities most valued by breeders.

No figures are procurable of the number of pigs in the country but it is believed that they are not sufficient to supply the local demand for pig products.

The figures relating to hides and skins for 1916-17 and the year before the war are as follows:—

	1913-14. Value		1916-17. Value	
Skins	438 tons	£28,347	386 tons	£32,073
Hides	1,250 tons	£116,972	1,600 tons	£123,396

The hide export represents about a quarter of a million hides.

Considerable quantities of butter and cheese are made by the European dairy farmers. The production of these is at present restricted to the requirements of the local market, now inflated by the presence of a number of military depots and hospitals. In addition, a certain amount of ghee (clarified butter) is manufactured for local consumption.

#### (b.) Vegetable Products.

**Timber.**—From particulars supplied by the Conservator of Forests, it appears that the amount of timber milled annually from the Government Forest Reserves in the four years 1912-16 was about 350,000 cubic feet. The quantity imported in 1912-13 was about the same, and in 1913-14 nearly 600,000 cubic feet. Since the outbreak of war the country has had to rely almost entirely upon its own timber resources.

Cedar and podocarpus are the principal varieties in demand by the local building trade.

Local timbers supply the local demand for firewood and fencing materials.

**Cereals, etc.**—There are no statistics available of crops other than those exported.

The native population of over 2½ millions lives mainly on varieties of grain produced in the country. Maize is the principal crop. The Director of Agriculture estimates that no less than 250,000 tons of maize are produced annually. There is in normal times a substantial export of maize. The returns of the District Officers indicate that at least 100,000 tons of other native crops such as matama, wimbi, native beans, etc., are produced and consumed annually: but this figure is probably too low, as the returns are incomplete. There are no figures available as to bananas, sweet potatoes and sugar cane, which in many districts are among the chief constituents of native diet. Local requirements in wheat, potatoes, rice, beans, peas and other vegetables, as well as timber, are wholly or partially met by local production.

### CHAPTER V — EXTERNAL TRADE

The following tables, reproduced from Appendices II and IV to our Second Interim Report, show the imports into, and exports from, the Protectorate in the years from 1913-14 to 1917-18. The figures given include imports destined for and emanating from Uganda and the interior.

For purposes of comparison we also give corresponding figures for German East Africa wherever we have been able to procure them. It will be remembered in comparing particulars of the two Protectorates, that the Germans until a year or two before the war were far behind us in railway development: while the country lately possessed by them, although more populous, is decidedly inferior in fertility to our own.

#### IMPORTS

Year	ORIGIN				Total
	British Empire (including Russia).	Allies	Neutrals	Enemies	
	£	£	£	£	£
1913-14	1,343,434	289,702	235,124	279,677	2,147,937
1914-15	1,030,475	146,972	156,088	135,675	1,469,210
1915-16	1,161,478	255,218	272,905	*18,732	1,708,333
1916-17	2,263,960	339,098	405,412	*15,653	3,024,123
1917-18	2,093,354	338,623	239,500	**138,204	2,809,681

\*Stocks in hand in British possession.

\*\*Including conquered territory of G.E.A.

*Percentage which the above figures bear to the totals.*

Year.	British Empire.	Allies. (including Russia).	Neutrals.	Enemies.
	Per cent.	Per cent.	Per cent.	Per cent.
1913-14	62½	13½	11	13
1914-15	70	10	11	9
1915-16	68	15	16	*1
1916-17	75	11	13½	* ½
1917-18	74½	12	8½	**5

In 1912 the imports into German East Africa amounted to £2,515,000.

## EXPORTS.

### DESTINATION.

Year	British Empire	Allies. (including Russia).	Neutrals.	Enemies.	Total.
	£	£	£	£	£
1913-14	.. 610,365	379,860	55,904	236,747	1,482,876
1914-15	.. 684,475	178,808	35,052	106,461	1,004,796
1915-16	. 940,002	157,744	13,678		1,111,424
1916-17	. 1,449,544	138,220	18,556	7,533	1,613,853
1917-18	. 1,632,785	74,439	14,024	20,691	1,741,939

*Percentage which the above figures bear to the totals.*

Year.	British Empire.	Allies. (including Russia).	Neutrals.	Enemies.
	Per cent	Per cent.	Per cent	Per cent.
1913-14	54½	25½	4	16
1914-15	68	18	3½	10½
1915-16	84½	14	1½	
1916-17	90	8	½	½
1917-18	94	3½	1	1½

In 1912 the exports from German East Africa amounted to £1,570,000.

Owing to the form in which Customs Returns are compiled no exact figures can be produced showing the balance of trade as affecting the Protectorate alone and the amount of its overseas trade.

The following table includes all imports and exports cleared at East African Harbours for the years indicated:—

Year	Imports value	Exports value.	Total value.
	£	£	£
1913-14	.. 3,397,391	1,482,876	4,880,267
1916-17	. 4,979,010	1,613,853	6,592,863
1917-18	. 6,101,328	1,741,939	7,843,267

Information as to how great a proportion of the imports was destined for the Protectorate as distinct from Uganda is not available. A conjecture of 80 per cent. would probably not be far wide of the mark. Of the exports, about 36 per cent. originated from the Protectorate.

Tables showing (1) the increase in imports and exports under the principal heads by a comparison between the mean of the financial years (a) 1902-3 and 1903-4, and (b) 1912-13 and 1913-14: (2) the position of the principal dominions and dependencies in respect of overseas trade: and (3) the various sources of supply within the Empire of each of the principal commodities exported from East Africa,—will be found in Appendices I, II, III, and IV. From the first it will be observed that imports show an increase of 300 per cent. and exports of 882 per cent. over the period covered. The second shows that East Africa is ninth of the dominions in point of population and seventh as regards area. The only territories surpassing her in both population and area are India, Canada, Australia, South Africa, Egypt and Nigeria.

\*Stocks in hand in British possession.

\*\*Including conquered territory of G.E.A.

## CHAPTER VI.—POTENTIALITIES

British East Africa, with its large native population, its variety of soils, and its generally healthy climate, provides remarkable opportunities of immediate economic development on a grand scale.

In the immense tropical domain now consolidated, we trust permanently, by the inclusion of what was known as German East Africa, this Protectorate is destined to play a leading part. The general elevation of its inland plateaux must constitute it the citadel of white settlement in Middle Africa. The exceptional richness of its volcanic soils will enable more rapid accumulation of wealth here than is likely in less favourable areas. And the strategic position of the country, in relation not only to the rest of Middle Africa but also to the Middle East, suggests possible development as a training ground and sanatorium for the increased forces which it may be necessary to maintain for those parts of the world as a result of changes in international equilibrium and obligations arising therefrom.

British East Africa contains 245,000 square miles of area, of which less than 3,000 according to the best official estimate, are under cultivation

It is, we think, incumbent upon us to attempt to give some rough idea how great a proportion of the 242,000 square miles of virgin soil remaining is capable of use, and what contribution it could yield to the markets of the world, and in particular to those of the United Kingdom. Our calculations must necessarily be regarded as approximate, surveys of soil and hydrographical and geological surveys and other statistical data being necessarily still far from complete.

Any relatively exact estimate of the agricultural possibilities of the country must obviously be confined to those districts which either enjoy a mean rainfall exceeding 25 inches or have sufficient visible water for irrigation. We therefore leave out of account as an agricultural factor the greater part of the northern zone where the rainfall is low, an area amounting to some 80,000,000 acres, or one-half of the Protectorate. It must not however be assumed that this area as a whole has no economic use. The pastoral possibilities of the greater part of it are undoubtedly considerable, and there are areas which may prove on further investigation capable of being raised from the pastoral to the agricultural plane. There are indications pointing to the soil being of excellent quality in places and it is in evidence that underground water has been found, which might be utilised by boring and pumping.

As altitude is an important factor determining what crops can be grown in any given locality, we subjoin a table showing the distribution of the land according to altitude. The figures given are approximate only and their accuracy cannot be guaranteed.

## ACREAGE OF PROTECTORATE: 157,000,000 ACRES.

Land up to 1,000 feet (Including the 10 mile Coast Belt south of Lamu and irrigable land on the main rivers, say	1,600,000 acres, 1,000,000 acres)	Acres 45,800,000
Land between 1,000-2,000 feet	.. .. .	39,500,000
„ between 2,000-3,000 feet	.. .. .	25,600,000
„ between 3,000-4,000 feet	.. .. .	14,500,000
<b>Total up to 4,000 feet</b>	<b>.. .. .</b>	<b>125,400,000</b>

(including the whole of the northern district,  
except the Matthews and Marsabit Mountains).

Land between 4,000-5,000 feet	.. .. .	Acres. 9,600,000
„ „ 5,000-6,000 „	.. .. .	8,500,000
„ „ 6,000-7,000 „	.. .. .	7,250,000
„ „ 7,000-8,000 „	.. .. .	3,100,000
„ „ 8,000-9,000 „	.. .. .	1,650,000
„ over 9,000	.. .. .	1,500,000
<b>Total over 4,000</b>	<b>.. .. .</b>	<b>31,600,000</b>
<b>Total</b>		<b>157,000,000</b>

For present purposes it will be convenient to deal only with the principal staple crops of the country, and we append a note of these showing their possible distribution according to altitude, the yield per acre which could be

obtained, the annual demand of the United Kingdom for each commodity (the figures being in most cases taken from the tables published by the Dominions Royal Commission (Cd. 8/23) and applicable to the year 1913), and in certain cases the acreage which, if available would suffice to meet that demand. This Note is given to show how important a part East Africa may play when its development is seriously taken in hand.

Product.	Altitude	Tons per acre.	United Kingdom Requirements in tons.	Acreage required to meet United Kingdom requirements
Coconuts	... Coast	.. ½	81,000	162,000
Coconut oil	... do. ...	.. ¼	58,500	234,000
Oilseeds	... Any ...	...	758,825	
Sisal	... Under 6,000 ft.	½	86,000	172,000
Flax	... Above 5,000 ft.	¼	92,000	368,000
Flax tow	... ..	...	18,000	
Coffee	... 5,000-7,000 ft.	⅓	42,300	126,900
Tanning bark (Wattle).	... Above 5,000 ft.	4	Not known	
Acetone and acetic acid	... ..	..	6,050	
Sugar—refined	... Under 5,000 ft	1	1,725,000	
Cotton	... .. 3,000 ft.	¼	970,000	
Rice	... .. do.	...	405,000	
Maize	... Any ...	.. ⅓	2,460,000	
Beans (fresh)	... Any ...	.. ⅓	77,000	
Wheat	... Any ..	.. ½	8,975,000	

#### Animal Products

Beef	... ..	...	1,300,000	
Hides	... ..	..	72,700	
Butter	... ..	...	326,950	
Cheese	... ..	...	149,850	
Wool	... ..	...	415,000	
Pigmeats	... ..	...	732,400	
Glycerine (From soda and oil seeds).	... ..	...	5,500	

Total of items in last column Acres 1,062,900

It is hard to compute the potentialities of our country without naming quantities which would be dismissed as fabulous, yet the fact obtrudes itself that conditions in the Coast belt, the valleys of the main rivers and almost the entire area to the west of Kenia and south of the Equator, are exceptionally favourable to heavy production of extremely valuable crops.

The West India Committee on sugar has estimated that British East Africa should produce 500,000 tons of sugar a year,—founding, it is safe to assume, on a Report specially prepared for them by Mr. Powell, Chief of the Economic Plants Division of our Agricultural Department, in which he reckoned the land suitable for sugar at 327,750 acres.

We should say that on the most conservative estimate 4,000,000 acres, or one acre in eight, in the Highlands of this country, and 5,000,000 acres in the lower levels, including the Coast Belt and the great river valleys are capable of a similar measure of production in other staple crops. Less than one twelfth part of this area would satisfy the entire requirements of the United Kingdom in sisal and coffee, products which this Protectorate regards as specialities of her own. Her ultimate possibilities immensely exceed the present demand for these products in the United Kingdom. She will probably also supply a largely increased amount of copra and coconut oil from her Coast lands.

To form a rough idea of what the Protectorate might do for the Empire, it is necessary to consider her various resources, excluding assets such as soil, climate, population and even water power, which only indirectly result in commercial products. These resources, consist of minerals, forests, game, fish, stock, and arable products.

#### (a).—Minerals.

The mineral wealth of the country is unascertained except as regards carbonate of soda, of which the Magadi Lake can produce 80,000 tons a year. No comprehensive Geological survey has yet been undertaken and little prospecting has been done. No data exist which justify any estimate of possibilities.

(b) — *Forests*

The extent of the Forests is estimated at 3,600 square miles, but with existing communications only about one-tenth of them are accessible.

The timber requirements of the country are steadily rising, and in 1913-14 reached 867,225 cubic feet. Before the war, timber was regularly imported from the Baltic. The Conservator of Forests estimates the present yield of the forests now accessible (25 per cent. of the whole) at 800,000 cubic feet, which is hardly sufficient to meet present local demands. With improved methods and communications he considers that their annual output could be raised to three to four times that amount.

The system of piecemeal felling, as distinct from the more scientific clear felling, is adopted. Reafforestation with indigenous trees on any scale is not being attempted, but "natural regeneration" is relied on to replace the wastage, though there are but slender grounds for supposing that any such process is in operation. The forests are constantly suffering most serious damage from the depredations of native tribes.

The forests are by far the most valuable standing crop which the country possesses. It is clear to us that the conservation of this asset is not being undertaken on the right lines, and that the methods and policy of the Forestry Department call for radical reform in the direction of clear felling and reafforestation. For effective protection against burning and ring-barking by natives the only practicable remedy is to clear native tribes out of the forest reserves, and in all cases where forest reserves and native reserves (especially those occupied by the Masai) march together, to interpose between them a belt of white settlement.

If these measures are adopted, there is little room for doubt that this Protectorate, instead of having to import large quantities of timber, would before many years be able not only to satisfy all her own requirements, which will be much heavier than at present, but to build up a substantial export trade in timber.

The commonest and most important timbers are podocarpus, which is the timber most in demand by the local building trade, and cedar. The latter is of special importance, as the wood is suitable for pencil making. So far as we are aware, there is no other important supply of pencil cedar within the Empire. By exploiting East African cedar, British pencil manufacturers should be assured an ample supply of their raw material.

In addition there are several varieties of trees which yield beautiful and valuable furniture woods, and others from which paper could be manufactured.

(c).—*Game.*

It is doubtful whether it is practicable to turn to other than local economic account (except in the matter of hides), the immense herds of game in the country.

(d)—*Fish.*

The fisheries of the Coast and the inland waters are almost entirely unexplored: but enough is known to warrant the belief that they would prove on investigation to be a most valuable addition to the food supply of the country.

(e) — *Stock and Stock Products*

In the opinion of the late Veterinary Pathologist, Mr. Montgomery, there is probably no country in the world which possesses the beneficent conditions of East Africa for stock raising; and he estimates that her meat stock population could be raised from two million cattle and three million sheep to ten million of each, with a capitalised value of £50,000,000. This should result in an export of beef approximating to that of Australia, besides large quantities of dairy produce, hides and skins, mutton, wool and tallow. The same beneficent conditions make the country equally favourable for pig production, and no limit can be fixed to her potentialities in ham and bacon.

It is not possible to estimate the annual return from land devoted to cattle, sheep, and pigs. Not only does the grazing vary in quality, but wide differences of opinion exist even in the same districts as to the number of head of stock which the land will carry. Only time and experience can settle these differences. There can however be little doubt that the carrying capacity of large areas of land in East Africa for stock is much higher than in the principal stock raising countries.

We have seen that the flocks and herds of the Protectorate are estimated to be worth £9,000,000—a very considerable asset and one capable of extensive augmentation.

East Africa is preeminently a cattle country. All authorities are agreed as to the importance of increasing the meat supply of the Empire, and the augmentation of our stock resources to the full carrying capacity of the country appears to be one of the most vital interests of the Empire.



To achieve the best results in this direction there are required improved facilities for Veterinary Research and for importation of purebred cattle: increased immigration: and instruction of pastoral native tribes in the management of stock.

A largely increased cattle population will carry with it possibilities of large exports of dairy products: but there is little chance of such possibilities being realised unless shipping facilities are greatly improved. It is significant that Australia, with 11,000,000 head of stock has built up an export trade of over £500,000 worth of butter, with the aid of Government bonuses equivalent to costs of freight.

Some success in the breeding of sheep has also been achieved in this country. The areas suitable for sheep however are confined to the higher altitudes, and as the land will not carry sheep till grazed down by cattle the building up of a sheep industry is necessarily a comparatively slow process. A steady increase in the export of wool may be anticipated.

(f).—*Arable Products.*

The principal tropical and sub-tropical products are coconuts, rice, sugar and cotton.

*Coconuts* are a product peculiar to the Coast belt. They grow to a depth of 10 miles inland from the sea, from the southern boundary as far north as a line about 60 miles north of Lamu. The total extent of this belt is about 1,600,000 acres.

The Coast has never recovered from the economic disturbance caused by the abolition of slavery. The sudden withdrawal of the existing control over the irresponsible Coast natives, unaccompanied as it was by any substituted control, led to a collapse of all industry, and the land became overgrown with bush. This made travelling, in the absence of roads, almost impossible, and brought fly, which exterminated the Coast cattle, and beetle, which still ravage the coconut trees. The land of the Coast further suffers from being the subject of a confused welter of legal claims by Arabs and others, which are a barrier to land transactions and to European settlement. A specially appointed officer and staff have been engaged for many years in adjudicating upon these claims, with meagre and disappointing results.

In consequence of these disabilities the copra industry is in a thoroughly unsatisfactory condition, the pre-war export being far less than that of German East Africa or Zanzibar.

The Coast being suitable in parts for coconut growing has the advantage over most other coconut producing countries of being outside the hurricane zone

*Rice, Sugar and Cotton.*—Most of the land suitable for any one of these products would also suit the others. Huge quantities of these could be grown if the irrigation of the Tana and Juba rivers were undertaken.

Both these rivers flow through level plains of great richness, the irrigation of which is a perfectly practicable scheme and would without doubt be attended with results comparable on a smaller scale to those which have followed on the irrigation of Egypt. The conditions on the Juba, which has its source in the same mountains as the Blue Nile, and where the rainfall is moderate, are almost indistinguishable from those of Egypt, and suggest immense possibilities in cotton.

In the meantime, success can only be achieved by individual planters in this area by a topographical survey and redistribution of land according to the contours.

The two great valleys are undoubtedly the best areas for these crops: but there are other smaller areas, notably on the Coast, including the Uмба valley, and in the valleys of the rivers flowing into the Lake, which would probably be equally suitable to one or other of them.

The principal products peculiar to the Highlands are coffee, flax, wattle bark wheat, potatoes and peas.

The *Coffee* of East Africa is second to none in quality. There are probably no areas in the world so favourable to coffee as the coffee lands of Kikuyu and the western slopes of the Mau Escarpment. The area planted is over 30,000 acres, which when in full bearing should yield 10,000 tons a year—about four-fifths of the consumption of the United Kingdom, and one quarter of its gross requirements.

*Flax* is an infant industry of special importance to the United Kingdom because of the cessation of the supply from Belgium and Russia. It can be grown successfully in most parts of the Highlands. The quality of East African flax at this early stage, as proved by the markets, is little inferior to that of the Belgian. Before the war, flax was not produced in any other of the colonies or dependencies, and the requirements of the United Kingdom were about 90,000 tons (the yield of 360,000 acres of good flax land). Flax is now being

planted in Great Britain and Ireland. but it might be found advantageous to the United Kingdom to use the acreage devoted to flax for foodstuffs, and to ship her flax from other parts of the Empire

The area under flax in this country at present is believed to be about 4,000 acres. A much larger area would probably have been planted but for the difficulty in importing machinery. All that is wanting to enable East Africa in the near future to grow all the flax that can be required of her is increased white settlement and organisation of the labour supply.

*Wattle bark*—Conditions here appear to be distinctly more favourable to the wattle than in Australia, its country of origin, or Natal, now its principal producer, but shipping difficulties have hitherto prevented the industry from yielding a profit. The establishment of extract factories is under consideration and would solve the freights problem. The total area now under wattle is 11,000 acres, which should yield annually 44,000 tons of bark, or 17,600 tons of tanning extract. This acreage could be multiplied many times. The industry requires very little labour, and its prospects are excellent.

With tanning materials and hides present in abundance, the country should be able to manufacture leather for her own purposes and also for export.

*Wheat*—There are large areas suitable for wheat production. Success depends on patient research. In each district the variety suitable to the locality has to be ascertained by experiment.

As a result of much experimental work done by some of the principal farmers, wheat has been successfully grown in many parts of the Highlands.

The first obvious requisite is to replace the present import of wheat and flour, amounting to 3,650 tons, and this will probably be accomplished in the near future.

The satisfaction of local requirements should be regarded merely as a preliminary step. With a sufficiency of white farmers and native labour, the Protectorate should be able to maintain a substantial export.

*Potatoes*.—This industry has lost ground owing to bad methods of cultivation especially by natives, and consequent depreciation of seed. A ready market awaits East African potatoes in India, Egypt and South Africa if the necessary steps are taken to reorganise the industry by importing fresh supplies of seed and grading for export under the supervision of the Agricultural Department.

*Peas*—There is a strong demand for East African peas in England and South Africa both for food and for seed. They are a good rotation crop. The industry is capable of great development if arrangements can be made for grading produce for export, and if shipping freights, which at present are heavier on East African than on New Zealand peas, are adjusted on an equitable basis, or neutralised by bounties.

The principal products which can be grown practically at any altitude are maize, sisal, oil-seeds, beans, and citrus fruits.

*Maize*—In point of bulk, maize, which is the staple food of the natives, is the principal crop of the country. It is grown both by natives and Europeans. We are advised by the Director of Agriculture that East African maize has a bad name on foreign markets because of the bad methods of storage after harvest used by the native, but the maize grown by Europeans in this country is of unrivalled quality. Production however in some of the best maize districts—notably the Uasin Gishu district where transport to the railway costs £5 per ton—is strangled by absence of communications. Mr L. A. Johnson in his valuable memorandum on the subject estimates the maize possibilities of the Uasin Gishu at 300,000 tons per annum.

The annual requirements of the United Kingdom in maize are about 2½ million tons, of which only about 100,000 tons come from the Empire.

The possibilities of the Protectorate in maize, which it will be noted can be grown in rotation with wheat, are practically unlimited: but heavy shipping freights as well as bad internal communications handicap the industry.

*Sisal*—Sisal hemp, which in normal times is used chiefly for binder twine for agricultural work, has not hitherto been grown to any considerable extent in any other part of the Empire. It may therefore be regarded as a speciality of East Africa. The demand for it is likely to remain high. There are over 20,000 acres under sisal. Planting is proceeding rapidly and the output of the country should very soon be 15,000 tons per annum. The requirements of the United Kingdom are about 86,000 tons per annum.

As sisal will grow almost anywhere in the country, and flourishes impartially in rich and poor soils, if drained, its possibilities depend entirely upon the human factor.

*Oil-Seeds*—Almost all known varieties of oil-seeds can be grown in this country, but sim-sim, or sesamum, is the only variety which has hitherto been raised on a large scale. Castor seed, cotton seed, rape-seed and linseed as well as ground-nuts can also be grown, and the possibilities of the first named especially, which it is understood is proved to furnish the best lubricant for aeroplanes, depend, like those of sisal, upon the human factor only.

With unlimited possibilities in oil seeds and copra, and an inexhaustible supply of carbonate of soda, soap and glycerine could be manufactured on an immense scale at a lower cost probably than in any other part of the world.

*Beans.*—The remarks made above with reference to peas apply equally to beans

*Citrus and other fruits* —Lemons and limes of the highest quality are grown in most parts of the country with great success. There are possibilities in the manufacture of citric acid and citrate of lime and perhaps in the export of fresh fruit. A beginning has been made with the institution of factories, and the industry promises good commercial results

There is no limit to the possible production of bananas in East Africa, and great results may be expected from this fruit as soon as means have been adopted for converting it into marketable form otherwise than in perishable condition.

Enough has, we hope, been said to make it unnecessary to produce a schedule showing the possible annual output of our various products in hundreds of thousands of tons. If any measure of these uncharted possibilities is to be realised, the first requisite is the combination of British capital and direction with native labour. Whatever difficulties may beset the Empire at present, capital will not long hesitate to enter if the door is opened to it, but labour presents a much more difficult problem. Scarcely less important are State expenditure on communications and research, and control of overseas shipping. We shall deal further with these questions in subsequent chapters

## CHAPTER VII

### GENERAL NATIVE POLICY.

The racial problem in this Protectorate is free from certain elements of trouble which are bound up with it in other parts of Africa. As a matter of history, the British occupation of the country was an almost entirely peaceful process. No smouldering memories of outrage and massacre followed by stern reprisals, linger here to prejudice the establishment of racial concord. On the contrary, it was as benefactors that the missionaries, the Imperial B.E.A. Co., and the administrators of the British Government successively established themselves in the country and the benefits they have conferred upon the native, if not altogether unalloyed, have on the whole been solid and lasting. The advent of the settler has had no adverse effect on the situation in this respect. The economic spheres of the two races being complementary and not competitive, the settler has generally recognised that it is in his interest to gain the confidence of the native and has acted accordingly. Hence the relations of black and white in East Africa are marked not merely by an absence of hostility, but by a considerable amount of positive good will on both sides.

It is necessary to consider how the fullest economic advantage can be taken of these auspicious conditions

The Bantu are apt but backward peoples, and as their history shows, have never of themselves achieved any important economic development in spite of the wonderful richness of some of the lands they occupy. The poverty of their languages in words expressive of the abstract as distinct from the concrete clearly defines the stage of mental evolution which they have attained

It is however important to remember that this Protectorate lies along the line at which the Bantu and Nilotic strains meet. Some of the tribes are more Nilotic than Bantu, and those which are apparently Bantu show indications of other influences, of an early date, possibly Egyptian or Phoenician in origin. It is beyond question that here and there natives of apparently Bantu origin develop a much higher degree of intelligence than what we are accustomed to expect from the Bantu. This is probably due to such examples being cross-breeds, and we may confidently expect remarkable instances of individual capacity among tribes apparently Bantu. It is therefore unsafe to apply indiscriminately to the natives of the country generalisations which might hold if only the Bantu strain were involved. The superior intelligence of the Nilotic strains is well known: while the Bantu though usually lacking in initiative are surprisingly adaptable. This has been proved in West Africa where the native has had the field to himself in a large range of pursuits including clerical work and the less highly skilled branches of mechanics, engineering, etc. The natives of this country in the mass are probably less advanced in attainment than those of the West Coast: but the individual native of East Africa is certainly not inferior to his western cousin in natural capacity. In this country, remarkable instances are known of his ingenuity and intelligence in handling modern machinery, motor cars and electrical plant, the principles of which might be supposed to be entirely beyond his grasp. while in Nyasaland where the native has been given a chance of

showing his quality, because European development has had to depend on him in many branches, and consequently to be at some pains to develop his capacity, he has taken full advantage of the opening offered him.

It is impossible to doubt that given the same opportunities, our native population is capable of filling as many useful spheres in society as the native of Nyasaland or the West Coast.

Opportunity in this connection means education. We propose dealing at greater length with the subject of native education in the Second Part of our Report and confine ourselves here to the broadest principles.

The ordinary methods of education have hitherto been badly neglected in this country. The proportion of persons receiving Government instruction is about one in 7,000. The annual sum spent on education by the State is about £10,000, most of which goes to the European schools. It is plain that much more generous provision must be made for native schooling.

Authorities on Negro Education are practically unanimous in the view that the best results accrue from industrial training. The schools therefore require to be staffed and equipped for that object. Attendance of enrolled pupils should be made compulsory for a course extending over a period of years. In addition, existing industrial establishments, engineering firms, etc. should be encouraged to co-operate with Government technical schools in arranging to receive apprentices, by a system of State grants such as are given to missions undertaking instructional work. On the same grounds, the policy advocated by the Natal Native Commission of co-operation between Government on the one hand, and farmers and settlers on the other, in arranging for apprenticeship of natives in the skilled processes incident to the farming and planting industries, should be adopted and energetically carried out here.

The vigorous undertaking of such measures would in our opinion have a marked effect upon the economic prosperity of the country; but a wider policy of native education in the more comprehensive sense of the word is even more necessary.

The native undoubtedly possesses dormant capacities which respond readily to stimulus. The stimulus of instruction alone is not calculated to produce lasting results unless combined with that of intimate contact with a higher civilisation. Sir Charles Eliot, His Majesty's Commissioner here in the earlier days of the Protectorate, held this view strongly and advocated the raising of the native by the closest interpenetration of black and white.

Since his departure, narrower views have prevailed, and Government policy has apparently been biased in the direction of the segregation policy of South Africa—a policy which is supported in that country by arguments that have little if any relevance to the conditions of this Protectorate.

The leading exponents of this policy in South Africa, which is mainly an industrial country, advocate it for the industrial rather than for the agricultural natives. The ideal for the latter, according to the segregationist Native Commission of Natal, is to give themselves up to regular employment as farm labourers, and live with their wives on their employers' premises. The segregation policy is the counterpart of the "back to the land" movement in Great Britain. In an almost exclusively pastoral and agricultural country like East Africa the occasion for it does not arise.

It may be observed that even in South Africa where the trouble arising from close contact and economic competition between the fringes of the races is acute, the segregation policy does not command general acceptance. Mr C. T. Loram, the author of an extremely able book recently published on "Native Education" argues convincingly against it.

We are unable, after a careful study of the memorandum on the subject by the Hon. Mr Ainsworth (now Chief Native Commissioner), to discover any solid argument in favour of a segregation policy in East Africa, and we cannot help suspecting that the true source of the idea is that unreasonable dread of "exploitation" of black by white to which expression has frequently been given by public men both in this country and in England.

The common-sense of this matter appears to be that so long as labour is free, exploitation is not possible in a country where the demand for labour grows more rapidly than the organisation of the supply, and where, owing to the prodigality of nature, there is a complete absence of economic pressure. As a matter of fact, the wages paid in this country are much more liberal than for instance in India. They are disproportionately high in relation to the cost of subsistence, and still more so in relation to the efficiency of the service given.

So obvious is this to all who are conversant with conditions in the country that we have difficulty in understanding how the "exploitation" argument can be honestly employed except by reactionaries who frankly disbelieve in civilisation and would prefer to see the natives revert to savagery and slavery.

We are therefore convinced that there is no case for segregation and that Sir Charles Eliot's policy of interpenetration should be adopted.

If this view is accepted, the Native Reserves will no longer be regarded as

sacrosanct and the recommendation of the Labour Commission that they should be delimited on the basis of restricting their extent to the acreage found to be actually under beneficial occupation should be again considered. The theory that provision must be made by the State not merely for the eldest but for every son in a family becoming a land owner would be regarded as absurd in Europe. We see no reason for imposing it on East Africa, the natives of which can only stagnate under a regime of universal peasant proprietorship.

We therefore advocate that a Special Commission should be appointed to delimit the reserves and devise a scheme for concentrating the natives in a number of areas distributed as widely as possible throughout the Reserves, sufficient, but not more than sufficient, for their requirements, leaving the interspersed tracts not needed for native occupation as available for white settlement. We are convinced that this method will be conducive to the general welfare of native and European alike, by promoting contact between them, stimulating the education of the native, and increasing the labour available for scientific production, besides immensely increasing the yield of the land.

At the same time it is equally imperative, in the interests of the native in the reserve and of the settler who requires labour, that the policy of encouraging natives to emigrate from the Reserves and become labour tenants on European farms should be accepted and carried into effect far more thoroughly and unequivocally than hitherto.

The necessity for some such policy is accentuated by the fact that existing conditions in the Reserves are notoriously bad. Subject to the few administrative officers the machinery of control consists of Government appointed chiefs and spearmen whose authority rests on no sort of tribal sanction. The efforts of these functionaries are too often directed towards enriching themselves and enhancing their own authority at the expense of the multitude, while at the same time making it as difficult and unprofitable as possible to leave the Reserves for work on farms.

Public Health is also extremely bad in the Reserves. The Medical facilities provided are wholly inadequate. It is of course in segregated communities that superstition offers the most stubborn defence against enlightenment in general and hygienic reforms in particular: and these grounds alone would we think suffice to condemn a policy of artificially fostering segregation and so entrenching the superstitions which spread disease and death. We hope to deal with this subject more fully in the second section of this Report.

We believe that the policy of closing the Reserves to the influence of modern civilisation, thereby making them the strongholds of backward savage ignorance, should be reversed.

This policy has lately taken shape in the publicly made official statement of the Chief Native Commissioner that "he did not see why a native should turn out to work for Europeans if he wanted to develop his own land."

We would point out that, if the land in the Reserves is to produce its highest yield, the natives must first learn modern methods of cultivation,—that the only practical method by which such knowledge can be acquired by large numbers of natives is through working for Europeans, therefore those who wish to see the Reserves most productive should advise the natives to go out to work.

Further, the population of this country is not so numerous that any waste can be tolerated in its use. If the land is to produce the full yield which we should expect of it, labour must be used economically, and the sooner the native is weaned from the hoe and taught to plough, the better for himself and the country, because it has been shown by experiment that every three-furrow plough will effect an economy of 100 labourers.

It is, we think, time to abandon the idea that a wise and humane native policy consists in treating the natives as interesting zoological specimens. At present our treatment of the Masai tribe, for instance, and of the game of the country is practically identical. We enclose both in reserves and leave them there under the care of a similar number of white officers. A right view of our responsibilities would surely involve at least the provision of medical and veterinary facilities: of education on an adequate scale: and above all, of abundant opportunities of contact with civilisation.

We wish to point out that the policy we advocate is not dependent upon acceptance of the view that East Africa is a "white man's country." If owing to the incidence of some new disease white settlement were to be arrested, which is extremely unlikely, or even if the white population were eventually to be altogether eliminated, which is scarcely conceivable, it would still, we maintain, be the right policy to do all that is possible to give the native a start on the road to civilisation.

If on the other hand industrial development were eventually to lead to a degree of density of white settlement approximating to that of South Africa, and presenting the special features upon the presence of which the segregation argument is based, it would be no less desirable that advantage should be taken of the intervening years to attempt to raise the native to such a level that the ultimate adoption of a segregation policy would not necessarily cause a precipitate relapse into stagnation.

We have left to the end what is perhaps the factor which more directly than any other affects the welfare of the Native—that is, the influence of the Asiatic.

It is hoped that the frank discussion of this subject will not cause offence, but it is one which calls for plain speaking.

It must be borne in mind that any criticisms of the Indians which it may be necessary to make, refer specifically to those in this Protectorate. These are mostly drawn from the lowest type of artizan coolie and "banya" or small shop-keeping classes, and include few representatives of the more responsible elements of the population of India.

Further, such criticisms, like most generalisations, are subject to exceptions. There are some Indians in the country who have proved themselves reliable members of Society, and of whom we should be sorry to use disparaging terms. Exceptions, however, have little bearing upon the main argument.

Before the advent of the Imperial B.E.A. Company, Indians were established on the Coast, where they seized the opportunity afforded them by the abolition of slavery, to oust by loan and foreclosure the ancient Arab trade and civilisation of which Zanzibar was the centre. But except for occasional incursions by half-caste Baluchis, the interior was untouched by Indian influence till British control was effected. The introduction of the coolies employed on the construction of the Uganda Railway was the first connection of Indians with the interior. The employment of Indian labour for this work was due, it is believed, purely to considerations of convenience, and here it is instructive to note that not only did the capital cost of the Indian-built Railway work out excessively high—more than double the sum for which a reputable firm of British Contractors had offered to execute the task with African labour, but that the working costs per train mile of the Uganda Railway are higher than those of the railways of the South African Union, though the percentage of white men employed on the latter is more than twenty times as great.\*

It may be permitted to question whether the authorities of the time realised the immense Imperial significance, for good or evil, of their action in promoting contact between the natives of East Africa and the decadent civilisation of India. The inevitable effect of the intervention of an intermediate race between European and African is that that race absorbs most of the occasions of personal contact with the African. Hence such intimate influences as the African of this country is at present receiving are mainly imparted to him by the Asiatic, and are predominantly Indian rather than British.

East Africa is in a somewhat different position from any other countries of Africa in respect of this problem.

The self-governing states of the Union, together with the Rhodesias, control Indian immigration, with a view to ultimate exclusion. In Natal, Indian labour was at one time introduced, but its introduction was subsequently agreed to have been a mistake, and drastic steps have been taken to limit and localise its effects.

In the African Protectorates under the Colonial Office, Indian immigration is not prohibited, with the result that in East Africa the immigrants have not been confined to the trading class, but have included coolies, clerks, artizans and mechanics. German East Africa was for long protected from this invasion, but latterly, for political reasons, considerable encouragement was given to Indians there.

It is the distinguishing peculiarity of this country that here the Indian plays the parts of clerk, artizan, carpenter, mechanic, etc., functions which the African is capable, with training, of performing, and does elsewhere perform, satisfactorily. The presence of the Indians, organised as they are to keep the African out of every position which an Indian could fill, deprives the African of all incentives to ambition and opportunities of advancement.

It may be admitted that the Indian has played and still plays a useful part in opening up trade, stimulating the wants of the natives and inducing them to part with their products for purposes of export. For this service he is entitled to credit, but the essential point is that the same service might, with due encouragement, have been performed by the Native peoples.

In every direction, the sphere of the Indian in this country is not complementary but competitive with those of the European and African. Even in the minor spheres the European, if the Indian would submit to the civic, moral and commercial obligations current in European Society, has nothing to fear from Indian competition, the contrary theory, which formerly found favour in local governing circles, having been completely exploded by the history of the past thirteen years. But with the African, the case is different. He is not strong enough anywhere to stand against the competition of a more crafty race. So long as that race is organised to keep him in servitude, by shouldering him out of all the posts which lie in the path of his advancement, he must be content to remain a mere hewer of wood and drawer of water.

\*Note.—Particulars taken from:—

- (1) Report of General Manager, Uganda Railway, year 1916-17, pp. 8, 20.  
 (2) Do. do. S. A. Railways, year 1916, pp. 14, 118

There are, therefore, strong economic reasons against the free admission of certain classes of Indians into the country.

There are unfortunately other reasons of even greater weight against all Indian immigration into this, or indeed any part of Africa.

Physically, the Indian is not a wholesome influence because of his incurable repugnance to sanitation and hygiene. In this respect the African is more civilised than the Indian, being naturally cleanly in his ways; but he is prone to follow the example of those around him. Plague, though said to be "endemic" in the country, has certainly been imported, if not originally, then on later occasions, from Bombay, and Indian quarters are almost invariably the foci of each successive outbreak. The same may be said of all dirt-born diseases. The Indian is everywhere the despair of the sanitarian; here he is a menace not only to himself, but especially to the natives of the country.

The moral depravity of the Indian is equally damaging to the African, who in his natural state is at least innocent of the worst vices of the East. The Indian is the inciter to crime as well as vice, since it is the opportunity afforded by the ever-ready Indian receiver which makes thieving easy. If the Indian were eliminated, the number of offences against property, now high, would be reduced to manageable proportions.

The Empire is faced with a serious dilemma, which cannot be evaded. The choice lies between the vital interest of the African and the ambition of India. The presence of the Indian in this country is quite obviously inimical to the moral and physical welfare and the economic advancement of the native. The matter is one of the highest Imperial importance, and we regard it as imperative that the Empire should definitely decide, and that without delay, whether the welfare of the African is to be subordinated in his own country to political considerations and the pretensions of the more restless elements of India. Upon the decision as to East Africa, the future of the whole continent will largely depend, for if Indians are to be allowed to stream in at any one entrance in unlimited numbers, it will scarcely be possible to localise them indefinitely in any particular territory.

Our own view of this question is that there can be no excuse for meeting out to the African treatment to which India herself would never submit.

On purely economic grounds, we submit that the admission of the Indian was a cardinal error of policy. It involved the economic stagnation of the African throughout a large tract of Africa, and the consequent retardation of progress for the sake of what promised to be at best but a temporary convenience. In our view, the error ought gradually, but without unnecessary delay, to be rectified, by similar means to those by which the same error is being rectified in Natal.

The Railway and other Government Departments should as quickly as possible replace Indian employees by Europeans in the higher grades and Africans in the lower. Further, Asiatics who are allowed to remain in this country should be obliged to conform to the same sanitary standards as Europeans as a condition of their residence here. It will probably be found that this will result in a great reduction in their numbers.

The Imperial Principle which is to control the migration within the Empire of different peoples has been finally laid down by the Imperial Conference in July last in the following terms:—

*"It is an inherent function of the Governments of the several communities of the British Commonwealth, including India, that each should enjoy complete control over the composition of its own population by means of restriction on immigration from any other communities."*

It is therefore essential that a decision of policy in reference to East Africa should be come to without further delay, and that such decision shall be based upon the principle of self-determination, and shall consider only the interests of the indigenous native and Arab population and of the race responsible for their control.

It is our firm conviction that the justification of our occupation of this country lies in our ability to adapt the native to our own civilisation.

If we further complicate this task by continuing to expose the African to the antagonistic influence of Asiatic, as distinct from European philosophy, we shall be guilty of a breach of trust.

## CHAPTER VII.—IMMIGRATION.

The native policy we have outlined demands as a necessary condition of its attaining the fullest possible measure of success that there shall be a steady increase of European immigration. The present European population, even if distributed to the best possible advantage, would be quite insufficient to raise the native population to the desired degree of economic efficiency and to diffuse among them the benefits of western civilisation.

It is unnecessary to dwell at length upon this subject because it has been under reference to a separate Commission charged with advising as to the settlement in East Africa of officers and men of His Majesty's Services, to which the

various subsidiary questions connected with immigration may safely be left. We would only suggest that it would be preferable in every way that any such scheme should be financed directly by the State rather than by private enterprise. If it is admitted that the State is under a direct obligation to the beneficiaries under the scheme, it follows that the obligation ought to be discharged by the State itself. Further, we consider that the beneficiaries are entitled to the most complete security obtainable, which can only be offered them by the State. It appears unfortunate that the reference to the Land Settlement Commission should have been so framed as to suggest that the Empire is unable or unwilling to lend the security of its credit for the purpose of re-establishing men who have freely sacrificed their careers in its defence.

A well devised scheme for settling on the land representatives of such desirable classes must be of great benefit to the country. But apart altogether from such a scheme, the attractions of East Africa are so great that immigrants and capital are certain to flow in if the door is opened to them.

For the attraction of immigrants, the principal requisites are a sound land policy and active and enterprising land administration. improved communications, both overseas and internal: organisation of the labour supply better equipment of agricultural and veterinary services: improved educational facilities and publicity and exchange of trade intelligence between this country and Great Britain. all of which subjects will be discussed in other Chapters of this Report

#### CHAPTER IX.—SYSTEM OF GOVERNMENT.

The first essential to the application of any economic policy is a form of Government adequate to the occasion and acceptable to the community.

The normal evolution from autocracy to responsible Government is necessarily somewhat complicated by the presence of subject races. This difficulty however is not serious, as is shown by the success attending the early grant of responsible government to Natal, where conditions are identical, at a period when the European population, in which all political power was thereby vested, was numerically insignificant.

In Africa, Europeans while enjoying democratic institutions among themselves must remain an oligarchy as regards the co-existent subject races, whose proper rights should however be safeguarded by the reservation of certain subjects to an extraneous authority, such as, in our case, the Secretary of State for the Colonies, and in the case of more advanced countries, the local representative of the Crown.

Responsible government by the British colonists is therefore the ultimate objective. As a first stage we have been promised elective representation on the Legislative Council after the war but certain other measures are, we think, not less urgently required.

The Crown Colony system of Government, while probably primarily based on sound constitutional principles, has developed into a system which merely pretends to the forms and ceremonies of constitutional government, while reserving the substance of power to autocracy. There is a case for honest autocracy but none for autocracy disguised as constitutional government.

We are of the opinion that the remedy lies in establishing the independence of the Legislative Council by allowing the official members to vote on all subjects according to their own judgment and in making its authority real, by the substitution for the Executive Council of a cabinet selected by the Governor from, and directly responsible to, the Legislative Council. By this means the responsibility of the executive to the legislature would be established, and the legislature would have that control over finance and general policy, and the execution of its policy, without which it is little more than an Advisory Board. Ultimate control is amply ensured by the Governor's power of veto, for the exercise of which a full explanatory statement should in every case be issued.

A Government so reformed ought in our opinion to be trusted to administer the country with a minimum of interference in domestic affairs from the Colonial Office.

East African affairs are not so insignificant that they can be subjected at every turn to the delays incident to exchanges of dispatches taking months in transit, without serious detriment to the public welfare, and it is especially important that interventions by the Colonial Office in purely local matters should not be capable of being interpreted as dictated by the party exigencies of home politics.

We think that the Secretary of State as a principle should as far as possible refrain from intervening in the local affairs of the Protectorate, and should confine himself to the exercise of his veto in cases which touch questions of Imperial or foreign policy, or financial proposals which might be deemed ultimately to involve the country in the necessity of an appeal for Imperial aid.



assistance. The principle of "transferred subjects" should be adopted. The control of certain subjects which are of purely domestic concern, such as agriculture and the form of tenure of land allotted for European settlement, should be definitely removed from the scope of the Colonial Office into that of the local Government. The veto of the Secretary of State, unlike that of the Governor, should not necessarily be accompanied by an explanation: for it might be undesirable that he should state reasons for its exercise.

We have outlined the foregoing proposals as calculated to establish a constitutional machinery through which evolution may proceed normally and without shock from bureaucracy to the ultimate objective of responsible government, by progressive extensions of elective representation.

We are of opinion that when the stage of evolution is reached at which the majority passes to the elected representatives, a second chamber should be constituted.

In conclusion we wish to emphasise the fact that the lack of harmony between the local Government and the unofficial population arises in large degree from the unnecessary referring of relatively trivial matters for home decision, and the difficulty of allocating between the local Government and the Colonial Office, which to the ordinary inhabitant is little more than an abstract conception, responsibility for irritating and costly delays.

#### CHAPTER X.—BOARD OF ECONOMIC DEVELOPMENT.

It is, we think, becoming every year more difficult to escape from the conclusion that it is beyond the power of legislative assemblies, as well in infant units of Empire such as this Protectorate, as in great States like the United Kingdom, to do full justice to the complex necessities of modern communities except on a basis of wide decentralisation.

The principle of decentralisation may be applied partially by the creation of advisory boards, or in more thorough-going fashion by the institution of executive bodies.

Several Advisory Boards have been established in this country, with varying results: but generally speaking, lack of success in particular cases has been due not so much to the Boards themselves as to the failure of the authorities receiving their advice to deal with it promptly and sympathetically. If however the executive were made responsible to the legislature, and the legislature trusted to manage its affairs without unnecessary intervention from London, as we have recommended, the objections to Advisory Boards would disappear.

The local Boards referred to have generally been established to deal with limited specific subjects: but we see no reason why a far more representative Board than any hitherto constituted should not be formed, with the primary object of so advising the Government on all matters affecting economic development as to enable it better to shape its policy in accordance with the economic interests of the country: and with the secondary object, scarcely less important under existing conditions, of bringing together the principal officers of State and the leading producers and business men, and establishing between them a sympathetic understanding on economic matters. We propose that such a Board should be set up, with the title of Board of Economic Development.

The Board would comprise on the one hand the Heads of all the Departments of State upon whose activities economic development depends; such as the Agricultural Department, the Railway, the Treasury, the Land Office, the Post Office, and the Departments of Public Works, Native Affairs, Education, Forests, Customs, and Sanitation: and on the other hand, representatives of the producing interests, industries and trades. It will be observed that almost every one of the officers mentioned is so placed that the progress of great industries is largely dependent upon his actions and policy. Unless these are based on that sympathetic understanding of economic requirements which a civil servant can hardly acquire otherwise than by contact with economic interests, development must be retarded.

The Board would be a boon to its official members not only by enabling them to serve the State more effectively, but also by affording them legitimate opportunities of taking the public to some extent into their confidence, and of disclosing departmental difficulties in the way of specific proposals and so disarming the suspicions which secrecy always engenders.

There can, we think, be no valid objection to the proposed Board on constitutional grounds. It could not be held to clash with the Legislative Council, which must remain the supreme authority: for the Board would have no executive power except as regards the management of its own affairs, and any specific matters in which the Legislative Council might assign to it a limited initiative.

One of its most important duties would be to consider the general policies of the various Departments of State, in so far as they affect economic development, and to confer thereon with the Heads of such Departments. These officers are at present responsible for their acts and policies to the Governor only, though it is open to the Legislative Council to take cognisance of them.

To use a metaphor which must not be too closely pressed, it appears to us essential, in view of the volume of work with which the Legislative Council has to cope, and of the fact that its proper sphere is political rather than economic, that in matters of this sort it should serve as a Court of Appeal only, and that the Board of Economic Development should be the Court of first instance, in which officers can be challenged to justify their acts and policies. In the course of proceedings before it, parties will often arrive at a settlement by agreement, and thus the necessity of taking up the time of the Legislative Council will be obviated.

So far as we can see, there is no practical objection which can be weighed against the advantages inherent in this proposal. These advantages can best be gauged by considering the amount of actual loss suffered by the country, of which the greater part at least could have been prevented had any effective means existed for bringing the Government into touch with economic interests. There can be no doubt that this has been enormous, including as it does the losses arising from the purchase of rupees from the Indian Government at about double their actual value: from the adverse exchange on the rupee during the war: from the disorganisation of arrangements at Kilindini Harbour, arising from complete lack of control: from the unintelligible doings of the Priority of Imports Committee: from the construction of the Thika Railway on an alignment calculated to yield the minimum economic return: from the dilatory methods employed in connection with the settlement of Coast titles: from the ravages of preventable disease among the native population and among stock: from the lack of a native policy: from extravagant and inefficient methods employed in the execution of public works, including roads: and generally from unfamiliarity on the part of Government Departments, especially the Railway and the Forest Department, with commercial requirements. We do not need to refer to the recent episode of the railway surcharge, as in that case the very flagrancy of the error ensured its prompt rectification.

All the cases mentioned are due to lack, not of funds, nor presumably of good intentions, but of commercial experience and understanding.

One of the most striking instances of unsatisfactory results, which would have been impossible if such a Board had been in existence, is the case of the recent negotiations in connection with the offer of Messrs. Pauling & Co. to construct the railway to the Uasin Gishu Plateau, the first section of the future trunk line to Kampala and beyond. The Acting Governor was favourably disposed to the obviously advantageous offer made. Unfortunately however he adopted the usual course of calling for a Departmental report from the Government Department concerned. Such reports are apt to display greater fertility of resource in discovering difficulties than in suggesting means for meeting them. The Manager of the Railway represented that harbour works were a necessary precedent to railway construction, though in evidence before us he admitted that the existing congestion at Kilindini was partly due to want of supervision; and the rate of work has in fact since been increased.

It is at this point that a representative Advisory Board would have saved the situation. In default of any such machinery for testing the opinion of the reputed expert, that opinion was accepted and embodied in the cablegram sent, with the natural result that the presentation of the case was such as to ensure its rejection by the Secretary of State. It was not until an adverse reply had been received that the Legislative Council became cognisant of what had passed, and at their request the Acting Governor sent home a supplementary cablegram on the subject: but the position had been too far compromised, and the Secretary of State adhered to his refusal, in a message which betrayed an almost incredible misapprehension of local conditions on the part of his advisers, and constituted an object lesson in the difficulty of adjudicating adequately upon matters of any importance which have not been thoroughly thrashed out in this Protectorate by a Council representative both of the Government and of local interests.

In conclusion, we venture to express the earnest hope that whether the specific proposals above outlined are accepted as put forward or not, most careful consideration will be given to the necessity for a fuller measure of co-operation by the State in the economic sphere.

It is, in our view, one of the principal lessons which the history of the last 50 years teaches, and the war has pointed and driven home, that it is only by active co-operation between the State and industry that a modern community can hope to achieve and maintain substantial economic progress. The intelligent application of this principle to East Africa would, we are convinced, transform it in a very short space of time into an Imperial asset of first class economic importance.

## CHAPTER XI.—TAXATION AND FISCAL POLICY.

In a young country such as East Africa, where enterprise of all sorts is in the initial stages and individual positions are not as yet consolidated, the principles underlying the imposition of taxation are a matter of prime importance.

It is therefore essential to consider carefully how adequate revenue can be raised, for the provision and equipment of improved public service where required, and for the financing of interest upon public loans for such necessary and often only indirectly remunerative undertakings as roads, railways, harbours, irrigation schemes, and research.

Taxation by income tax does not appear to be a method presently suitable to the conditions of East Africa, where capital positions are being slowly built up, until such time as the situation, which is largely dependent upon loans at call, has been consolidated. Such a tax would be difficult and expensive to collect: and in addition, there are serious difficulties in the way of its application to any of the three sections of the community. The African could not conceivably be assessed to income tax, and thus the operation of the tax would be at best restricted to less than 1 per cent. of the population. Collection of income tax from the Asiatic would be attended with special difficulty and expense, as his business books, where kept at all, are generally not in English, and the small Asiatic trader is too migratory to admit of the three years basis of assessment being applicable. A score or two of Indian firms in the towns are probably the only Asiatic sources from which any appreciable amount of income tax could be collected by ordinary methods.

The Europeans consist of civil servants, tradesmen and professional men, and settlers. To subject the first to direct taxation is obviously economically unsound. A tax on the so-called profits of the settler would yield little or no return if assessed on any basis which would not endanger positions as yet not firmly established. The only section of the community from whom income tax could be collected comparatively cheaply and easily appears to be the European merchants and professional men, who form too small a proportion of the community to justify the imposition of a general income tax with the attendant disabilities referred to above.

Income tax could no doubt be collected, as it was in the German colonies, by the method of assessment upon turnover: but such a method we believe to be repugnant to British principles of taxation, and we cannot advocate its adoption.

The experience of the world shows that every country in its earlier stages of development is forced to rely upon customs duties as its principal source of revenue.

In a country of primary production such as East Africa, it is of capital importance that taxation shall fall, not upon production and the means of production, but upon consumption: and this object can be attained by judicious imposition of customs duties.

We consider that, purely as a means of raising revenue, the existing scale of customs duties could be revised so as to produce £750,000 per annum, without imposing any check on the productive activities of the country or any undue burden on the reasonable standards of comfort of the various elements of the population. Any increase in prices caused by such increased duties would be much less than that effected by other causes during the past four years, years which have been marked by decided progress. If the raising of customs duties was associated with a measure restricting shipping freights to anything like reasonable figures, the nett result would undoubtedly be a substantial fall in prices.

There is however another and equally potent reason why customs duties should be revised. The maintenance of the existing restrictions on her fiscal autonomy would prevent East Africa from falling in with any general scheme of Imperial Preference, or even from participating in the measures indicated by the Paris Conference for enabling the Allies, each within her proper sphere, "to maintain and develop their economic position and independence in relation to enemy countries."

The fiscal situation constituted by the existence of the Berlin and Brussels Acts and the Zanzibar Treaties, which confine the Protectorate to a maximum import duty of 10 per cent, and impose on her equality of fiscal treatment of such of the powers as are covered by the said Acts and Treaties, was dealt with in our First Interim Report, forwarded on 31st May, 1917. In this it was urged that the Acts should be abrogated, and the Coast freed from the provisions of the treaties between the Sultan of Zanzibar and foreign powers.

In reply, we were advised by the Secretary of State "to submit one set of recommendations on the assumption that the restrictions would disappear, and another set assuming that they will remain as at present." In our Second Interim Report, dealing with measures necessary for the reconstruction period, we were unable to act on this suggestion: and we regret that we still find ourselves precluded from doing so, as the continuance of the restrictions would

empty the reference made to us of its major content, since while these restrictions remain, we cannot participate in an Imperial fiscal policy.

The abrogation of these Acts and Treaties is clearly imperative, and it does not appear that it should be attended by any difficulty, having regard to the fact that the period whereafter under the Berlin Act the Powers are free to determine whether to retain freedom of import expired in 1905, and the Zanzibar treaties are presumably terminable at short notice.

We shall therefore assume that East Africa will be rescued from fiscal impotence, and enabled to utilise her Customs both directly for revenue and also for co-operation for Imperial purposes with the rest of the Empire: and where necessary, for the protection of local industry.

We have already suggested in our Second Interim Report (para. 6) that advice as to the manner in which customs duties should be utilised for Imperial purposes should be sought from a separate Commission at the end of the "transitional" period, after experience of the working of such transitory measures as may be decided upon. It would, we think, be premature to discuss the question at the present stage, further than to state in general terms that we are prepared to recommend that discrimination be made by tariff between imports from (a) the British Empire (b) the Allies (c) neutrals, and (d) enemy countries.

A tariff imposed for revenue purposes may have incidentally a protective effect: and we are of opinion that the tariff for East Africa should be deliberately so framed.

It is generally recognised that a young country cannot develop freely if subjected to the unrestricted competition of modern commercial methods.

There are a number of industries to which conditions in East Africa are exceptionally favourable, and which, if nursed in their early stages, like the great wheat industry of Australia, should soon become valuable assets to the Empire. In particular, dairy products, pig products, timber, and the more elementary forms of secondary production, such as soap-boiling, tanning, etc., all promise really important results.

On the products of such industries, as well as on wheat, rice and other food-stuffs with which the country could supply herself, import duties calculated to give the necessary degree of encouragement should be imposed from the outset. It must be noted that controversies as to the effect of import duties upon the consumer have no relevance in application to this country, which possesses no distinct consumer class, in the sense of a class that is not concerned directly or indirectly in the producing activities of the country. We have no leisured annuitant or *rentier* class, such as form an important class in England, and whose interest is solely directed towards the cheapest buying, regardless of the source of origin of their purchases. In British East Africa, everybody, including the civil servant, is concentrated upon the organisation of the country to produce wealth. Nor is our industrial organisation sufficiently complex to admit of any worker believing that his position is independent of local production.

We consider that it is in the interests of the United Kingdom to trade, where possible, with her own dependencies rather than with foreign countries. Apart from the advantages of economic self-sufficiency, especially in the event of war, it is better policy for her to buy such products as butter and bacon from East Africa than for instance from Denmark, because the former, regarded as an importer, is likely to become a much more valuable customer.

Denmark purchased from Great Britain in the year before the war, goods to the value of six million pounds, representing about £2 2s. per head of Danish population: while British East Africa and Uganda, where as yet there are only 7,000 whites, and the native is only just emerging from savagery, have increased their purchase of British trade goods from under £500,000 in 1912 to the respectable total of over a million and a half pounds in 1917.

East Africa is in a favourable position for helping her own industries up to a certain point, as her Railway, as well as a large part of her soil, is state owned. She is in a position to convey her products where necessary to the Port for export free of charge. Where it is in the interests of the whole community that the export of any particular commodity should be established, the local taxpayer should collectively sustain the burden, if any, incidental to its establishment.

But if it is agreed that the United Kingdom is also directly interested in the supply of raw materials and food from East Africa, the latter is entitled to look to her for greatly improved organisation of overseas transport facilities, and it does not appear too much to ask that in mail and other contracts entered into by the Imperial Government, provision should be made for the special treatment of the products of certain industries during the period of their introduction to the home market.

It will of course be understood that we do not suggest entrusting the definition of policy along the lines indicated in this chapter to the local Government in the form in which it exists to-day. As a condition of increased taxation, the country requires an adequate degree of representation, and an efficient and energetic executive responsible to the legislature in conformity with the principles of the British constitution.

## CHAPTER XII.—FINANCING OF DEVELOPMENT.

Judging from the literature which has recently been published on the subject, we take it to be generally accepted that the reconstruction of British industry after the War on such a basis as to be able to compete with the highly organised industry of less conservative countries will necessitate the establishment of great finance institutions, charged with the duty of administering large sums of capital not in the sole interest of their shareholders, but in the interests of British industry as a whole. On the return of peace the cost of living, wages, and interest on capital will be higher than before the war: and it may be added with confidence that Government expenditure, in connection particularly with several major schemes of reforms, further delay of which is not likely to be tolerated, will probably be on a vastly increased scale. The better standard of living which is imperative can only come out of increased national production. For this the principal requisite is industrial research in the widest sense of the word, an expensive process in which the ordinary joint stock company, commanding a limited amount of capital and intent on immediate distribution of the largest possible sum in dividends to its shareholders, is generally little inclined to indulge. To be able to take a long view, a company must be possessed of, or have access to, very substantial financial resources. As an instance of the present inability of British finance to deal with large scale projects, may be mentioned (quoting from a striking article in the "Round Table" for December, 1916), a scheme formulated in an address by Mr. Charles Merz (since appointed Director of Experiments and Research to the Admiralty) before the British Association on "Electric Power and Distribution" for "the establishment of a distribution system of national electrical trunk mains and large power stations, by means of which it would in many ways be possible to revolutionise our industry, saving in the near future 25 million tons of coal per annum, and eventually 50 to 60 million tons, by developing the general use of electrical energy, establishing new industries, using to a far greater extent the by-products of coal, and cheapening motor fuel." The article quoted emphasises that "there is no organisation now in the Empire for developing such schemes either at home or abroad, and generally no money available for even investigating their merits." It is understood that the scheme is now being taken up by the State: but its chances of being carried into execution would under peace conditions have been small.

It is of course a matter of common knowledge that in Germany the facilities for large scale enterprises of this description were provided by the Banks, subsidised by the State. It does not however follow that the British Banks could usefully perform similar functions in Britain. In fact it is generally agreed that such activities lie outside the sphere of the British Banks, which are deposit Banks, unlike the German, which are really scarcely Banks at all in the sense in which the word is used in Great Britain, though the tendency is towards increase of their deposit business.

What is required is an institution or institutions, which "will act as a General Staff to industry," to be run in the interests, not of the shareholders but of the nation.

Now the increase of national production, which is the direct object of the scheme above briefly outlined, postulates a greatly increased supply of foodstuffs and raw materials, and is largely dependent for its success on wholesale development of the Empire's sources of primary production. Among these, as we have endeavoured to show, East Africa is potentially, though not as yet actually, in the very first rank: while the Middle African group of territories, among which she occupies so commanding a position, is one of the principal repositories of undeveloped wealth in the world. Her rapid development is therefore of high importance to the national production of Great Britain, as well as to herself.

It is perhaps almost superfluous to mention that if financial facilities are deficient in Great Britain they are much more so in such a country as ours, where capital is at all times scarce, (the Government itself being unable to execute urgent reforms of certain economic utility for lack of funds) and private enterprise is inclined to look for quick results to the investor rather than for deferred returns, however generous, in which the whole commonwealth will share. Yet it must, we think, be clear to anyone reading the notes of the evidence given before us that in proportion to her present importance as compared with Great Britain, the needs of East Africa for such facilities are more urgent, and the range of results which may confidently be expected to accrue from them are much greater. If this conclusion is correct, the case for the establishment of a financial institution for financing development in East Africa is sufficiently proved.

The following outline of a scheme for the proposed Institution is offered, not as in any way exhaustive, but as a suggestion of what we think would be practicable and meet requirements.

The institution might be financed either privately or by Government, but we think that it would be better that it should be under Government control. In that case its capital would consist of say £2,000,000.

The Bank would be incorporated by Royal Charter and entitled The Chartered Bank of East Africa. Its Head Office would be in Nairobi. A thoroughly experienced Manager would be required on a substantial salary. We suggest the following constitution for the Board:—

Chairman. The Treasurer of the Protectorate.

Four other official members of the Economic Development Board and

Five unofficial members of the Economic Development Board:

with power to co-opt additional Directors to a number not exceeding five

The principal function of the Bank would be to apply its capital to the working of schemes holding promise of economic advantage to the commonwealth, as for instance any scheme for settling soldiers on the land and in particular, schemes involving initial investigation and research (e.g., schemes for establishing fisheries, manufacture of industrial alcohol). It would not of course concern itself with the schemes not offering a direct cash return, however desirable in themselves (e.g. geological and hydrographical surveys)

It would work in conjunction with the Board of Economic Development. Proposals approved after preliminary investigation would be forwarded for further investigation by the Board to the Bank. The services of the scientific officers of the Government would be at the disposal of the Bank for the conduct of all necessary enquiries. Where the result of investigation was satisfactory, the Bank would float a company, call for subscribers and take up shares itself. It would reserve to itself a number of seats on the Board of the new Company. The knowledge that the prospects of the Company were favourably regarded and in part controlled by a powerful public institution would of course have a strong effect in securing the confidence of the investing public.

It will be seen that the scheme we propose differs from the German system in many important respects, particularly in that it involves no interference or competition with the existing deposit system.

The spheres of the Deposit Bank and the Development Bank are distinct. The function of the latter is roughly to finance concerns on the security of their potential value and to ensure that this is steadily realised by means of a staff of inspectors. A Deposit Bank lends only on established values, and after the preliminary examination of the property to be mortgaged, does not in the ordinary course undertake any further inspection. Development Banks managed on these principles, so far from interfering with Deposit Banks, would certainly benefit them indirectly to a very considerable extent.

On the other hand, it is to the German system that the scheme proposed owes its outstanding principle, viz. the undertaking of responsibility by the Banks for industrial issues, which in Germany is "the Keystone of the vast structure of the industrial relations between Banks and industry"

#### CHAPTER XIII—SCIENTIFIC AND INDUSTRIAL RESEARCH.

The Committee of the Privy Council for Scientific and Industrial Research, in Appendix V to their Report for 1915-16, (Paragraph 7), has suggested that "each overseas government which is willing to enter into a co-operative arrangement should, as a first step, and at an early date constitute some body or agency having functions analogous to those of the Advisory Council which acts for the United Kingdom"

To this Advisory Council, as explained in the Report mentioned, "stand referred for their report and recommendations, proposals:—

"(i) For instituting specific researches;

"(ii) For establishing or developing special institutions or departments of existing institutions for scientific study of problems affecting particular industries and trades and

"(iii) For the establishment and award of Research Studentships and Fellowships

"The said Council may itself initiate such proposals and may advise the Committee (of the Privy Council) on such matters, whether general or particular, relating to the advancement of trade and industry by means of scientific research as the Committee from time to time determine."

We welcome this most valuable suggestion of the Privy Council Committee and give it our earnest support

Scientific Research is urgently needed in East Africa not only to ensure rapid development, by the promotion of new industries and the development of agriculture on scientific lines, but also to conserve the existing resources of the country

Among East Africa's principal natural resources are her indigenous population, with their untold economic possibilities: her flocks and herds and the timber in her forests.

The evidence given before us shows that 50 per cent. of our native population are relatively incapable of physical exertion: that pneumonia, malaria, yaws, syphilis, phthisis, and heart weakness as well as infant mortality are of appallingly wide distribution: and that little has been done in the past to cope with these evils, which, apart altogether from the humanitarian principle involved, represent an incalculable loss of wealth-producing activity. To check this lamentable wastage, research is necessary, in addition to the organised and extensive application of the prophylactic and curative measures indicated by such research.

As regards stock, we have it on the highest veterinary authority that a million pounds worth is lost annually in the Native Reserves alone from preventable disease. In this case, research is equally necessary, though much could be done by applying the results already attained by research. It is inexcusable that in spite of the pathological knowledge now available, losses of a magnitude altogether disproportionate to the measures necessary to check them should be allowed to continue.

In a country having large but not unlimited timber resources, and depending almost exclusively upon wood fuel for provision of power, it is a matter of extreme urgency that the necessary steps should be taken to save some proportion of the tars and other valuable by-products wasted, which in the case of the Railway alone must amount to thousands of pounds per annum.

In the general term "research" we of course include the collation of results achieved in other countries and the rendering of them readily available for the consolidation of established industries, and the promotion of others.

In a young country, where attempts are being made to initiate industry, it is specially important that research should be active, both to expedite results, and to obviate the loss inevitable in uncoordinated individual experimentation. In an old country, the function of research is largely restricted to the refinement of empirically induced practice, whereas in a new country the chief function of research is to provide a short cut to new fields of production, free of the losses and delays incidental to the empirical method. It follows that the need for research may be even more urgent in a young country than in an old one and a vote which in an older country might appear to be an excessive proportion of the gross revenue, is easily justified.

The details of what is necessary to equip this country for research—an adequate staff of scientists, laboratories, scientific apparatus, equipment, etc., are matters more appropriate to the Second Part of this Report. But it may not be amiss to mention here the importance of instituting a scientific library, under the management of a thoroughly competent librarian, to keep local scientists in touch with and abreast of the advance of knowledge in other fields, and effectively to distribute the results of knowledge locally achieved.

The total failure to appreciate the importance of the early dissemination of achieved results is indicated by the fact that important research undertaken by the local laboratory five years ago is still unavailable to the public for the lack of such trivial adjustments as for example the introduction of electric light at the Government Printing Works, to enable the working of overtime.\*

The agency required by the Committee of the Privy Council for Scientific and Industrial Research, to serve as a link between the Advisory Council of the Privy Council and the local research organisation would be the Board of Economic Development which we have recommended should be established.

## CHAPTER XIV.—TRADE QUESTIONS

### 1.—*Trade Intelligence.*

The general question of Improvement in Commercial Practice has been exhaustively dealt with by the Dominions Royal Commission. The main conclusions formed appear to have no special reference to the self-governing Dominions as such, but to be at least equally applicable to other portions of the Empire and we do not therefore propose to cover the same ground separately.

Information has been received that the reorganisation of the work of the Department of Commercial Intelligence of the Board of Trade and the extension of the Trade Commissioner service, measures which were advocated by the Dominions Commission, are being steadily proceeded with, and that there is a prospect of a Trade Commissioner being appointed for East Africa after the war. The arrangements to be made in this respect call for careful consideration. What is required is that offices should be maintained in London and at Nairobi which should be in constant communication with each other, each deriving from the other and making available for the benefit of enquirers intelligence as to commercial conditions and requirements in the other's territory. Thus the London office, fully posted with local information from the Nairobi office, would be in a

\*It is gratifying to learn that the Analyst's Annual Report for 1913 has been published since the above was written.

position to offer advice to intending settlers or investors, or merchants contemplating the opening of new agencies, and to furnish British firms with trustworthy information of the requirements of the East African market in manufactured articles of all sorts, particulars of East African products, etc. : while at the same time it would collect and forward to Nairobi such information as might be useful in East Africa, as to the needs of the United Kingdom and the trend of the markets there, and advice as to the form in which goods should be sent to secure the best possible market.

One of the first essentials will be that a complete collection of samples of East African produce should be kept at the London Office. Nothing of the sort has hitherto been done, except on a scale so inadequate as effectually to defeat the object aimed at.

To promote the most perfect community of understanding, the East African Office should be under an agent whose special knowledge is of British markets and trade conditions. while conversely the London Office should be under an agent appointed from East Africa. The former agent will be the new Trade Commissioner. It will obviously be of primary importance that he should work in the closest conjunction with the proposed Board of Economic Development, and we therefore propose that he should *ex officio* be one of its members.

The agent in charge of the London Office should similarly be in touch with the Imperial Development Board

We observe that the Committee presided over by Lord Balfour of Burleigh but they appear to indicate that the Committee throughout its latest Report was inclined to err generally on the side of an untimely timidity. The case made out by the Dominions Commission appears to us unanswerable. and so far as this country is concerned, we are strongly of opinion that the establishment of an Imperial Development Board on the lines suggested is desirable.

We propose that East Africa should have a representative on the Board, and that representative should be the agent appointed from East Africa to manage her London Commercial Intelligence Office

It will be seen that our proposals provide for a complete organisation for the promotion of trade relations between the United Kingdom and East Africa, consisting of an agent in each country, equipped with an initial knowledge of the trade conditions and requirements of the other, such agents working in touch with one another and also with responsible Boards to whom they would furnish advice on the subjects lying within the spheres of their special knowledge.

## 2.—Statistics.

The Dominions Commission has emphasised the need for standardising statistical methods throughout the Empire and they have proposed the correlation of compilation of statistics for the various Dominions under the Imperial Development Board. The Crown Colonies and Protectorates should of course come under the proposed scheme, and machinery will require to be created for collecting the necessary information. The statistics available in this country (excepting those of the Railway and Customs Departments) are meagre in the last degree, and there is a particular necessity for the collection of statistics of crops and agricultural produce

## 3 —Weights, Measures and Coinage.

It only remains to add, with reference to the recommendation of the Dominion Commission for the establishment of a uniform coinage based on the decimal system, and uniform weights and measures based on the metric system throughout the Empire, that we are in favour of the necessary steps being taken to apply to East Africa whatever measures may be decided on for the rest of the Empire. The decimalisation of weights, measures and coinage appears to us to be not only desirable but inevitable, and if this view is correct, more cogent reasons are called for than any which appear to have been adduced by the Balfour of Burleigh Committee for admitting any delay in the matter.

It will be noted that the Protectorate, to its great advantage, enjoys a decimal system of coinage. This however is based upon the Indian rupee. It appears to us that the interests of East Africa would be best served if a decimal system based on the sovereign were applied to the United Kingdom and to all her dependencies, including this Protectorate. The amount to which the subsidiary coinage would be legal tender would necessarily be restricted.

Action in this connection to confirm gold as the standard of value in the Protectorate is urgently needed. By the East Africa and Uganda (Currency) Order in Council, 1905, it was enacted that the silver rupee of British India should be the standard coin : but it was obviously intended to establish gold as the standard of value by the provision under Article 13, whereby "sovereigns whether coined at our Mint in England or at any mint established as a branch of our Mint shall be legal tender in payment or on account, at the rate of



fifteen rupees for one sovereign." The option to pay in sovereigns at the rate of one sovereign to fifteen rupees was the equilibrating factor which maintained gold as the standard of value in the event of fifteen rupees at any time becoming worth more than one sovereign. In consequence of the existing prohibition of export of sovereigns from the United Kingdom or South Africa, this option cannot in practice be exercised, with the result that the standard of value, owing to the recent rise in the silver to gold ratio, has now become silver, creating an acute exchange crisis which is highly prejudicial to local producers for export, and acts as a serious deterrent on the importation of new capital for development.

The Commission recommends that British Treasury notes be made legal tender, or alternatively, that a local irredeemable Treasury note, defined in gold, be issued during the period when sovereigns are by Imperial action unavailable, so that the intention of the Order in Council may be carried out. A precedent for the legalisation as tender of external notes has been created by the recent legalisation of Indian one rupee notes as tender. It would of course be necessary to issue a local Treasury one rupee note and a metal rupee of intrinsic value of less than 1/4d. gold, to take the place of the Indian silver rupees which would be expelled by the fact of gold coin or gold notes becoming available for tender.

#### CHAPTER XV—OVERSEA COMMUNICATIONS

As the Dominions Royal Commissioners observe in their Final Report, the importance of securing cheap, regular and efficient transport for the commerce of the Overseas Dominions has been obscured by the prominence given to fiscal legislation. In East Africa particularly, shipping is the key to development and the tax which heavy shipping freights impose on commerce for the benefit of private individuals is out of all proportion greater than the modest imposts collected for the common good in the form of customs duties.

It appears that East Africa is much worse off in this respect than Australia and New Zealand, though the distance between these countries and Great Britain is so much greater. The Dominions Commission state that the Australia and New Zealand Governments add 10 per cent to the cost of goods to cover charges for freight. The Customs Department in this country before the war had to add 30 per cent.

The trade and production of East Africa suffered even before the war from shipping services which were not only expensive but slow and irregular. Moreover, as we have shown in our Second Interim Report, the shipping serving this Protectorate had been manipulated in a manner detrimental to trade. There is evidence of the existence of a secret agreement between certain shipping firms and commercial interests, whereby exclusive shipping was granted in exchange for secret rebates. Apart from such irregularities, the lines trading with this country had by combination established a monopoly of a highly harmful nature.

The cumulative effect of these evils has been most seriously to hinder development, not only in the Protectorate but also in all the British territories of Middle Africa.

High freights strangled young industries such as wattle bark, in which considerable sums of capital had been invested, first by hampering the import of the machinery and implements necessary for production, and later by holding exported products to ransom. Slow and irregular services had a retarding effect upon enterprise generally, and the methods adopted by enemy governments with the assistance of their shipping gave the latter a large measure of control of freights on the Coast, and thereby compelled British lines to adopt measures preferential to enemy trade.

To put an end to unfair practices, and control the shipping monopoly, we advocated in our Second Interim Report the enactment by the Empire and her Allies of legislation directed against secret rebates and actions in restraint of trade. We also advocated the continuance of the office of Shipping Controller, so long as shortage of shipping continues, and we supported the recommendation of the Dominions Royal Commission for regulation of freights by (a) Government bringing its influence to bear on lines contracting to undertake subsidised services: and (b) establishment of Boards of Enquiry for the Dominions, (in addition to which we proposed a Board for this Protectorate), empowered to order abolition of differential freight rates found to be inimical to Imperial trade.

The above were forwarded as recommendations specially appropriate to the period of reconstruction after the war and we now proceed to consider by what other means improvement can be effected in overseas communications, upon the efficiency of which the economic progress of the rich territories of Middle Africa is so directly dependent.

#### *Harbours.*

The only harbour in use for overseas cargo is the Port of Mombasa, which consists of the old harbour of Mombasa on the north-east side of the island of Mombasa, and the magnificent natural harbour of Kilindini on the south-west

side of the island. Mombasa harbour, being too small to accommodate large ships, is being steadily superseded by Kilindini, which is capable of receiving a large number of ships of the greatest draught. Its capacities could be still further increased at comparatively small expense.

The depth of water at Kilindini is such that it will be possible for East Africa at once to fall in with any such scheme for securing uniform depth on the chief ports of the great trade routes of the Empire, as is proposed by the Dominions Royal Commission. The depth proposed by the Commission for harbours on the route to the East and Australia *via* the Suez Canal is 33 feet, being the depth to which, it is understood, the Suez Canal will be enlarged by the end of 1920.

As the Dominions Commission point out, deep harbours and water-ways are as essential to the development of speed as to economy in transport, because it is economically impossible to drive vessels of small length and draught, at a high speed, unless subsidised or assisted by a large passenger traffic revenue.

We agree with the Commission on the necessity for developing the harbours on the great trade routes, and their approaches, on an adequate and co-ordinated scale. This will necessitate the provision of proper quay accommodation at Kilindini, which at present is a lighterage port. A scheme has been prepared for 18 berths, with a depth of 33 feet. The cost will probably not exceed £3,000,000, and funds have been earmarked for the early construction of four berths, as a beginning, at a cost of £650,000.

It has been suggested to us by witnesses that the contemplated expenditure on Kilindini Harbour should be indefinitely postponed in view of the urgent necessity for State expenditure in other directions, and that with a good lighterage system properly controlled, the Port should be capable for a number of years of meeting all demands that can be made upon it. The advocates of this view cite several instances of lighterage ports, such as Singapore and Port Elizabeth, where larger quantities than any hitherto dealt with at Kilindini are handled with expedition. They urge that any monies available for East Africa would be better spent at the present stage on works such as railways and roads, which will be directly productive of development, rather than on improvements which, however desirable in themselves, might be regarded as at present rather luxuries than necessities. It is true that this view does not appear to have been weighed at the time the Harbour scheme was sanctioned, and that no figures have yet been produced by which the relative merits of the two systems could be gauged in terms of cash.

Nevertheless, having in view the extensive hinterland served by Mombasa Port, the immense increase of activity which should ensue after the declaration of peace, and the extreme importance of making it an attractive port to the shipping companies, upon whose goodwill the entire overseas trade of the Protectorate under existing circumstances is wholly dependent, we are decidedly of opinion that it would be a disastrous error of policy to entertain the idea of allowing the monies earmarked for this most necessary purpose to be diverted to other objects, unless the monies available for East African development are so limited that no means can be found to obviate the vast loss of wealth now rotting for lack of access to the main transport system.

In the meantime, some improvement in the administration of the Port is imperative. We have had occasion to investigate the management of it, and found that the arrangements in force included no provision for centralised control, and were working as badly as in the circumstances was to be expected,—so much so that there was at one time an actual danger of shipping being deliberately diverted from it by order of the Controller of Shipping. It is understood that considerable improvement is following upon representations which we addressed to Government upon this subject.

Kilindini is we think the only East African port calling for immediate attention, but the ports of Kismayu, Manda, Kilifi and Wasin could all be greatly improved at small cost.

It is of importance that Kilindini should be made a registration port, where the facilities provided by the Merchant Shipping Act should be in full force. At present a ship cannot be registered anywhere between Durban and Aden.

#### *Shipping and Freights.*

On these questions we find that the ground has been so thoroughly explored by the admirable Report of the Dominions Royal Commission that there is little left for us to do except to endorse such of their findings as more directly concern this Protectorate.

In addition to the measures suggested in our Second Interim Report and already referred to, we strongly support the Dominions Commission in recommending that the mail contracts of the Empire should be so arranged as to render possible periodical review of the policy of the Empire as a whole in regard to its sea communications, and that matters should be so arranged that in 1922, when the latest of the existing mail contracts expires, new Imperial services may be initiated. By this means it should be possible to ensure that the mail services of this country shall be put on a proper basis as regards speed and regularity, and

also that freights shall not exceed reasonable amounts. The mail contracts should in fact be used as a weapon for negotiation with the companies, and every endeavour should be made to ensure that the mails shall be carried on much more reasonable terms than hitherto.

We also support the recommendation of the Commission that legislation on the lines of the Harter Act of the United States of America, making it illegal for ship-owners in their bills of lading to contract themselves out of liability for loss or damage in respect of goods carried by them, should be passed in the United Kingdom.

A further recommendation of the Dominions Commission to which we invite attention is that the practice of charging differential freight rates to the prejudice of British as compared with foreign ports should be stopped by imposition of a differential stamp duty equivalent to the difference in freight, upon goods conveyed at the lower rate. We heartily agree that "it is intolerable that British ship-owners should be in a position to initiate or countenance practices of a kind so inimical to British trade."

On the question of preferential treatment of British shipping in British ports and penalisation of enemy shipping, we endorse the recommendations of the London and Glasgow Chambers of Commerce to the effect (1) that British ships should pay lower dues than foreign ships in British ports. (2) that enemy shipping should pay double dues. (3) that all foreign shipping should be obliged to conform to all conditions to which British shipping is subjected and (4) that the enemy powers should be obliged to hand over their shipping, which should be held and utilised until demobilisation is complete that reparation for shipping destroyed contrary to the law of nations be exacted from enemy shipping on the basis of ton for ton and that the balance of enemy shipping, if any, should thereafter be sold and the proceeds credited to the indemnity fund.

#### *Posts, Telegraphs, etc*

The telegraphic facilities enjoyed by the Protectorate compare very unfavourably with those of the self-governing Dominions, and should be brought at once into line with the requirements of modern commercial development.

The Dominions Commission recommend radical reduction of the charges for cables. We agree with them that state control of telegraphic communications is required, as a preliminary to adequate reduction of rates. The rate charged here for ordinary cables is 2/8d per word, and for deferred 1/4d.

We also recommend that the special "Magazine rates" for printed papers, commercial papers and samples now in force between the United Kingdom and Canada be extended to this country.

This is a matter of great and growing importance, as in the absence of such facilities, manufacturers in foreign countries are able to advertise their goods in this country far more freely than British manufacturers, with the natural result that a large and constantly increasing amount of trade is gratuitously diverted from the Empire.

### CHAPTER XVI · MAIN RAILWAY SYSTEMS OF MIDDLE AFRICA

The growth of East African Communications will be largely defined by the nature of East African development, namely the establishment of concentrated populations of primary producers at suitable centres—populations who will grow their own foods and export their surplus food-production together with quantities of other land-products to exchange for the machinery, piece-goods, steel rails, hardware and general manufactures of Europe.

These populations' bodily wants will be secured by their own local production, but their "wealth" will be achieved by export.

East African Communications therefore must develop as a series of latitudinal arterial systems, each focussed on a Sea Port and designed to give all productive centres the cheapest possible direct access to the sea. Subsequently there must be a linking up of nodal points to give longitudinal access in the interior from system to system.

The latitudinal systems will be dominantly economic in intention, while the longitudinal elaborations of these latitudinal systems will be induced partly by need for rapid passenger transit, interchange of rolling stock and local developments, but mainly by strategic considerations.

An important factor in cheap access to the Sea is Port Development.

Mombasa (Kilindini), Tanga and Dar-es-salaam are the existing alternative outlets for the bulk of East African produce.

Tanga has its own proper but strictly limited hinterland.

Mombasa and Dar-es-salaam have their own proper and immensely extended hinterlands. But there is a large intermediate area, or "no man's land," to the trade of which Dar-es-salaam, Mombasa and to a small extent Tanga can reasonably pretend.

The proper hinterland of Mombasa, owing to its inherent qualities, is developing and will continue to develop much more rapidly than the proper hinterland of

Dar-es-salaam. And, since modern port development costs immense sums of money, it will be advisable in the first instance to aim direct at the rapid development of one great port rather than to play with the development of two or more.

Mombasa then is inevitably the Port of first instance; and, as one of the future great ports of the world, should be a scheduled port in the sense of Clause 21 (a) of the conclusions of the Dominions Royal Commission.

"No Man's Land" will therefore tend towards the orbit of Mombasa rather than the orbits of Tanga or of Dar-es-salaam

The Main Trunk Line from Mombasa exists, probably in nearly its final alignment, as far as Nakuru. From Nakuru it has already been surveyed via the Uasin Gishu Plateau to deep water at Sio on the Lake Victoria.

This Nakuru-Sio section when completed will, by virtue of its easier grades and curves, reduce the existing Nakuru-Kisumu section of the Uganda Railway to the status of a branch line draining the local produce of the Districts of Njoro, Upper Molo, Lumbwa, Kericho, the Nyando Valley and the Kavirondo Gulf.

When the Nakuru-Sio section is complete the resulting Mombasa-Sio Trunk Line will be the funnel down which all the produce of the territories tributary to the vast Victoria Lake will flow. This Trunk Line therefore must be cast, in weight of metal, grades, radii and terminal facilities, to carry a gigantic traffic in the near future.

The Commission earnestly recommend that the Nakuru-Sio section be constructed with the least possible delay to forestall the congestion which otherwise must arise from the rapidly developing cotton production of Bukedi, from the demands of the Kilo Gold Fields, from the general expansion of Uganda's commerce, and from the active settlement of the Uasin Gishu Plateau itself.

Starting from the Coast towards the interior, the first railway feeder of this Trunk Line is the Military Railway constructed during the war from Voi to Kahe, where it taps the Tanga-Moshi German Railway. This feeder already diverts the produce of the rich Moshi and Arusha coffee districts from Tanga to Mombasa, because the haul to Mombasa is 40 miles shorter than to Tanga.

This Voi-Kahe Line is capable of extension through productive country by easy alignment to Tabora via the south of Meru Mountain and to Mara Bay via the north of Meru Mountain.

The diversion of the Moshi and Arusha traffic to Mombasa means that there is a "dead" section of about 100 miles of the Tanga Railway lying across the economically unimportant tract of country between Mkumbara and Kahe.

The Commission recommend that this "dead" section be lifted and used to tap some East African area of immediate economic significance, and that the Voi-Kahe section be retained as an essential link in future railway extensions of the highest importance.

The second railway feeder of the Trunk Line is the Railway from Magadi Junction to Magadi Soda Lake. This Line can presently be extended west and north-west through the basin of the southern Guaso Nyiro to drain the eastern slopes of Mau and connect with the ultimate Cape to Cairo route adumbrated under the fourth feeder later referred to.

The third railway feeder of the Trunk Line is the Thika Railway, which pushes out north from Nairobi along the foothills of the rich Kikuyu Highlands as far as Thika, and has an unlimited range of extension towards the fertile slopes of Kenya, eastern Laikipia and the Abyssinian border.

A fourth feeder will be required, starting from the vicinity of Molo, to draw the Lumbwa tableland.

This line has an ultimate longitudinal significance by extension south along the Amala-Guaso Nyiro watershed to Ikoma, and thence via the Sem-iki-Wembare divide to Shinyanga and Tabora.

Since, too, it would leave the present Uganda Railway Main Line on the same watershed as the next suggested feeder must follow to the north, the watershed in fact of the Nile and Rift Valley water systems, it would become a link in what will probably develop into the ultimate Cape to Cairo railway connection.

The fifth feeder above referred to will leave the Uasin Gishu section of the ultimate Trunk Line where it emerges on to the Elgeyo Escarpment, and heading north-west will skirt the eastern slopes of Mount Elgon to turn the deep cut of the Turkwell River and thence follow the line of high country between the Nile basin and the basin of Lake Rudolph to the western face of the Abyssinian Highlands and the Main Nile Valley Railway system.

The final Cape to Cairo connection could thereafter be secured by a line running due south from Tabora to the Gap at Ikomba on the Tanganyika Plateau and thence along the Chambesi-Loangwa Divide to Broken Hill.

Sio Port, where the British East African Trunk Line will make first contact with the deep water of the Victoria Lake, must be well chosen to give berthing for lake boats of deep draught and to provide possible connection with "Train Ferries."

Train Ferries, in the opinion of the Commission, are a possible method for the rapid and economical development of the Victoria Lake basin. Their introduction would enable the rich patches round the Lake to be developed by short lines from the nearest convenient Lake Port, and the produce emanating from these short lines to be concentrated on the Trunk Line without breaking bulk.

If this principle is adopted, the first monies available can be applied to the immediate linking of the rich territories of Ruanda, Urundi and Ussukuma with their respective Lake outlets without waiting for the enormously costly preliminary of an extension of the Mombasa-Sio Trunk Line round the north and east sides of the Lake.

This extension of the Main Trunk Line must ultimately happen from Sio to Jinja, from Jinja to Kampala, and thereafter from Kampala to the Congo border and Stanleyville, probably via the Katonga Valley and the Lake Edward basin.

The most urgent of the short tapping lines is a line from Namirembe at the south-west corner of the Lake to Kagera Falls.

This line of about seventy miles would connect the great stock countries of Urundi and Ruanda with the Victoria Lake, from which they are now practically isolated other than by head portage because the intervening territories of Ussuwi and Karagwt are infested with tsetse fly.

To establish and maintain "system" in this vital problem of communications, the Commission would suggest that a permanent body be instituted as a local extension of the "Imperial Development Board" proposed by Clause 57 of the conclusion of the Dominions Royal Commission. We propose that the Board of Economic Development recommended in Chapter X should be entrusted with this task.

The duties of the said Board should be —

- (1) To define the ideal main arterial system of rail and lake communications to drain British East Africa and Uganda and to give access to such other territories as are tributary (in the transport sense) to the B E A and Uganda main system :
- (2) To consider the relative urgency from time to time of uncompleted portions of the main system, arising from the general development of the area covered and the varying influence of such development on the different districts :
- (3) To provoke and report upon suggestions of District Authorities as to the best method of district development by road and rail in relation to the defined main arterial system :
- (4) To advise the said Imperial Development Board and the Legislative Bodies of British East Africa and Uganda Governments

The Commission consider that the main arterial system should be prospected and defined in principle without delay, and surveyed as soon as practicable with sufficient precision to enable all branch railway, road, lake port, township location and important industrial projects to be plotted and developed in assured relation to the ultimate main traffic system.

The Commission would emphasise the insistent need of an agreed working theory of main communications as an elementary precaution to prevent recurrence of the gross waste of monies which is represented by such ill-considered and uncoordinated work as the Thika and Jinja Railways and the road-happenings of the Public Works Department. and would press that the results of all surveys be considered public matter to be widely advertised as an aid to public and private endeavour, rather than mysterious matter to be hidden, as in the past, even from the Local Government.

The Commission are of the opinion that the capital monies required for the development of the Main Trunk System should be provided from Imperial Funds free of interest for 15 years, the charge of interest and sinking fund on a long term basis to be thereafter assumed as to half by the territories concerned, and as to half by the Imperial Government until such time as responsible government is granted to the territories traversed.

The Commission are moved to this opinion by the following considerations :

- (1) New countries have no accumulation of capital resources, so that local, private and State resources should be concentrated on the local developments rendered possible by the establishment of Trunk Communications.
- (2) Such local developments do not bear immediate taxable returns, and requires a considerable period of time for the general development originally provoked by the establishment of Trunk Communication to carry the financial burden of such Trunk system without seriously delaying general development. which is the real Imperial objective.

- (3) Pending the ultimate financial consolidation of general development, a constant advantage accrues to the United Kingdom in the increasing volume of raw products rendered available, and to the Empire as a whole in the strategic reliefs which follow any extension of Imperial Main Lines of Communication

A map illustrating the suggested lines of future railway development in Middle Africa is attached to this Report

#### CHAPTER XVII.—CONCLUSION

We desire to express our appreciation of the immense amount of time and labour expended by our Secretary Mr. Watson in taking notes of Evidence and on the Report. He has spared no effort to assist the Commission in every way possible, and we are grateful to the Municipal Committee of Nairobi for having so generously placed Mr. Watson's services at our disposal.

We regret that we have been unable to secure the signature to this Report of the Hon. Mr. P. H. Clarke, who sailed for England in February.

We have the honour to be,  
Your Excellency's most obedient, humble servants,

\* F. W. MAJOR, *Chairman*  
DELAMERE.  
EWART S. GROGAN  
\* E. POWYS COBB  
THOS. A. WOOD  
W. C. HUNTER  
\* W. A. KEMPE

J. A. WATSON,  
*Secretary*

\* Subject to the separate notes which follow

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#### NOTE BY HON. F. W. MAJOR, CHAIRMAN

I have signed the foregoing report, but I have one reservation only to make. While I cannot say that I disagree with the recommendations made in Chapter XIV, Para. 3 (Weights, Measures and Coinage), I suggest that the question of currency particularly in regard to this country is one on which so many diverse views are held that it should be submitted for consideration by an expert or a body of experts.

F. W. MAJOR,  
*Chairman*

#### NOTE BY W. A. KEMPE, ESQ.

##### *Chapter VII—General Native Policy*

I cannot agree with the opinion expressed in this Chapter that "there is no case for segregation" which, as I understand it, means the reservation of areas for Native habitation with a view to giving the Natives an opportunity ultimately to control their own affairs without interfering with those of the white race. Such a policy should not discourage or hinder Natives from coming out of their Reserves, or from living on European farms. I do not think that the experience of South Africa can be put aside by the argument that the policy which is adopted in the Transkei is applicable to industrial populations only. It has not been suggested in the evidence before the Commission that the existing Reserves could be suitably divided by interspersed tracts occupied by Europeans to any greater extent than they are already divided, without creating difficulties in the way of administering the policy which I have endeavoured to describe, and on which the peace and happiness of posterity in regard to the relations between white and black seem largely to depend.

*Chapter XI.—Taxation and Fiscal Policy.*

I am doubtful whether such a sum as £750,000 could be raised immediately by means of Import Duties without putting any check on development or imposing an unreasonable burden on any section of the community. There is much to be said in favour of Income Tax, which would bring contributions to the Revenue from a class, which is likely to increase in the future, of persons who derive income from the Protectorate and spend it elsewhere, and I consider that the problem of collection of Income Tax should receive the opinion of outside experience before this form of taxation is put aside. I do not by this mean to say that some increase in Customs Duties is not desirable, and that the removal of the obstacles which the Treaties impose is not an urgent necessity for the purposes both of raising Revenue and of imposing a Protective Tariff.

*Chapter XIII.—Financing of Development*

I have to qualify the recommendations in this Chapter with the opinion that any large sums of capital which may be available for public purposes in the Protectorate appear to be required for communications, and, until sufficient capital is forthcoming to satisfy this need up to the extent of the existing development, it is premature for the Government to look for capital for such undertakings as that of a Development Bank.

*Chapter XIV 3.—Coinage.*

The proposals of the Commission for removing the very serious obstacle to development which the high rate of exchange has raised, put forward in my opinion the only possible means by which the Protectorate Government could attain this object. The local note should however be redeemable by payment in London. The process of effecting a complete change of currency for a currency of lesser value, which is necessarily involved, would entail great risks, and might possibly be attended by disastrous speculation. The proposal should be referred to currency experts for their most careful consideration before the change is attempted. I do not believe that by section 13 of the East Africa Currency Order in Council 1905, by which sovereigns were made legal tender in the Protectorate, it was intended to establish gold as a standard of value.

*Chapter XVI.—Main Railway Systems of Middle Africa*

There is no evidence before the Commission on this subject, and I have not attempted to consider it as it appears to me to be irrelevant. I cannot therefore subscribe to this Chapter as representing my studied opinion.

W. A. KEMPE

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## NOTE BY E. POWYS COBB, ESQ

I have signed the foregoing Final Report, Part I, because so far as it goes, I am in full agreement with it, subject to the particular reservations set out below.

And I would place on record that I have signed in the belief that the Commission adheres to its declared intention of including in Part I only those questions which concern this Protectorate's place in the Scheme of Empire, and in Part II of dealing with questions of internal interest.

Should this intention miscarry I beg leave to reserve the right to submit a Minority Report on those questions now omitted. I recognise the necessarily unsatisfactory nature of a Minority Report, but even so it seems to me that with all its defects it may be a little better than complete silence on the many difficult and pressing matters which daily weigh on us in our climb towards prosperity.

The particular reservations that I would make are:—

(1) *Chapter I, page 3.*—In my opinion the drawbacks of the "Downing Street" stage have been aggravated by the bad advice tendered by the Protectorate Government to the Colonial Office. The former, being apparently unable to appreciate local conditions and needs, have not succeeded in representing them to the latter. The representation that the building of the Uasin Gishu Railway necessitated heavy expenditure on Kilindini Harbour Works is a recent instance of this.

(2) *Chapter VI.—Potentialities, page 15 (f). Coconuts.* In my opinion, based on the experience of twelve years, and supported by the evidence tendered, the view stated as to the possibilities of coconuts is so conservative as to be misleading.

I believe that the East Africa Protectorate is among the best coconut countries in the world, and that it contains about one million acres of good coconut land, the produce of which would suffice to meet the pre-war home demand for coconut oil almost twice over.

(3) *Chapter X, Board of Economic Development, page 24*

Until the last meeting of the Commission, at which I was unable to be present, the Commission had maintained the view that the Board should be invested with certain executive functions bestowed upon it by the Legislative Council for specific purposes. I quote the words which stood in the draft Report until that meeting, and to which I still adhere, because I believe certain executive powers to be necessary to the success of the Board.

“The case for establishing such a Council as we have suggested, and not only establishing it but also conferring upon it a substantial measure of executive power is, we submit, fortified by the precedent of the War Council, whose effectiveness was in our opinion largely due to its possessing executive powers, though it also demonstrated the practical advantages which flow from co-operation between the official and unofficial elements

“The admission of the superior efficiency of decentralised methods implicit in the establishment of the War Council must not be retracted because it is only our prosperity, and no longer our actual existence, that is at stake. The Board which we have proposed is designed to carry out in the sphere of economic development the principles which have been successfully applied to war conditions. Here as elsewhere it is vital that the improved methods whose adoption was forced upon us by the war should be adapted without delay to the conditions of peace

“Specific matters which should at once be placed within the executive province of the Board of Economic Development are the direction of scientific and industrial research, the control of a scientific library, to which a highly qualified librarian must be appointed, and the editing and publication, through their secretary, of a quarterly journal containing the official bulletins and reports of the scientific departments, which under existing conditions are either not published at all, or published so long after presentation as to be still-born. A thoroughly competent full-time secretary, with staff and offices, will be not merely desirable, but essential to the successful working of the Board. For the above purposes an annual grant from Protectorate funds will be necessary”

(4) *Chapter X, Board of Economic Development, and Chapter XII, Financing of Development.*

A train of thought, perhaps not sufficiently emphasized in these chapters, yet to my mind giving an added value to their recommendations, is:—

It would seem that the financial burdens imposed by War and Reconstruction cannot be carried by revenues derived from existing wealth, because its resources are unequal to the task, and consequently the creation of new wealth becomes a national necessity

The development of the productive resources of the Empire, and the avoidance of waste in the process, appear to be the manifest source from which the needed new wealth may be obtained. In this country in particular the scientifically organised development of our resources has been generally neglected, and, where an attempt has been made, it has usually been attended with great avoidable waste

For the furtherance of this purpose, it is desirable that the financial resources of both the State and the individual, each co-operating with the other on equal terms, should be concentrated

Since all idea of competition between State and private enterprise will, it is hoped, be superseded by co-operation, there would seem to be no objection to State investments in productive projects earning the same return as the private capital invested along with it in the same undertakings. To abandon the practice of limiting the earnings of State investments to a small fixed rate of interest would be of great advantage to the revenues of the State.

If the State is going to take an effective hand in the development and organisation of its resources, it is plainly indispensable that its investments should be planned and managed by experienced men of business.

Because in a new country, such as this, no leisured class exists, and the clearest heads are the busiest, it is more than usually difficult to secure the services of the ablest men for the conduct of public affairs.

And so it becomes urgent that public work should be so sub-divided that more men may be able to take a hand in it, each handling only those subjects for which he is specially qualified.



Hence the need of a body such as the proposed Board, concerned alone with the business of developing the resources of this rich national Estate, while remaining free of the time consumed in the Legislative Council by administrative work, unhampered by political exigencies and spared the interruption of contesting elections.

By a concentration of business it may be possible to obtain a membership of business men to plan and manage the development of this fertile country.

And since the researches and investigations of the Board of Economic Development would be fruitless without a financial institution to give effect to and take a share in the management of the projects arising from those investigations, the Chartered Bank of East Africa becomes a necessary part of the scheme

(5). *The Dominion of Central Africa.*

To my mind the question, which towers above all others, casting its shadow across the whole Economic future of Central (or Middle) Africa, and vitally affecting the development of this Protectorate, is that of the political grouping of the British Territories lying between the Limpopo and the Juba Rivers, and particularly the fate of the Conquered Territory of German East Africa.

As fuller information concerning the Conquered Territory becomes available, and as indications are given by men living in other units of the suggested Federation as to how the idea might be received by their community, the probability grows that the young states of Central Africa are about to recognise the presence of forces which make for federation, and I would urge that the suggestion should be put before them and their wishes ascertained.

Until the last meeting of the Commission, it had been agreed to devote a special chapter to this subject, and I quote and adopt the chapter which had been drafted and had been discussed at several previous meetings

“CHAPTER XVII.—POLITICAL FUTURE OF MIDDLE AFRICA

“The East Africa Protectorate is an artificially defined territory without natural frontiers (except on its seaboard) It constitutes one of the group of territories under the British Crown comprising (in addition to British East Africa) Uganda, the conquered territory of German East Africa, Nyasaland, and the Rhodesias. The territories of this group, which in this chapter will be referred to as Middle Africa, are to a very large extent homogeneous in character, forming together one predominantly agricultural domain of boundless richness and fertility Middle Africa is, in fact, one of the world's great unopened storehouses.

“The acquisition of the Conquered Territory, which formerly split Middle Africa into two sections, has now made practicable the consolidation of the countries composing it into one federated Dominion.

“Federation is required as a preliminary to standardising policies on several of the main questions which confront all the territories of the group. Hitherto each has gone its own way, with the result that there has been no community of counsel and purpose. East Africa and Uganda have in apparently analogous, if not identical, circumstances, arrived at and carried into execution widely divergent conclusions on such important questions as native tenure of land, and native policy generally. Had they arrived at identical conclusions, it could only have been by accident. Such a state of affairs appears to us indefensible. The wastefulness, and where the interests of subject races are concerned the harmfulness of it, hardly call for demonstration.

“The following are among the matters in respect of which federation would lead to greatly increased efficiency of public services in all the territories affected:—Defence: finance: customs: policing: communications: immigration: native policy: education: and scientific and industrial research. This appears to us so obvious that we refrain from enlarging on any of these matters except the first two.

“A consolidated Middle Africa would constitute in British hands a permanent strategical barrier to any possible scheme for dominating Africa by means of a “Mittel Afrika” scheme of aggression such as Germany had in contemplation. It would be the bulwark of Africa against militarism. Few will be so optimistic as to imagine that no such bulwark can be required when the present war is ended: but it will not be afforded to the full extent possible by a number of detached Protectorates.

"The strategical advantages attending unification of control and administration of the various territories of Middle Africa would be of inestimable value in the event of Great Britain again being involved in warfare there. The defensive strength of such a combination should be sufficient to render any hostile designs futile.

"The advantages of federation in the sphere of finance would be of scarcely less importance. A Dominion approximately equal in area to the sister Dominion of South Africa, and certainly not inferior to it in natural resources, would be able to command support for the financing of large scale railway and other projects necessary for development, where a number of minor states, incapable of acting in concert, would be unable to find accommodation.

"Apart from such material advantages, the union of the British territories of Middle Africa would powerfully promote the spreading of the British ideal, which we are convinced is what the best interests of the people of Africa demand.

"We therefore recommend that the countries specified should unite in forming the Dominion of Middle Africa, each however retaining intact such local autonomy as it now possesses: and that a Governor General be appointed for the Dominion, who should be assisted and advised by a Federal Council, consisting of the Lieutenant-Governors and popular representatives of its component units. We have assumed the readiness of each of the units to attach themselves to this rather than to any other contiguous federation.

"It will be noted that the conquered territory formerly known as German East Africa is an integral and essential portion of the proposed Dominion. The scheme above outlined therefore conflicts with the scheme recently propounded in the London press for making over the conquered territory of India for colonisation. The latter scheme necessitates driving a wedge between the northern and southern parts of the Middle African Dominion, and is therefore strategically objectionable in the last degree. If further argument is necessary, it may be suggested that on military and sanitary grounds alike, the occupation of any part of Africa by Indians without European support and guidance would be a dangerous experiment.

"Besides, we regard it as highly important that advantage should be taken of the opportunity offered to reunite and consolidate native peoples such as the Coast Arabs and Swahilis, and the Masai tribe, which have hitherto been divided into sections disjoined from each other, much to their mutual disadvantage, by purely artificial frontiers.

"But we have already stated in Chapter VII what we submit are final reasons against the betrayal to the Asiatic of any section of the African peoples the responsibility for whose destinies has fallen into our hands. Short of the retrocession of the territory in question to Germany, we can conceive of no transaction more immoral, or more certain ultimately to recoil in ruin upon our own heads, than to buy off Indian discontent at the expense of the native of Africa. Such generosity at the cost of others, and those our own dependents, would be neither honourable nor politic.

"If India requires an outlet, there are vast empty spaces in Asia awaiting development to which it might now be practicable for her to apply her energies without the certainty of such evil results as must attend the exploitation of the African by the Asiatic."

E. POWYS COBB

Keringet, Molo, E A P,  
18th May, 1919.

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**APPENDIX I.**  
**COMPARATIVE STATEMENT OF PRINCIPAL**  
**IMPORTS.**

SHOWING INCREASE FROM 1902 TO 1914.  
(Including Imports destined for the Interior).

Origin—(Year 1913-1914 only).

ARTICLE.	Mean of years.	Mean of years	Increase per cent.	Empire.	Allies.	Neutrals.	Enemies
	1902/3 & 3/4	1912/13 & 13/14					
	£	£		£	£	£	£
Cotton and woollen goods ... ..	138,385	594,048	296	284,902	180,318	89,264	70,457
Provisions ... ..	47,794	104,849	119	76,592	2,101	20,398	3,174
Rice ... ..	15,48	73,865	114	70,542			4,332
Grain and flour ... ..	28,192	48,899	74	53,068	1,813		337
Building materials (timber, cement and corrugated iron included) ... ..	21,936	129,118	488	83,444	2,433	46,644	1,627
Wines, spirits, etc. ... ..	18,803	54,514	190	33,974	16,668	814	6,410
Coal ... ..	9,514	16,246	11	19,521			
Hardware and glassware ... ..	11,830	34,809	194	18,284	7,505	310	14,994
Tobacco ... ..	10,028	39,856	297	20,217	251	23,020	20,043
Beads ... ..	*9,023	16,895	87	240	3,590	6	12,108
Iron, copper and brass wire ... ..	*8,311	29,945	261	13,630	573		21,363
Furniture ... ..	6,344	13,052	105	12,538	439	576	1,721
Oil ... ..	5,004	27,553	450	7,063	13,408	11,333	389
Drugs and chemicals ... ..	3,142	15,904	406	15,202	527	135	1,874
Agricultural Implements ... ..	*638	41,568	6,416	19,942	4,707	318	22,750
Machinery ... ..		92,607		84,446	11,431	315	8,516
Vehicles and parts ... ..		75,840		73,080	13,037	3,279	3,872
Sugar ... ..		*61,091		11,427	252	25,792	24,335
Metal manufactures ... ..		55,172		36,971	5,769	446	20,359
Haberdashery and wearing apparel ... ..		43,924		35,762	4,158	823	10,521
Bags and sacks ... ..		42,108		39,718	29		85
Leather goods ... ..		23,368	say 500	26,966	1,277		231
Soap ... ..		17,585		12,469	263	278	1,216
Tea ... ..		16,427		16,990	23		
Stationery ... ..		16,258		15,643	530	59	2,217
Cutlery ... ..		7,413		4,976	321	77	3,761
Books and printed matter ... ..		7,216		6,598	419	28	488
China, etc., ware ... ..		6,770		5,762	335	94	1,553
Silk goods ... ..		6,689		2,416	5,370	77	257
Fencing ... ..		4,039		2,717	221		746
<b>Total of items in above list</b> .. ..	<b>£428,638</b>	<b>£1,717,628</b>	<b>300%</b>	<b>£1,105,100</b>	<b>£277,768</b>	<b>£224,086</b>	<b>£241,736</b>

\*Figures for 1903/4 only.

<b>Total of items for year 1913-14 only</b> .. ..	60%	15%	12%	13%
	£1,848,636			

**APPENDIX II.**  
**COMPARATIVE STATEMENT OF PRINCIPAL**  
**EXPORTS.**

SHOWING INCREASE FROM 1902 TO 1914.  
(Including Exports originating from the Interior).

Destination—(Year 1913-1914 only).

ARTICLE.	Mean of years.	Mean of years.	Increase or decrease. per cent.	Empire.	Allies.	Neutrals.	Enemies.
	1902/3 & 3/4	1912/13 & 13/14					
	£	£		£	£	£	£
Ivory (4/5 Uganda and Congo) ... ..	58,448	53,885	8	33,717	15,667	1,522	2,305
Hides and Skins (½ Uganda and G.E.A.) ...	30,727	389,934	1,169	230,556	230,622	700	27,661
Copra ... ..	13,178	33,771	156	65,81	26,865		1,441
Rubber (1/3 Uganda) ... ..	12,115	30,276	149	15,768	3,374	4,069	7,910
Maize ... ..	11,259	44,317	293	10,459	3,339		16,848
Potatoes ... ..	1,576	11,359	620	5,367	615	4,063	734
Borities ... ..	1,339	4,969	271	2,009	407		
Gum copal ... ..	1,303	1,686	29	1,711			
Mangrove bark ... ..	922	7,247	686	1,524	1,370		5,168
Fibres ... ..	*785	13,260	1,589	12,514	2,405	12,753	3,192
Coffee (5/6 Uganda and G. E. A.) ... ..	356	65,303	18,244	43,634	7,814	2	4,592
Beans and peas ... ..	*253	15,869	6,172	12,156	1,202	203	144
Beeswax ... ..	*184	15,447	8,295	1,612	3,306	2,217	12,333
Cotton (Uganda and G. E. A.) ... ..		362,080		305,653	3,701	15,472	99,252
Groundnuts (Uganda) ... ..		89,970		4,321	46,278	13,507	26,568
Sim-um (1/5 Uganda) ... ..		73,450		22,776	21,277	148	16,586
Cotton seeds (Uganda) ... ..		31,482		33,399		83	1,137
Ghee (3/5 Uganda) ... ..		20,437		15,705	7		455
Chillies (Uganda) ... ..		11,870		3,317	7,683	79	6
Manufactured goods various ... ..		9,486		8,134	539		654
Wool ... ..		8,813		9,656	50		12
Rice (Uganda and G. E. A.) ... ..		3,139		145			1,705
Wattle bark ... ..		1,213		528	33	5	1,356
Carbonate of soda ... ..		1,001		128			1,067
Bacon ... ..		849		213			59
<b>Total of items in above list ... ..</b>	<b>£132,445</b>	<b>£1,301,113</b>	<b>882%</b>	<b>£781,583</b>	<b>£376,554</b>	<b>£54,823</b>	<b>£231,195</b>

\*(1903-04 figures only).

54%

26%

4%

16%

Total of items in above list for year 1913-14 only ... ..	£1,444,155
Gross total of Exports, year 1913-14 ... ..	£1,482,876
Do do. do. 1916-17 ... ..	£1,613,853

(Whereof 36 per cent. produce of East Africa Protectorate).



APPENDIX III.

Table Shewing Overseas Trade of the Principal British Dominions and Dependencies for the year preceding the War.  
(Compiled from Blue Book, Cd. 8329).

	Area Square miles.	Estimated Population.	Population per sq. mile.	Imports.	Exports.	Exports per head.	Overseas Trade.	Overseas Trade per head.
				£	£	£	£	£
India ... ..	1,802,112	*315,086,372	174.8	163,737,687	176,319,344	0.56	340,057,031	1.07
Canada ... ..	3,724,665	8,075,000	2.2	133,764,619	98,460,635	12.19	232,225,304	28.76
Australia ... ..	2,974,581	4,940,952	1.6	79,749,653	78,571,769	15.90	158,321,422	32.04
Malaya ... ..	52,683	2,859,605	54.2	69,172,820	66,665,807	25.93	135,838,627	52.84
South Africa ... ..	766,352	7,094,816	9.2	42,797,077	66,659,552	9.40	109,456,629	15.42
**Egypt ... ..	400,000	12,000,000	30.0	19,330,000	27,050,000	2.25	46,380,000	3.86
New Zealand ... ..	103,581	1,095,994	10.6	22,288,302	22,986,722	20.97	45,275,024	41.31
Ceylon ... ..	25,481	4,317,022	169.4	13,309,386	15,657,570	3.62	28,966,956	6.71
Nigeria ... ..	336,080	17,500,000	52.0	7,307,537	7,352,386	0.42	14,659,923	0.83
Gold Coast ... ..	80,235	*1,501,793	18.2	4,952,494	5,427,106	3.61	10,379,600	6.91
Trinidad and Tobago ...	1,974	359,527	182.1	4,968,360	5,205,673	14.47	10,174,033	28.29
Rhodesia N. and S. ...	439,575	1,612,500	3.6	3,281,689	3,737,157	2.31	7,018,846	4.35
Newfoundland ... ..	42,734	247,700	5.8	3,291,431	3,016,094	12.17	6,307,525	25.46
Jamaica ... ..	4,207	881,148	209.4	881,148	2,430,208	2.75	5,267,655	5.97
Mauritius ... ..	809	383,257	473.7	2,492,623	2,262,191	5.90	4,754,814	12.40
Malta ... ..	117	218,542	1867.8	2,589,272	1,154,363	5.28	3,743,635	17.13
British Guiana ... ..	89,480	309,938	3.4	1,611,430	2,110,395	6.80	3,743,635	12.08
***East Africa Protectorate	245,060	2,783,925	11.3	2,147,937	1,482,876	0.53	3,630,813	1.30
Sierra Leone ... ..	24,908	*1,403,132	56.3	1,750,303	1,731,252	1.23	3,481,555	2.48
**Soudan ... ..	100,000	2,000,000	20.0	1,700,000	1,580,000	0.79	3,280,000	1.64
Fiji ... ..	7,435	155,167	20.8	903,968	1,425,040	9.19	2,329,908	15.01
Zanzibar ... ..	1,020	*197,200	193.3	1,103,347	1,048,866	5.32	2,152,213	10.91
Barbados ... ..	166	176,397	1062.6	1,353,059	760,699	4.31	2,113,758	11.98
Gambia ... ..	3,619	*146,101	40.3	1,091,129	867,187	5.93	1,958,316	13.40
Uganda ... ..	109,119	2,777,494	25.4	1,021,255	607,253	0.22	1,628,508	0.58

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\*Figures from 1911 Census.

\*\*Figures from Whitaker's Almanac 1917

\*\*\*The East African figures include goods en route to and from Uganda, German East Africa, the Congo, the Soudan and Italian Somaliland. The true amount of Exports per head is about £0.2 (4s.), and of overseas trade probably about £0.7 (14s.). The area given is the correct figure, that contained in the Blue Book (207,909 square miles) being wrong.

**APPENDIX IV.**

*Table shewing principal competing sources of Export within the Empire of certain selected products.*  
(Figures for year before the war). (Compiled from Blue Books, Cd. 8123 & 8329 & E. A. Customs Returns).

	Sisal.	Coffee	Copra and Coconuts.	Bacon and Ham	Potatoes	Barks.	Maize.	Rice.	Sugar.	Butter.	Cheese.
	£	£	£	£	£	£	£	£	£	£	£
E. A. Protectorate ...	12,525	18,502	35,587	272	6,716	8,062	34,715				
British India ...		1,029,056	1,039,826					17,749,274	408,663		
Straits Settlements ...		151,128	2,014,289					5,542,233	715,480		
Federated Malay States .		95,133	391,935					340,132	1,428		
Ceylon ...		620	2,131,961								
Mauritius ...								5,456	2,048,721		
Australia ...						60,411			54,322	3,565,282	
New Zealand ...					7,443					2,061,651	1,770,298
Uganda ..		23,217									
Zanzibar ...			216,842								
British South Africa						309,329	106,993		8,707		
Gold Coast ...			14,292								
Canada ...				829,083	231,776		8,961		1,142	70,496	3,894,972
Jamaica ...		158,578	135,487						52,231		
Barbados ...								17,582	92,253		
Trinidad and Tobago ...		7,437	91,314						421,997		
British Guiana ...								106,155	1,102,692		
Principal sources of Supply ...	(Hemp.) Philippines. Russia. New Zealand. British India.	Brazil. Costa Rica. British India.	Malaya. India. Ceylon.			Natal. Australia.	Argentine. Roumania	British India. Siam.	Germany. Austria. Holland	Denmark. Holland. Russia. Australia. New Zealand.	

EAST AFRICA PROTECTORATE.

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# REPORT

OF THE

LAND SETTLEMENT COMMISSION.

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NAIROBI,

PRINTED BY THE GOVT. PRINTER.

1919.

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# LAND SETTLEMENT COMMISSION.

## BRITISH EAST AFRICA.

### *Report of the Commission appointed to enquire into and consider the practicability of a Land Settlement Scheme for Soldiers in British East Africa.*

#### PRELIMINARY:

1. The Commission was appointed by His Excellency Sir Henry Conway Belfield, K.C.M.G., Governor of the East Africa Protectorate, on the 13th day of March, 1917, under the Commissions of Enquiry Ordinance, 1912.

The following were the Commissioners appointed:—

F. W. BAILLIE, ESQ., Farmer, of Nakuru.

THE HON. J. W. BARTH, M.L.C.,\* Attorney General

R. CHAMBERLAIN, ESQ., Farmer, of Elementeita.

THE HON. P. H. CLARKE, M.L.C., Partner in the firm of Messrs. Boustead and Clarke, Merchants, Mombasa.

THE RIGHT HON. LORD DELAMERE, M.L.C., of Soysambu, Elementeita.

THE HON. B. EASTWOOD, M.L.C., General Manager, Uganda Railway.

THE HON. A. C. HOEY, M.L.C., Planter, of Maji Mzuri, Uasin Gishu.

THE HON. A. C. MACDONALD, M.L.C., Director of Agriculture.

A. C. TANNAHILL, ESQ., Estate Agent and Accountant, Nairobi, late Chief Land Ranger and Land Assistant.

THE HON. W. MCLELLAN WILSON, M.L.C., Planter, Kyambu.

The HON. J. W. BARTH, M.L.C., Attorney General, was appointed Chairman of the Commission.

Mr. J. E. ALEXANDER, Assistant Land Ranger, Land Department, was appointed Secretary to the Commission.

2. In June, 1917, the Hon. R. Barton Wright, M.L.C., Land Officer, was appointed a Commissioner in addition to those originally appointed. Additions and alterations to the Commission.

In September, 1917 Mr. R. Chamberlain left the country and resigned his place on the Commission.

On 15th October 1917, Captain S. McCall, E.A.S.C., was appointed a Commissioner in the place of Mr. Chamberlain.

In February, 1918, the Hon. B. Eastwood, M.L.C., General Manager, Uganda Railway, left the country on the termination of his service in the Protectorate.

3. The terms of reference to the Commission were as follows:—

- (1) The practicability, without financial assistance from the Government, of settlement on land in the Protectorate of soldiers of European extraction who have served in His Majesty's Forces in the present War, whether in East Africa or elsewhere
- (2) What departure from the provisions of the Crown Lands Ordinance, 1915, is necessary to effect any such scheme of settlement.
- (3) The size of the farms to be allotted under any such scheme of settlement.
- (4) The areas in the Protectorate suitable for settlement under any scheme of land settlement.
- (5) The method of selecting applicants for land from the class referred to in (1) or of allotting land to such applicants.
- (6) What, if any, special qualifications should applicants for land possess other than the general qualification of having served in His Majesty's Forces during the present War.
- (7) The improvement of the means of communication necessary for any scheme of land settlement.
- (8) The creation of markets for and the method of dealing with any produce grown by small holders settled under any scheme of land settlement.

Terms of Reference

\*The letters M.L.C. denote Members of the Legislative Council

- (9) The effect of any scheme of land settlement on the labour market.
- (10) Any other matter relevant to the foregoing which the Commission may deem to affect the practicability of any scheme of land settlement for the class of person referred to in (1).
- Meetings. 4. The Commissioners met on ten occasions and examined thirty witnesses, full notes of whose evidence will be found in Appendix I hereto.
- Written Suggestions. 5 Many people, who were unable to come forward and give evidence, wrote letters to the Commission giving their views and putting forward suggestions
- Witnesses 6. The Commissioners take this opportunity of expressing their thanks to the witnesses and to all others who furnished information or suggestions with regard to this enquiry
- Form of Report 7 In considering the terms of reference the Commissioners found considerable difficulty in embodying their recommendations separately under each head, as the terms of reference are in a large number of cases interdependent. They decided, therefore, in spite of the redundancy this entails, to divide the Report into two parts.
- Part I. is in narrative form, and deals briefly with the main outlines of the recommendations without regard to the order of the terms of reference.
- Part II. is subdivided into the ten terms of reference in sequence and contains the detailed recommendations under each head.
- Basis of Recommendations. 8 These recommendations are arrived at after the most careful consideration of the evidence, including the various letters and suggestions received, aided by the Commissioners own knowledge of the country.
- Definition. 9 Throughout this Report the term " Soldier " includes Soldiers and Sailors of all ranks, and Military and Naval Nurses who have served in the present War.

## PART I.

10. The Commissioners are of opinion that a system of settlement without financial assistance from the Government is possible provided that the prospective settler has a capital of not less than £500. The question of capital is, however, more fully dealt with hereafter.

11. The settlement suggested is, shortly, that the unalienated surveyed farms, about 1,000 in number be allotted to soldiers, in some cases without further sub-division. The whole of these farms, in the Commission's opinion, are suitable for settlement. In addition to the surveyed farms it is suggested that several areas should be made available and be divided into small farms varying from 100 to 500 acres. These areas are the Kikuyu Reserve between Nairobi and Limoru for a distance of ten miles on each side of the Uganda Railway, Forest Reserve on the Southern side of the Uganda Railway between Njoro and Molo, and Forest Reserve on the Western side of the Uganda Railway between Kikuyu and Kijabe. Two other areas which have been added respectively to the Wakamba and Suk Reserve, might, in the Commission's opinion, be considered by the Government with a view to sub-division into farms. These areas are more fully described in Part II of the Report. The unalienated land at the Coast should, in the Commissioners opinion, be open to selection in farms varying in size from 160 acres to 500 acres. They do not, however, consider that survey should precede selection or application

12. It must, however, be borne in mind that even for the smallest farm it is essential that the soldier should have a capital of at least £500 to £1,500, according to the locality and the form of development it is proposed to adopt. All the farms which it is proposed to allot are of such a size in relation to their locality that a certain amount of capital in hand will be available for the settler by selling or mortgaging a part of his surplus land to finance himself for further development.

13. The terms on which the Commission propose that farms should be given are leasehold for 999 years under the ordinary conditions as to rent and development laid down by the Crown Lands Ordinance, 1915. No premium for the lease will be charged.

14. The system of allotment proposed is by a Board sitting in East Africa with a branch in the United Kingdom. The Commission is of opinion that both the East Africa Board and the Branch in the United Kingdom should have on them persons of East African farming experience. The Board will select applicants who may be serving soldiers or soldiers who have been honourably discharged, and will allot to them farms which they can choose from maps.

15. No right, title, or interest will be granted in any farm allotted to a soldier who is still serving; he will only have the right to have the farm granted to him on receiving his honourable discharge. By allotting farms to both those who are discharged and those who are not it is hoped that the settlement may be gradual, and thus avoid any violent upheaval in the labour market.

16. Any soldier who has been allotted a farm must occupy it in person within twelve months of his discharge, or, if already discharged, within twelve months after its allotment, and he will not be permitted to transfer it until he has occupied it in person for a period of six months, such period to commence within two years from the end of the war provided he is discharged within that period. The object of the period of obligatory occupation is that while giving the lessee a free title, within a short space of time it would tend to ensure permanent settlement by rendering less likely applications from those who have no end in view but the realisation of their rights without the trouble and expense of going on the land.

17. The Commissioners recommend that applications should be invited at the earliest possible date, but, in order that fair notice may be given to all concerned, they recommend that no allotment should be made until six months after the first notice has been issued.

18. An important matter for consideration by each person who is contemplating settling in the East Africa Protectorate is the suitability of the climate for a white race. In respect of this matter the medical faculty hold widely divergent views. Some are of opinion that a frequent change to a temperate climate is essential, while others consider that with ordinary care in living, which means wholesome food, proper housing, and the ordinary precautions which are observed in other tropical climates, there is no reason why a white man should not make a home for himself and his family in this country. This would appear to be borne out by the testimony of many old resident settlers who gave evidence. Only time can prove whether the virility of our race can be maintained without change to a temperate climate.

19. The three matters which prospective settlers must bear in mind under the suggested scheme are the necessity for capital, the possibility of difficulty in obtaining a sufficient and continuous supply of labour, and the question of the effect of the climate. It is earnestly hoped that persons before applying will not only read this report but the evidence on which it is based, in order that they may to some extent be in a position to form an independent opinion.

20. The Commission is of opinion that the report should be published for general information as speedily as possible.

## PART II.

*For the purpose of reference the witnesses (whose evidence will be found in Appendix I) have been numbered and their evidence paragraphed, the marginal reference giving the number of the witness and the number of the paragraph of his evidence bearing on any point in the report.*

*Thus W. 10 p. 2 against any point in the report indicates that the opinion of Witness No. 10 on that point will be found in paragraph 2 of his evidence.*

### Re TERM OF REFERENCE No. 1

#### THE PRACTICABILITY, WITHOUT FINANCIAL ASSISTANCE FROM THE GOVERNMENT, OF SETTLEMENT ON LAND IN THE PROTECTORATE OF SOLDIERS OF EUROPEAN EXTRACTION WHO HAVE SERVED IN HIS MAJESTY'S FORCES IN THE PRESENT WAR, WHETHER IN EAST AFRICA OR ELSEWHERE.

21. The Commissioners have no hesitation in stating their opinion that settlement is possible and practicable without direct financial assistance from the Government, provided that the grants are of sufficient size or value to enable the settler partially to finance himself from the land.

The whole existing settlement and development of the Protectorate has been effected without direct Government assistance and without any financial assistance of the kind to be found in older established Colonies, such as Government Land Banks, Assisted Passages, and Government Agricultural Training Farms. The success which has been attained has, however, in many cases been rendered possible by the sale of a portion of the original grant.

22. Although the evidence of certain of the witnesses goes to prove that it has been possible to make good with only a few pounds of initial capital, the Commissioners desire to warn the average intending settler against embarking on planting and farming in this Protectorate with insufficient capital.

23. From the terms of this Reference (No. 1), read in conjunction with the Secretary of State's despatch of 3rd November, 1916, it must be inferred that no financial assistance may be expected from the Government. Therefore the soldier must be prepared to depend solely on his own finances.

There are always exceptional men who will make good without capital, and in the face of great disabilities, and it is unfortunate in some respects that these exceptional examples almost naturally obtain prominence in the public eye, and eventually come to be quoted as ordinary examples of what can be done.

24. The Commissioners are of opinion that the dictum of the Government, that no financial assistance will be available, debars the average soldier, who has no capital, from taking up land from the Government.

25. The evidence of the witnesses as to the amount of capital required varies from £500 to £2,000.

Even those witnesses who started in this country with next to nothing and have subsequently done well are unanimous in stating it is essential now for a settler not only to have a capital of at least £500, but also to be a knowledgeable person, capable of adapting himself to a not very easy environment.

26. In regard, therefore, to this Term of Reference, the Commissioners recommend that the land in the Protectorate shall be thrown open for Soldier Settlement, but they also recommend that soldiers must be warned of the risks they will run if they have only a limited working capital.

W 4, p 2. W 5, p 2  
W 6, p 1. W 7, p 1  
W 8, p 1. W 9, p 1.  
W 10, p 1. W 11, p  
W 13, p 1. W 14, p  
W 15, p 1. W 16,  
and 3.  
W 17, p 1 & 2. W 1  
and 2.  
W 19, p 2. W 20, p 1  
W 21, p 2. W 22, p  
W 23, p 1. W 33, p  
W 34, p 2.



## Re TERM OF REFERENCE No. 2

## WHAT DEPARTURE FROM THE PROVISIONS OF THE CROWN LANDS ORDINANCE, 1915, IS NECESSARY TO EFFECT ANY SUCH SCHEME OF SETTLEMENT.\*

27. The Commissioners are of opinion that the only departures from the usual practice under the provisions of the Crown Lands Ordinance, 1915, necessary in order to enable a general scheme of settlement on the areas immediately available, viz, the already surveyed areas, to be proceeded with are:—

- (1) The abolition of public auction.
- (2) The alienation of land to soldiers free of upset price.
- (3) The institution of a personal occupation clause.

Power to make such departures is contained in Section 6 (1) of the above Ordinance. This Section states that the Governor may subject to the provisions of any Order-in-Council, or to any general or special instructions of the Secretary of State, grant, lease, or otherwise alienate in His Majesty's behalf any Crown Lands for any purpose and on any terms and conditions as he may think fit.

28. The Commissioners, however, consider it desirable that legislation in the form of a "Soldier" Settlement Ordinance should be introduced, under which men may take up land under special conditions, and that such Ordinance should be drawn up to include the following main principles:—

- (1) That only those soldiers who have been honourably discharged from His Majesty's Forces be granted land under this Ordinance.
- (2) No soldier holding land (other than business or residential plots) in the Protectorate may obtain grants under this Ordinance.
- (3) That this Ordinance shall be applied to all land hereinafter suggested and shall give power to reserve for a period the whole or any portion of those areas exclusively for soldier settlement.
- (4) That all grants under this Ordinance to soldiers shall be free of Stand Premium as it is essential that the whole of the capital of those who are successful in obtaining such grants should be available for the development of their holdings.
- (5) That the rent payable under this Ordinance shall be 10 cents (1½d. approximately) per acre per annum, and that survey and registration fees and cost of deeds should be payable by annual instalments of 10 per cent.
- (6) That having regard to the fact that no direct financial assistance can be given the title given under this Ordinance shall be fully negotiable and mortgageable, subject to the grantee being required to occupy the land granted in person for six months. Transfer of the grant would not be permitted until the required personal occupation had been completed.

Such title shall also impose development conditions which are attached to the land and not to the original grantee.

The Commissioners are of opinion that, if a title of this description is given, a grantee, having completed his period of occupation, and done a certain amount of development, could obtain money on his title for further development, and that thus the amount of capital required by an applicant is reduced to the minimum. It is also felt that such a title would enable a grantee, who, having completed the necessary period of occupation, is convinced for any reason that he is not likely to be successful on the land, to obtain sufficient money by selling his grant to leave the country or to start on other and more congenial lines.

It is considered most undesirable to impose conditions which would compel an unwilling grantee to remain on the land. Such a course would mean that the grantee, having expended his initial capital, would possibly become a burden on the State

- (7) That the Ordinance should come into operation at once

The Commission has considered at some length the advisability of inserting a period during which the Ordinance should remain in operation, but has been unable to decide on any fixed term. It is, therefore, of opinion that the Ordinance should be repealed when the necessity for its provisions disappears.

- (8) That applicants for grants under this Ordinance should be able to prove a capital of not less than £500 free for the development of the grant. Provided that the Selection Board may exercise reasonable discretion where they consider the applicant is peculiarly suitable.

\*A brief summary of the Provisions of the Crown Lands Ordinance, 1915, will be found in Appendix 5 to this report

Re TERMS OF REFERENCE Nos. 3 and 4.

(3) THE SIZE OF FARMS TO BE ALLOTTED UNDER ANY SUCH SCHEME OF SETTLEMENT.

(4) THE AREAS IN THE PROTECTORATE SUITABLE FOR SETTLEMENT UNDER ANY SCHEME OF LAND SETTLEMENT.

29. The Commissioners consider it advisable to amalgamate the above Terms of Reference and to deal with the points raised therein together. The questions under consideration are therefore: "What areas in the Protectorate are suitable for settlement and what size of farms are recommended for the subdivision of these areas."

30. As previously stated it is considered that the whole of the unalienated surveyed land of the Protectorate is suitable for soldier settlement under varying conditions. By this it is meant that land, which, though agricultural in character is by reason of its distance from the railway and markets debarred to a great extent from development as such, cannot be treated in the same manner as similar land more advantageously situated on or near the Uganda Railway, and must be regarded at any rate for the present as pastoral rather than agricultural land.

31. In addition to land already surveyed or available for survey the Commissioners consider that the following areas are peculiarly suitable for subdivision into small farms:—

- (1) Land in the Kikuyu Reserve between Nairobi and Limoru extending for a distance of 10 miles on each side of the Uganda Railway.
- (2) Land in the Forest Reserve on the South side of the Uganda Railway between Njoro and Molo.
- (3) Land in the Forest Reserve on the Western side of the Uganda Railway between Kikuyu and Kijabe.

{ W 1, p.1. W.2, p.1.  
W 3, p.1. W 4, p.4.  
W 5, p.1. W.6, p.1.  
W.7, p.1. W 8, p.1.  
W 9, p.1 W 10, p.  
W 12, p 1 W.18, p  
W 34, p 1.

W.11, p 1 W.12, p 2.  
W 31.

W.31.

32. The Commissioners recommend that in addition to the above three areas, an area of about 87,000 acres South-east of Kericho, the available land at the coast and the already surveyed land of the Protectorate should be reserved for soldiers for such suitable period as may subsequently be determined and grouped and sub-divided as follows:—

DISTRICT.	GROUP.	SIZE OF FARMS.	
Kikuyu Reserve land, (83,000 acres)	1	100 to 300 acres according to amount of land suitable for cultivation and a sufficient water supply.	W 5, p.2 W.6, p.1. W.7, p 1 W 8, p 1. W 9, p 1 W.10, p.1. W.18 p 3 W.34, p 2.
Forest Reserve land between Kikuyu and Kijabe, (20,000 acres)			
M'bagathi Farms, (4,000 acres)	2	As surveyed.	
Forest Reserve land Njoro to Molo, (32,000 acres)	3	200 to 500 acres according to amount of land suitable for cultivation a sufficient water supply and distance from Railway.	W.11, p.1. W 12, p 3.
Western Laikipia (Solai) farms about (120,000 acres)	4	320 to 1,000 acres subject to the provision by Government of necessary road communications and Bacon and Flax Factories and Creameries. If Government assistance as above cannot be given this area should be classified under 6.	W 16, p.3 W.17, p.2. W.18, p.1 & 2. W.22.
Trans Nzoia (430,000 acres)	5	1,000 to 3,000 acres according to class of land.	W.22, p.1, 2 & 3.
All other available surveyed land, (2,000,000 acres)*	6	As surveyed.	W.15, p 1 & 2. W.16, and 2. W.17, p.1. W.19, p.2. W.20, p.1. W.22, p.4
Kericho land (87,000 acres)	7	1,000 acres.	
Coast land, (35,000 acres).	8	160 to 300 acres.	

\*Including Laikipia 950,000 acres, Kenya 370,000 acres, Muhoroni-Kibos 61,000 acres, Kiu 140,000 acres. Ithanga 201,000 acres, Athi Plains 126,000 acres, Sotik 30,000 acres, Nyeri 40,000 acres. Kijabe-Naivasha 60,000 acres, Kaimosi 11,000 acres, and scattered farms in various parts of the Protectorate.

33. Other areas stated by witnesses to be suitable are—

- (1) An area on the lower eastern slopes of Mount Kilimanjaro which has been reported on by the Honourable C. W. Hobley, C. M. G., Provincial Commissioner Seyidie Province, and which in his opinion is suitable for subdivision into some 200 farms of from 320 to 640 acres, each on a permanent water frontage and sufficiently well timbered. The elevation of this area is from 3,000 to 3,500 feet. Mr. Hobley does not consider this an unhealthy district provided a man is careful to live under hygienic conditions. He considers this area particularly suitable for the production of rice and sugar cane.

In view of the low altitude of this area and the fact that there is no experience of white settlement in this part of the Protectorate the Commissioners are of opinion that this area should not be included in the list of areas considered suitable for soldier settlement.

- (2) A strip of land about three miles wide for a distance of about 20 miles to the North and 10 miles to the South of Machakos. This area is entirely within the Wakamba Native Reserve, and the Provincial Commissioner is strongly opposed to its excision from the Reserve.

The Commissioners are however of opinion that the matter should be considered as it has been suggested that this area is wrongly included in the Reserve and that there is evidence to prove that it was not originally occupied by the Wakamba and therefore is of opinion it should be made available for European settlement.

- (3) An area of 121,000 acres in Northern Trans Nzoia.

This area was stated by the Administrative Officers to be available for alienation and was surveyed into 46 farms. Subsequent representations, however, resulted in the area being included in the Native Reserve. The Commissioners are of opinion that this matter should also be reconsidered with a view to reopening this area for alienation.

34. A detailed statement of the requirements for the survey of the above areas will be found in Appendix II to this report.

It is desired to draw special attention to the salaries paid to Surveyors in the East Africa Protectorate as compared with those paid in other Colonies.

#### Re TERM OF REFERENCE No. 5.

#### THE METHOD OF SELECTING APPLICANTS FOR LAND FROM THE CLASS REFERRED TO IN (1) OR OF ALLOTTING LAND TO SUCH APPLICANTS.

35. The Commissioners recommend the formation of a Selection Board to sit in the Protectorate and a branch to sit in England to consider the suitability of applicants with due regard to the qualifications considered necessary as set forth in the reply to Term of Reference No. 6.

It is considered essential that the Branch of the Board sitting in England should include three members from East Africa, having the necessary knowledge of stock and agricultural farming and planting under local conditions. These three members to be nominated by the Board.

36. The branch of the Board sitting in England will be for the purpose of selecting applicants only, whereas the Board in East Africa will deal with not only the selection of persons applying locally but the entire allotment of available farms.

37. Approved applicants will select their farms from maps which will be provided, and the English branch will at once cable such selection to the Board in East Africa which will immediately reply that the farm has been allotted to the applicant or that another choice must be made.

38. The Board in East Africa will only make selection for applicants at their special request but will take no responsibility for such selections.

39. The Commissioners recommend that land should be allotted on the following conditions.—

- (1) All applications by soldiers must be made to a Selection Board.
- (2) Applicants shall be soldiers who do not hold land in the Protectorate or any interest in land or any shares in a Company holding land in the Protectorate of such an extent that in the opinion of the Board it constitutes the holder a landowner.

NOTE.—Owners or lessees of business or residential plots only shall not be considered as holding land.

- (3) Land shall be allotted under the proposed Soldier Settlement Ordinance free of Stand Premium but subject to payment of survey and registration fees and cost of deeds, which payment may be made by annual instalments of 10 per cent. an annual rental at the rate of 10 cents (1½d. approx.) per acre, the development required by the Crown Lands Ordinance 1915, and a condition of personal occupation.

## Re TERM OF REFERENCE No. 6.

WHAT, IF ANY, SPECIAL QUALIFICATIONS SHOULD APPLICANTS FOR LAND UNDER ANY SCHEME OF LAND SETTLEMENT POSSESS OTHER THAN THE GENERAL QUALIFICATION OF HAVING SERVED IN HIS MAJESTY'S FORCES DURING THE PRESENT WAR.

40. The Commissioners after careful consideration of the evidence are of opinion that, for all free grants under the Soldier Settlement Ordinance, applicants should be able to prove a capital of not less than £500 free for the development of the land granted, and that this should be taken as a guiding principle in the selection of applicants. Provided that power should be given to the Board to exercise discretion in this matter in cases which from the facts before them appear to warrant a departure from the minimum laid down, but in making an exception great care should be used.

It is also considered advisable that the applicant should be the possessor of good general health and a sound constitution.

41. Apart from the above the Commissioners do not consider any other special qualifications essential but would emphasize the fact that the man who has shown himself to be adaptable is the man most likely to do well in this Protectorate. W 17, p 6 W 18, p 4

## Re TERM OF REFERENCE No. 7

"THE IMPROVEMENT OF THE MEANS OF COMMUNICATION NECESSARY FOR ANY SCHEME OF LAND SETTLEMENT."

42. In respect to Groups 1 and 3 the Commissioners consider that the necessary roads shall be aligned by the Surveyors at the time these areas are sub-divided. W 9, p 1 W 14, p.1. W.15, p 2. W.16, p.1, and 3.

It is also thought that a considerable amount of earth road construction would be necessary in order to provide sufficiently good communications to enable settlement to be proceeded with. W.17, p 1 & 2. W.18, p W 21, p 2 W 22, p 3.

That the amount of road construction necessary to connect the Solai area (Group 4) with the existing road system should be undertaken prior to the settlement of the area.

That the amount of construction necessary to make serviceable the roads, as aligned by the Survey Department, in the Kenia, Laikipia and Trans Nzoia districts be undertaken.

That a road be constructed down the Laikipia Escarpment to give the Western Laikipia farms access to the Uganda Railway at Nakuru.

## Re TERM OF REFERENCE No. 8.

THE CREATION OF MARKETS FOR AND THE METHODS OF DEALING WITH ANY PRODUCE GROWN BY SMALL HOLDERS SETTLED UNDER ANY SCHEME OF LAND SETTLEMENT.

43. The Commissioners are of opinion that it is desirable not only for any scheme of settlement but for the commercial welfare of the Protectorate, to appoint a Commissioner of Trade.

The duties of this officer would include advice to settlers as to the best markets for their produce, the best industries to prosecute in view of probable demand, and the firms either in the Protectorate or elsewhere which could best supply any ordinary requirements.

44. With regard to the creation of markets the Commissioners, in respect of Groups 1 and 3 consider that, in view of their favourable position on the Uganda Railway no other provision for the disposal of their produce is necessary, but they also consider that it would greatly improve the prospects of settlement in Group 1 if one or two creameries could be provided in order to facilitate as far as possible the disposal of milk. W.7 p 1 W. 8 p 5.

It is considered, for Group 4, that the provision of flax factories and creameries for each 20,000 acres, and of a bacon factory for the whole area, is essential to any close settlement of this district, which is situated about 30 miles from Nakuru Station on the Uganda Railway. W.16, p 3 W 17, p 2. W.18, p.1 & 2.

45. Without the provision of such markets the industries which could be carried on profitably at such a distance from a market are limited to an extent which would make close settlement an impossibility, and the Commissioners are of opinion that, in the event of such assistance not being forthcoming, these farms are not suitable for sub-division into small holdings.

p 1 W 20, p.1.  
p 3

46. With regard to the rest of the surveyed land of the Protectorate it is considered that in view of the present lack of communications the agricultural land in such remote districts as Trans Nzoia, Laikipia and Kenia can hardly be classed as such, but must for the present be regarded as pastoral land only, unless markets in the form of factories and creameries can be provided.

47. The Commissioners would like to lay considerable stress on the fact that the creation of such markets would be a great asset to the general development of the Protectorate. At present many farmers are debarred from embarking on certain projects by reason of the great difficulty they have of disposing of their produce. This difficulty naturally increases with the distance from the Uganda Railway, and it eventually becomes an impossibility for any other enterprise than stock farming to be entertained, unless the settlers are in a position to erect their own factory.

The improvement of communications, except by an elaborate railway system, will not meet the case. The difficulty is one of distance pure and simple, and it is only products of a high value that will bear the cost of transport, which is between one and two rupees (1s 4d to 2s 8d.) per ton per mile.

For a rapid development of the undoubted capabilities of the Protectorate and the consequent encouragement of settlement, the market must for many years be brought to the settler, and the Commissioners are of opinion that every effort should be made to attain this end.

The Commissioners would wish to lay the greatest possible emphasis on this point, as they consider that the lack of such markets will not only greatly handicap the development of the Protectorate, but will mean that many industries which would be of value to the British Empire as a whole must perforce remain for many years to a great extent unexploited.

It is also considered that such factories and creameries if erected by Government would not only pay their way, but would form a source of revenue, and, further, that, should Government so desire, there should be no difficulty in after years of disposing of them to the settlers themselves.

48. Flax and bacon factories and creameries have been erected in various parts of the Protectorate by firms possessing the necessary capital, or by co-operation amongst the settlers themselves, but co-operation is a process of slow growth, born of that mutual confidence which comes to a community after years of close association and a knowledge of the characters and capabilities of its members.

#### Re TERM OF REFERENCE No. 9.

#### THE EFFECT OF ANY SCHEME OF LAND SETTLEMENT ON THE LABOUR MARKET.

p 2 W.2, p 2

p 3 W.6, p 2

p 2 W.8, p 3

p 2 W.10, p 2

p 1 W 12, p 4.

p 2. W 15, p 3

p 6 W 17, p 1 & 3

p 5 W 19, p 1 & 4

p 2 W.21, p 3.

p 2.

49. The Commissioners are of opinion that under existing circumstances the present labour supply of the Protectorate is not organised to cope with any large and immediate influx of settlers.

50. They recommend that immediate steps should be taken to put into operation the Registration of Natives Ordinance, 1915, and to elaborate a uniform policy in the Protectorate for the organisation and control of its labour.

51. The Commissioners consider that with efficient organisation and control the labour supply of the country is sufficient for its requirements, but that until such organisation and control is established the labour question may prove an obstacle in the way of a large and rapid increase of settlement.

52. With regard to labour we gather from statistics that there are about 2,500,000 natives in the Protectorate, of whom between 16 per cent. and 18 per cent. are males between sixteen and thirty years of age. Given efficient organisation and control it is thought that an adequate supply should be forthcoming.

#### Re TERM OF REFERENCE No. 10.

#### ANY OTHER MATTER RELEVANT TO THE FOREGOING WHICH THE COMMISSION MAY DEEM TO AFFECT THE PRACTICABILITY OF ANY SCHEME OF LAND SETTLEMENT FOR THE CLASS OF PERSONS REFERRED TO IN (1).

53. A matter which may well be brought under this heading is that of the effect of Equatorial Africa on the health of the white settler. Opinion would appear to be very divided on this point, and the Commissioners do not wish to express any decided views.

It is felt that the question is one that should be left to the judgment of intending applicants. The medical evidence\* placed before the Commission, which is contained in Appendix I to the report, emphasises the divergence of views on this subject, but also the fact that the matter should be very carefully and closely considered by intending settlers.

p.1 W 7, p 3.

p 2 W 11, p 2.

p.4 W.16, p.5.

p 5 W 19, p.2.

p 4. W 21, p 4.

p 1 W 24 W.25.

W 27 W 28.

W 30. W.32.

\*Written statements were submitted by Drs. Forbes, Bodeker, Mackinnon and Heard who for the purpose of reference are treated as witnesses.

54. Another point on which it is desired to lay some stress is the need for Government Experimental Farms.

It is suggested that it would be of inestimable value to the country if Government Experimental Farms, to which the settlers could apply for advice and direction, could be established at various suitable centres. W 6, p 3. W.8, p.4. W 10, p 3. W 16, p 3. W.17, p.1 & 6. W.18, 1

Many of the witnesses examined emphasised this point, having learnt the desirability of such institutions from their own experience.

In the opinion of the Commissioners the matter is one which is closely connected with the rapid and economical development of the Protectorate.

55. A further important matter on which the success or otherwise of any soldier settlement scheme must to a great extent depend is the provision of sufficient shipping facilities at reasonable rates, together with the release of the requisite supply of agricultural machinery and other necessary material from the restrictions which at present exist in the United Kingdom.

56. The Report of the Commission on settlement schemes submitted by Baron Blxen, Earl Kitchener of Khartoum and Mr. W. S. Bromhead is attached to this report as Appendix IV.

Nairobi,

The 21st November, 1918.

J. W. BARTH,

*Chairman.*

DELAMERE

A. C. MacDONALD.

P. H. CLARKE,

W. MacLELLAN WILSON.

ARTHUR C TANNAHILL.

R. BARTON WRIGHT.

SAMUEL McCALL.

F. W. BAILLIE.

J. E. ALEXANDER,

*Secretary to the Commission.*

## APPENDIX I.

## WITNESS No. 1.

**Col. Ainsworth, c.M.G., D.S.O., Chief Native Commissioner, whose opinion was asked to the feasibility of acquiring a portion of the Kikuyu Reserve land between Nairobi and Limoru for the purpose of settlement.**

1. Col. Ainsworth stated that in 1892 a large proportion of the country between Nairobi and Fort Smith was forest land and at that time between Nairobi and 4 or 5 miles out the country was practically unoccupied by natives.

That on the figures given by Mr. Northcote (Witness No. 2) the present population of the Native Reserve in the Kyambu district is 280 to the square mile and an average of about 400 to the square mile for the area under discussion.

He estimated that the Wa-Kikuyu originally occupied only about half of their present Reserve. He stated that the population of the whole of the Reserve according to the latest figures was 968,703 and excluding the Meru and Embu districts 616,182 for the remaining portion which contained about 2,656 square miles, giving a density of 232 to the square mile, but that this figure naturally varied with the quality of the country.

Col. Ainsworth explained that the amount of uncultivated land to be seen in the Reserve was due to the Kikuyu custom of clearing forest for cultivation and afterwards as the bush sprang up letting it be fallow, when they use it for grazing. He stated that in his opinion a forced removal of the population of the area under discussion would lead to trouble. Of course if the native could be given land elsewhere and was willing to go that would be another matter. He considered that any steps in this direction should be very gradual, and that to attempt to rush matters would disturb the peace of the country, as gradual and equitable measures are the only way to a good understanding between black and white. He does not think that the native can be any further concentrated under the present system of working the land, though from an administrative point of view it would be an advantage to do so.

2. Col. Ainsworth considered that any large influx of settlers would disorganise the labour market. That it would be unwise to introduce a large number of additional settlers until the labour required for existing industries is in a satisfactory position.

He considers that labour would not be forthcoming to meet a sudden large increase in the demand, and that for this reason any scheme of settlement should be proceeded with gradually so that the demand could be met normally.

## WITNESS No. 2.

**Mr. G. A. S. Northcote.**

## DISTRICT COMMISSIONER, KYAMBU DISTRICT.

1. Mr. Northcote stated that the density of population in Kikuyu Reserve land between Nairobi and Lamoru was about 400 to the square mile and that the population was increasing there. That this density of population is from 5 to 7 times as great as in the South African Reserves where they are increasing the native holdings by over 20,000,000 acres.

He would like to mention a point which has to some extent been lost sight of, that is that the Wa-Kikuyu consider that they have absolute tenure of the land in their Reserve. They claim to have bought the rights over this land from the Wandorobo about 100 years ago and there is not much doubt in the minds of those who know the Wa-Kikuyu that this is so. There is an absolute freehold tenure amongst them which is vested in the head of the family and which is feudal.

Mr. Northcote is sure that the natives in the area under consideration would not entertain the idea of going elsewhere. The Wa-Kikuyu already have a saying amongst them that Government is like a mole which burrows under ground and comes up and takes land. He would like to endorse very strongly Col. Ainsworth's opinion that there would be trouble if the natives are moved from this area, and that he is not alone among District Commissioners in this opinion.

He further states that His Excellency Sir Henry Conway Belfield in August 1914, gave a definite promise to the Wa-Kikuyu that their Reserves should not be interfered with. (Vide S. 211 of 20th August, 1914).

Mr. Northcote stated that this belief that they actually own the land existed amongst the Wa-Kikuyu right through the Reserve, and that although according to a ruling of the Chief Justice their title is practically unprovable, it is sound in the mind of the native. He considered that in the thickly populated areas very nearly one-third of the land was cultivated and that in considering this figure allowance must be made for fallow land, and that although native landholders hold up land unjustifiably this is discouraged by the Administration which is endeavouring to improve the native methods of farming.

2. Mr. Northcote stated that in his opinion the labour supply of the Protectorate was inadequate and that if all the land at present alienated were cultivated there would not be enough labour to go round. He considers that, in spite of the fact that the native is being educated to work, so that farmers will not require so many labourers as at present, it is possible for the country to develop beyond its labour supply and that if development went on at its present rate it would not be long before the supply came to an end.

He recently stated before the Economic Commission that he estimated the amount of labour required for the ultimate production capacity of the Kyambu district at between 100,000 and 200,000 men, and that although the present labour consumption was only 14,000 to 20,000 men he considers it very unwise to increase the demand where it is already intense by introducing further settlement in the district. He considers that we are approaching a labour crisis and that to open up a new area for settlement in the district would react adversely on the present settler.

Mr. Northcote also submitted the following statement with regard to this area.

## KYAMBU DISTRICT.

This is roughly estimated as containing :—

640 square miles	..	..	Farms.
385 „ „	...	...	Native Reserve.
250 „ „	...	..	Forest Reserve.

Of the Reserve some 80 square miles lying on the Masai border is practically uninhabited, owing to lack of water.

The population of the reserve being about 85,000 natives, the density of population per square mile in the habitable part is 280 to the square mile.

If there is any idea of taking part of this area for white settlement, I wish only to put forward four points.

In the first place comparison with South Africa shows densities of population in the reserves there ranging from 48.8 in the Cape to 79.45 in the Transvaal, with an average for the Union of 52.26 or almost exactly in the proportion of 1 to 5 with this district; the density of population on native owned lands varying from 67.11 in Natal to 11.05 in the Orange Free State with an average for the Union of 37.31 to the square mile; exactly in the ratio of 1 to 7 with Kyambu. Yet we find the Natives Land Commission of 1916 recommending an extension of native lands to the extent of slightly over 20,000,000 acres or 32,681 square miles. This is done from sheer necessity; we do not want in the near future to find ourselves in that predicament. Admittedly the Kikuyu Reserve is very much more fertile, but there is a big disparity in the figures.



Secondly, it must be remembered that the land to the Kikuyu is all important: it is the basis of his social institutions and enters largely into his religion; the Nyitathi or Cyclic Age "Owning" the land have great privileges and functions. Apart from this the Kikuyu very strongly believes in his purchased right to his "Gethaka" or estates and his equitable claim is indubitable, though he might not be able to prove it in British Courts according to British rules of evidence.

What the Kikuyu holds to be the robbery in 1903-4 of large tracts of privately owned land still causes strong resentment among them: for many years it coloured their whole attitude towards the European. It still so colours it, though to a less degree and the feeling happily is dying out. But very little would raise it afresh.

Predecessors of mine at Kyambu held as I do that our chief, if not only, reason to fear trouble with the Kikuyu would lie in any great interference with their Reserves.

Thirdly, in August 1914, His Excellency the Governor sent a message (S. 211 of 20th August, 1914), to the Kikuyu that the Government did not intend to interfere with their land. Such promises are not lightly to be disregarded.

Lastly, the total population capable of work in the reserve could not supply the present needs of the Kyambu farms even in their present stage of development; development has only recently started: it would be senseless to add to the local demand when the supply is already short.

Kyambu,  
May 18th, 1917.

(Signed) G. A. S. NORTHCOTE,  
District Commissioner.

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#### GENERAL PRINCIPLES.

The question of the settlement of soldiers here needs to be regarded from two aspects, that of the soldier and that of East Africa.

*Nature of Proposal.* Further it must be made quite clear whether this is a scheme of settlement proper or a War Bonus in the shape of land. If it proves to be the latter, *i.e.*, present of land transmutable into cash, it will find few supporters: it would be the worst method devisable of issuing Crown Lands and it would in the majority of cases be no kindness to the beneficiary. Ruling out to the possibility of such an idea the beneficiary's own point of view may be taken first.

*Financial.* Primarily he will be a man with little or no capital and this he will have to borrow: it is clear that he must borrow from those who wish to kick him out. That is to say he must be protected from the land speculator who will lend him money at high interest on a mortgage with the reasonable hope that he will get the chance of calling the mortgage up, and so acquiring the lease. The only body that has a direct interest in keeping him on his land will be the State, and it follows that he must be forbidden, at any rate for a term of years, to mortgage or alienate to any one except the State. That is to say the State will in his and its own interests be compelled to lend him his developing capital, or in other words the corollary of a successful settlement scheme is a State Land Bank.

If during that term of years he wishes to sell he must be able to sell to the State, getting the market price for his land and improvements. These restrictions may appear arbitrary and irksome but fairly conditioned they should not discourage the genuine land seeker, while they ought to exclude the gambler.

If the above argument is good, however, is not the whole scheme condemned? For is not the possibility of a Land Bank expressly excluded by the wording of the first of the terms of reference, "without financial assistance from the Government.?"

*Transport.* Closely bound up with the financial side is the question of transport. Without financial assistance, land will not be obtainable near the existing lines of railway, unless the present owners can put forward some scheme. Presuming that the land will lie in the back blocks another assumption may be made, that the areas granted will be comparatively small, say 160 acres. A third justifiable assumption is that the settlement man in order to pay his interest and sinking fund must at first go in for the low grade produce which grant a quick return, *e.g.*, maize, wheat, &c.

There are two absolutely necessary conditions to success on such lines, the first is markets, the second cheap access to markets. I believe that the markets exist, but how is he to reach them? The slow producing expensive, but high paying products, such as coffee, will be out of his reach for some years, and it is such products that can afford dear transport.

A co-operative scheme would help him, but even a co-operative scheme needs capital, which brings us back to the first problem.

Canada works on the other line: she builds her railway and invites settlers: East Africa can only promise a railway when she gives out land, and during the fulfilment of that promise the soldier settler will eat his heart out.

*Special knowledge required.* There is another difficulty which hinges on the financial question. Farming in any country needs time to be learned and the farmer has to pay for his mistakes. In the tropics the lessons are special lessons, hard to learn and highly expensive. When the soldier settler has learned something of the climate and the language he has still to learn how to manage and keep his labour. The Subcommittee's analysis of a farmer's prospects were very interesting, but they assumed that the farmer brought his own capital, that his cattle lived without dips immune from epidemics, and that his coffee was sacred to the cut worm and antestia bug—in fact that all must be for the best in this best of all possible countries. Unless there are to be heavy initial losses the soldier settler must have an extensive knowledge of the fauna of the country, ranging from the African to the tick. Will he have it, or if not will he be able to stand those initial losses on borrowed money?

*Medical.* What is the medical verdict upon this country? Is it one in which a man, and possibly his wife and children, can rely upon living in for many years, say ten, without a visit to a temperate climate? If it is not, then the "small man" scheme stands condemned. The country must be judged, not from the few examples known to each of us, but on general results. The writer's strong belief is that there are two main classes of agriculturist who can thrive here. (1) the man with a big farm, who grows low grade products on an extensive scale; (2) the planter. The soldier settler cannot acquire sufficient land to enter the former class; his want of capital will prevent his entering the second. In short, that it is not a small man's country and we shall invite him here to his detriment. Very frequently in the press this country is classed among the Colonies; has it any similarity in conditions or climate to Canada, New Zealand or Australia? Does it not lie between South Africa and India and much nearer the latter? Is it not medical opinion that the white cannot live and breed continuously in the tropics and that the third generation tends to be exotic and unfertile? Yet the "small man" must be a continuous resident.

*Experience.* Kyambu started on the small man principle. Where are the original settlers? A few had capital remain and flourish; many who had none have made good in the towns or professionally—the rest, the majority, have gone. Yet Kyambu lies along the railway, labour was half the price it is now. In the face of this experience are we going to plant the small man in the back blocks—"without financial assistance?"

*The East African Aspect.* Recently I was investigating for the Economic Committee now sitting. One question was "what is the ultimate productive capacity of your district?" the answer reads somewhat as follows:—

Coffee or citrus land	...	...	75,000 acres.
Sisal land	...	...	65,000 "
Wattle land	...	...	65,000 "
Sugar land	...	...	20,000 "
Ranching land	..	...	96,000 "
Squatters, mixed farming, useless, etc.	...	...	96,000 "

Supposing that this development took place; there is promise of considerable fulfilment already. The labour requirements would exceed 100,000, supposing that every labourer worked his twelve months in the year. Let us assume that 200,000 is nearer the actual mark required. If this is true of Kyambu's 640 square miles, what of the whole country even now under occupation, the development of our untouched forests, greatly increased demand of the State? The requirements would amount to at least a million yearly. But the total native population, counting Somalis, Masai, Turkhana, amounts to less than 3,000,000—of all ages and both sexes, etc.—or say 300,000 able bodied men. Could the elder men, the women and children supply another 700,000?

Taking these rough figures it is clear that full development of existing alienated areas is impossible without imported labour and yet a suggestion is put forward to import a large number of small farmers who need more labour to the acre than big planters. If development goes on at its present rate even though the native population does its utmost duty we shall shortly begin to feel the pinch and the price of labour will rise and rise steeply. What would be the effect upon the small man, and what would be the effect of his importation here upon the men already here? The former would lose one big factor of his potential prosperity, *i.e.*, cheap labour, and the other would experience not a steady rise but a sudden bound of his wage bill. The situation promises seriously enough without artificial stimulation.

*A Recommendation.* If East Africa wishes to play a part in the matter of soldier settlement let her sell a part of the unalienated Crown Lands to the best advantage of the country and devote the proceeds to settling them in colonies suited to their needs.

Kyambu,  
May 18th, 1917.

(Signed) G. A. S. NORTHCOTE,  
District Commissioner.

Sir,

THE SUGGESTED AREA—NOW KIKUYU RESERVE—BETWEEN NAIROBI AND KIKUYU STATION TO A DISTANCE OF 10 MILES FROM THE RAILWAY LINE.

As certain members of the Commission appeared to me to be under the impression that much of the land in this area now occupied by the Kikuyu has only come into their hands since the European advent, I have the honour to refer you to Sir E. G. Lugard's observations "The Rise of our East African Empire" Vol. 1 pp. 323 et seq. : two points become clear (1) that the Masai country lay beyond the present forests (2) that the Kikuyu habitations were thick at Fort Smith and extended to Dagoretti.

With reference to the first point, Capt. Lugard wrote p. 323 "Kikuyu is surrounded by magnificent primeval forest, and probably owes its rich soil to the existence of former forests, which have been replaced by cultivation, only the skirts being allowed to remain as a protection against the Maasi." The evidence on the second is as follows :—A Kikuyu was found in these forests—Capt. Lugard had travelled from Machakos across the Athi Plains—who guided them through the forest to the cultivated lands and marching on for a while camped at what is now Fort Smith :—he continues p. 325 "when we emerged from the forest and entered the cultivation there was soon a big crowd . . . we camped on a knoll . . . this spot is the one on which Fort Smith was afterwards built by Capt. Smith . . . I did not myself approve of this place as a site for the station because it was situated in the *very heart* of the villages and fields of the Wa-Kikuyu . . . the place was somewhat cramped and firewood not obtainable for a *considerable distance*. I spent some time in examining the surrounding country towards the forest, under the guidance of the local Chief Eiyeki (Waiyaki) and his brothers, and eventually selected a charming site at a *little distance* from the cultivation and villages. A clear mountain stream flowed at the foot of the slope : *beyond* was the dense forest : the name of the place was Dagoretti."

Capt. Lugard, as his story shews, did not go up into the Kikuyu country but describing the part between Fort Smith and Dagoretti he writes p. 328 "The cultivation in Kikuyu is prodigiously extensive, indeed the whole country may be said to be under tillage . . . . We bought some 20,000 lbs. of grain and beans (mostly the latter) in a few days, before starting on the onward march, . . . and this in spite of the fact that a flight of locusts had recently devastated the country, that Mr. Jackson's caravan had bought up large quantities and that this was not the best time of the year for food purchase."

This description of Kikuyu land in April 1890, shews that the Kikuyu had penetrated, deforested, cultivated up to their present boundary at this point and that they were present in very large numbers. The reduction in numbers was due to the great famine of 1899 which in Mr. Krieger's opinion reduced the tribe by three quarters of its numbers.

Waiyaki's village was and is to the South of the Railway line.

The only extensive area that the Kikuyu have gained since pre-British days is the almost waterless grazing ground between the Railway line, the Masai-Kikuyu present boundary and the Eastern boundary of the Kedong farms. This is the only considerable grazing ground of the tribe on this side of the Chania and is of the utmost value to them. This alone is not guarded from the Masai by the forest fringe.

I have the honour to be,

Sir,

Your obedient servant.

(Signed) G. A. S. NORTHCOTE,  
District Commissioner.  
Kyambu District.

## WITNESS No. 3.

**Dr. J. E. Henderson**, Ngenda Mission, Ruiru, whose opinion was asked as to the feasibility of acquiring a portion of the Kikuyu Reserve between Nairobi and Limoru for the purpose of settlement.

1. Dr. Henderson stated that there are two sections of Wa-Kikuyu, one extending from Kenia to the Thika River and the other from the Thika River to Nairobi. This second section had purchased the land from the Wandorobos who were the original owners of this part of the country. The land is owned by the descendants of the man who originally bought it and the sale of any piece of land requires the consent of every member of the family. He is convinced that the Wa-Kikuyu would not be willing to sell their land and that if it were forcibly taken from them that a few white people might be killed by excitable members of the tribe. They are an agricultural people and say that their land is their life and means even more to them than their cattle on which they set great store.

There is a certain amount of emigration up country which is due for the most part to personal matters such as family quarrels, dislike of the headmen appointed by Government, etc., but there is no relinquishment of property and should these men or their children return they would still have a right in the property of the family.

He considers that even if the land is paid for, it will be impossible to make the Wa-Kikuyu, who do not understand the conditions of civilisation, think anything else than that the land has been stolen from them, and that although there is a large movement towards education amongst them that this had received a great set back when all the men between 18 and 35 were taken for the Carrier Corps.

The Wa-Kikuyu are a rich tribe and do not want money, and the fact that they own the land and do not want to sell it answers all questions that can be asked. Dividing the land up and giving them individual tenure would only reproduce the present system under which the land is held.

## WITNESS No. 4.

**Mr. James McQueen**, who has been in the country since 1896 and is farming on 235 acres at Mbagathi. He runs 60 head of cattle on 230 acres. He is at present dairying and raising poultry. He finds his calves rear well.

1. He has been in the country for over twenty years and not been home. He works himself and puts in a full day's work in the sun. He has felt no ill effects. He has six children between the ages of 20 years and 9 years who have never been out of the country and are all perfectly well. He sees no reason why married men should not bring their families to East Africa.

2. He thinks that providing a man is a bachelor and capable of working hard himself, he should make good on a 200 acre farm with a capital of £500. However, after paying labour and living expenses, cost of house, and purchasing stock and implements there would not be much left of the £500. A single man could live on about Rs. 100 per month as he can grow most of his own food. It would however be a long time before he could start saving any money. He thinks that a married man should have at least double this amount of capital, that is, he should have £1,000.

3. He thinks conditions of both occupation and development should be imposed, and suggests that transfer should not be allowed till 5 years' occupation has been put in. He would have a Board to settle all questions of development. If a man turned out to be unfit or unsuitable he would compensate him for any development done and let him go, all such cases to be decided on their merits by the development board.

He thinks a slight surplus of land to enable a man to finance himself would be a good thing.

4. He puts the value of land in the Kikuyu Reserve near Railway at £10—£15 per acre.

## WITNESS No. 5.

**Mr. Claude Watson**, who has been farming near Nairobi since 1906 and grows coffee only with the exception of a few citrus trees just put in.

1. He thinks it would be difficult to divide the Native Reserve along the Railway into small blocks on account of difficulty of obtaining a water supply for each block.

It might be possible to supply a certain amount of water by gravity, but a lot of water would be wasted by soakage, as the soil is very porous.

He does not think it would be possible to obtain water by means of wells.

He thinks that the water supply would be sufficient for 200 acre blocks.

2. He thinks that a man should have sufficient capital to cover the cost of development and keep for two years, say £2,000

For the right man a capital of £2,000 should be sufficient for a 200 acre farm if the land is land given free.

Each man should have a pulper, or possibly two adjoining farms might work with one, as he would not care to carry the cherries much more than one mile. He considers that it would not pay to put up the necessary machinery for less than 75 acres of coffee.

For 100 acres of coffee, at least £1,000 would be required for buildings, machinery and plant which would include engine, pulper, tanks, drying trays, drying shed and store, but not a dwelling house, which is a matter of taste

The cost of bringing coffee into bearing is a difficult question, as it would vary so much with the class of land. Couch grass is twice as expensive to clear as ordinary bush country. Say about £8 to £10 an acre to clear and plant and £6 to £8 per acre for training the young trees, weeding and cultivating. That would be about £14 to £18 per acre to bring coffee into bearing. He would not like to start with less than £4,000—£4,500 to put 100 acres under coffee. This figure would include machinery.

He believes in keeping seedlings a long time in the nurseries. Some he planted out at two years old did very well and yielded a good crop in the fourth year from seed.

He would put the average yield per acre at 7 cwt. of coffee ready for the market.

He would advise a man to plant 9 feet by 9 feet square.

A catch crop of beans is a good thing for the first year.

In the second year, the value of his catch crops largely helped to pay for his labour.

It would probably pay an inexperienced man to get his ploughing done by contract. The present contract price is Rs. 30/- per acre for two ploughings and two harrowings.

3. He thinks that if a lot of small farms were created that the labour question would become very serious. He would suggest larger farms say 500 acres, so that each man would have enough land to keep squatters as the nucleus of his labour, and also for grazing his oxen. He thinks labour conditions will improve and if so labour could be obtained from the Reserve and smaller areas would be possible. He has had some of his boys for 10 years and these work about 8 months a year. The ordinary casual labour only stay for about three months.

Natives are leaving that part of the country, leaving a bibi to hold the land for them. He thinks they are, to a large extent, leaving to get away from the tribal Chiefs appointed by Government. These are not as just as the old hereditary Chiefs and extract a good deal of backsheesh, especially from wage earners.

4. Conditions should be imposed as regards both development and occupation. He would be inclined to make a man develop and occupy for 2 years before he could transfer, but that, if a man is convinced sooner than this, that from any cause he cannot make good, Government should sell his land and compensate him for any improvements he had effected. Selection of settlers would be very desirable but difficult.

## WITNESS No. 6.

**Mr. R. Bladen-Taylor**, who has been farming at Kikuyu and does not know any other part of the Protectorate from a farming point of view.

1. He thinks that Kikuyu Reserve near the Railway very suitable for closer settlement, except for water, which would have to be piped on to the farms. He has tried three wells and gone down as far as 120 feet without finding water.

He thinks the country could be split up into farms of from 160 to 200 acres and that a man would require a capital of £500 to start on such a farm.

He thinks the value of the land about £10 per acre.

His farm is a very fair example of the land in the Native Reserve and a man might reasonably expect to do what he has done, unless he had a very exposed farm.

His farm is 200 acres and he has 88 acres under cultivation and runs 60 head of cattle on the remaining 112 acres. His cattle never go off his land as he does not cut his bush down and the grass beneath it never dries.

On the 88 cultivated acres he has peas, beans, coffee (15 acres) and wattle. Peas are a very paying crop and he has done well out of strawberries.

He hopes to have eventually 150 acres under coffee which would require 6 oxen per 100 acres for cultivators.

He keeps his land under cultivation for 8 seasons but he keeps sheep and goats for manure; the fifth or sixth crop would probably shew signs of falling off if land were not manured.

A man starting on one of these farms with £500 capital should not waste money on a good house but should start with cattle and cultivating peas, beans and vegetables. All spare cash and profits should be put into coffee with a view to eventually making it his main industry.

He advises catch crops to be grown between the coffee for the first two years and recommends peas and beans in preference to maize, as he thinks pulling up the maize roots hurts the coffee.

He estimates a man would require 24 oxen and a few cows for household purposes and for breeding.

He estimates the average cost of preparing land for coffee at Rs. 45 plus Rs. 7 for holeing.

2. He would prefer to obtain his labour from outside as squatters will not stay unless they are allowed to keep sheep and goats, which damage cultivation, and cattle which bring disease.

Introduction of additional settlers would, to some extent, make it harder to get labour.

3. He thinks a system of Government instruction would be excellent.

4. Moderate development conditions should be imposed and he would allow free transfer.

He would give the land free for the first two years and then let a man pay interest on the value of the land. A man would have to work hard to do this.

He thinks any system of selection of settlers inadvisable.

Mr. Bladen-Taylor subsequently submitted the following statement at the request of the Commissioners.

*Castle Farm,  
Kikuyu.  
June 24th, 1917.*

J. E. ALEXANDER ESQ.,  
LAND OFFICE,  
NAIROBI.

Sir,

In connection with my evidence before the Land Settlement Commission and the details I was asked to send in.

1. The largest crop of "Canadian Wonder" beans I have obtained from an acre of ground planted for the short rains was obtained from seed planted in November, 1903, when the crop touched 1,400 lbs. This was new land.

Seed planted at the end of October 1905 in land that had been under potatoes during the April rains yielded approximately 760 lbs. per acre, but a note in my diary states that owing to delay in harvesting a good quantity of beans was lost on the ground.

The only other record I have of beans being weighed to test the yield per acre is for 1910, when seed planted at the end of October in ground that had held mealies during the April rains yielded 980 lbs.

2. I have worked out as carefully as possible from my books the cost of keeping clean an acre of coffee from the time of planting for 4 years, and provided "cultivators" and oxen are regularly used and catch crops put in for 2 years, put the cost at a maximum of £8.

I would like to take this opportunity of asking permission to make one or two corrections in my statements before the Commissioners. I make these corrections because I have had time to think the points out more carefully.

(1) I stated that "couch grass" land would cost up to Rs. 45/- per acre to clean. I rather underestimated for the particular class of land, and would like to place the cost at from Rs. 45/- to Rs. 55/- as my diaries show that I have employed women with knives, after harrowing has been done, to dig the grass out piece by piece, and root by root.

(2) I stated that a man should be able to pay interest on money advanced to him after two years. I would like to alter this, as a result of consideration, to four years.

It quite escaped me to mention that "citrates" (I have the "Lisbon Lemon" and the "Washington Navel Orange") do well in these parts, and that pigs, on a small scale, are an excellent consideration for the small farmer.

I am, etc.,

(Signed) R. BLADEN-TAYLOR.



## WITNESS No. 7.

**Mr. W. H. A. Caine, who is farming at Limoru.**

1. He thinks that the Native Reserve between Nairobi and Kikuyu could be split up into 160 acre farms, for which a capital of £500 would be sufficient.

He thinks there is sufficient water on the East side of the Railway, but that water would have to be found for stock on the Western side.

It is good country for dairying and the supply could be maintained all the year round, if sufficient land were given.

He thinks this land worth about £6 per acre for 10 miles back from the Railway on either side.

A man could not pay any interest on the value of the land for at least 5 years on account of the fact that money can only be made out of exports. He thinks it impossible to make money out of the local demand, a large part of which will vanish when the military go.

He agrees with Mr. Bladen-Taylor that the small settler should get his land under coffee as quickly as possible. Catch crops should be grown but more as a protection for the coffee than for sale.

On 200 acres he would put 50 acres under coffee and catch crops to start with. He would eventually cultivate 100 acres and keep the other 100 acres for stock. He would have a small market garden and orchard and thinks citrus, especially oranges, well worth trying. He thinks Mr. Bladen-Taylor has underestimated cost of breaking up couch grass land.

Central factories would be necessary and 7 or 8 miles would be the farthest distance a man could cart his coffee.

In addition to coffee a man could grow peas, beans and maize up to 5 miles beyond Kikuyu, but he does not mean to infer that these crops could not be grown at Limoru.

Crops that do best in his district are—wattle, rye, flax, linseed, barley, potatoes and lucerne.

Cattle, horses and pigs do well and also fruit trees.

He has always understood that tea was not a small man's proposition unless there is a central factory. He thinks that there is a great future for tea in the Limoru district. All the cleared forest land would be good tea land. Tea requires a lot of labour for plucking but it could be done by women and children. He has only 2 acres under tea but would have had more but for want of means, most of his capital having been spent in experiments. It has taken 5 years to get a full crop from the time the seed was put in the nursery.

He thinks that tea and wattle are the best crops for Limoru and that tea could be grown anywhere between Limoru and Kabete. It requires a good rainfall, about 60 inches. The general idea is that the colder the climate the better the quality.

2. He does not think that the influx of settlers would disorganise the labour supply. He has always held that there is sufficient labour in the country if it is properly organised, and considers that Government should devise a scheme whereby labour can be made available for a settlement scheme. He does not believe in squatters except for permanent boys and thinks the actual labourers should be obtained from the Reserves.

Further a man with a small acreage would have no room for squatters. It would always be difficult to retain squatters on farms that have no forest on them.

3. He does not agree that a healthy white man cannot work himself in the highlands. He has done it himself and is none the worse for it. He thinks it is a good thing for a man to work with his labour.

He has been in the country 14 years and not been home, and thinks that, though not absolutely necessary, an occasional trip home would do a man good.

Mr. Caine subsequently submitted the following statement at the request of the Commissioners.

*Limoru,  
20th July, 1917.*

THE CHAIRMAN,  
THE LAND SETTLEMENT COMMISSION,  
NAIROBI.

Sir,

I have the honour to submit you some statements and reports as promised, on the possibilities of developing a 160 acre farm in the Kikuyu Native Reserve district and my remarks principally apply to the land on the East side of the Railway.

No. 1 statement was the actual result of a neighbour of mine planting up half an acre under coffee before the war and shows that the cost of planting up an acre and keeping it clean for 3½ years works out at Rs. 80/- or at the rate of Rs. 23/- per annum.

No. 2. In demarcating boundaries, arranging water supply, providing a bull and boar for service and such other general needs, I am presuming that the settlers will co-operate and in any case be provided with some assistance from the Government.

No. 3. In considering this statement, it will be understood that I have for some years been giving my labourers wherever possible piece or task work to do and it is wonderful how quickly the native can and does work when he knows that he is free for the rest of the day, when that task is finished, and I have found that they prefer this way of working and believe that the natives in the Reserve would work under the same conditions.

No. 4. In considering yield of crops I have stated only what has actually been harvested on settler's farms in this district and no account has been taken of the particular conditions arising in the Native Reserve where the soil may have been worked for very many years and become impoverished on the surface, yet good cultivation would soon renew its fertility.

I have not allowed for the settler's living expenses, as these vary.

I consider 12 oxen ample to start with, as I have never had occasion to put more than 6 in my plough on this land and after it is once broken 4 good oxen will work comfortably in a 14 inch cut single furrow mould board plough, the settler would be in a position to buy more oxen when he found he had much carting to do.

*Grass land or couch grass.* I am sorry I cannot give your Board any personal experience of working this and would suggest that the Manager of Kabete farm could supply facts and figures. I think it would work out at three times the cost of bush land, other farmers I have consulted put the cost of working couch grass land at from Rs 50/- to Rs. 75/- per acre, to get it into good tilth for coffee, others who claim it costs £12 per acre generally turn out to be contractors who will take on the contract for two years at £12 per acre, *i.e.*, get the land ready, plant it up and keep it clean for two years. As their profit has to come out of this, I do not see what reliance can be placed on their evidence that it costs £12 per acre.

I must apologise for the delay in sending you this report which I hope may be of some assistance to you, but I have no assistance at present on this estate and my time is greatly occupied, so that I have not been able to devote the time to it which it deserves, and hope any oversight or discrepancy which may occur your Board will make allowances for.

In conclusion I am confident that the right kind of man will make good on a 160 acre farm with a working capital of £500 providing he is not allowed to fail through no fault of his own ability and industry, by which I mean that the Government must organise the labour and see the incoming settler has sufficient, also see that he has a market for his produce as soon as it is harvested and in fact assist him wherever possible with advice and instruction as most Governments do, who wish to encourage closer settlement.

It is nonsense to assert that a white man cannot perform manual labour in the highlands of British East Africa. For the first five years I was here, I worked from daylight until dark out doors and in the fields and I felt in better health for it. I came here from the Transvaal where I was subject to periodical attacks of malaria. I have not had one attack during the thirteen years I have been in this country, therefore I maintain a settler who is strong in wind and limb and willing to labour himself on his own farm will do well, the natives are encouraged by seeing their masters work and if he shows them himself how work should be done. I have got five times as much work out of them when forking hay on to a waggon by using a fork myself. If from any physical disability the masters cannot do manual labour, his personal supervision will reduce costs.

Other produce can be grown of course to advantage and dairying and pig breeding made profitable even on 160 acres though 300 acres would be better in this district, but where coffee can be cultivated I consider it should be the main crop to look forward to, especially as I hope and believe that capital will be encouraged to erect and work factories of all kinds, in which case, the small man's future here is assured, as he will not only have a market close at hand for his produce, but it will mean a considerable increase in the consuming population of the country and this is what the farmer relies on to sell with advantage other products.

A farmer should not, in my opinion, be his own merchant, and should be able to sell his produce on the farm or nearest town to a firm who export.

I trust this report may be of some assistance to you and your Board for I am very much in favour of a closer settlement scheme being carried out in the country.

I have the honour to be,

Sir,

Your obedient servant.

(Signed) W. H. CAINE

## 1. LIMURU.—JUNE 23RD, 1917.

Result of planting up half an acre of medium bush land on a farm two miles south of Limuru Railway Station.

	Rs.	Cts.
Total amount expended at date	...	40 37
Coffee plants being in the ground 3½ years. This included cost of plants, clearing, planting and keeping clean for the 3½ years. The owner having gone on active service no catch crops were planted and no pruning was attempted. The coffee trees are looking well and berries have been formed on the larger ones. Had the owner been able personally to attend to the plot and plant catch crops I estimate his return as under for the half acre.		
First half year short rains 15 loads of maize at Rs. 2/-	...	30 00
One year long rains 12 loads seed peas at Rs. 7/50	...	90 00
One year short rains 10 loads beans at Rs. 4/50	..	45 00
Two years long rains 12 loads seed peas	... ..	90 00
Two years short rains 8 loads beans	... ..	36 00
		<hr/> 291 00
Less expenditure as above	... 40	37
Less cost of sowing, harvesting and cleaning up the catch crops, Rs. 5/- per annum per acre for 2½ years	... ..	12 50
Less cost of shelling and bagging	... ..	12 50
Cost of seed :—		
1st year 10 lbs. seed maize Re. 0/50	} ...	29 50
„ „ 2 loads pea seed Rs. 20/-		
„ „ Bean seeds Rs. 9/-		
2nd year 2 loads pea seed Rs. 20/-	} 29 00	.. 123 87
„ „ Bean seed Rs. 9/-		
Showing a profit on the ½ acre of	... ..	167 13

(Signed) W. H. CAINE.

2. TO DEVELOP A 160 ACRE FARM SITUATED IN THE NATIVE RESERVE BETWEEN KIKUYU AND LIMURU.

My ultimate aim would be to have			
under coffee	...	Acres	50
„ mixed crops	...	„	30
„ deciduous fruit trees	...	„	4
„ lucerne	...	„	2
„ citrus	...	„	3
„ market garden	...	„	2
„ nurseries	...	„	1
„ enclosure for dwelling house, etc.	...	„	2
„ grazing area	...	...	66
			<hr/> 160
The first year I would get under coffee	...	Acres	10
The first year I would get under mixed crops	...	„	40
Prepare for orchard	...	„	1
Market garden	...	„	½
Nurseries	...	„	½
			<hr/> 52

I would demarcate my boundary by planting two rows of blackwood or black wattle trees which would eventually be fenced with wire to the living trees, and I would arrange with my neighbours to share the expense.

The second year I would hope to get the balance under cultivation, putting the 4½ acres cultivated, under coffee and breaking up, preparing and planting the areas stated above.

(Signed) W. H. CAINE.

17th July, 1917.

3. REFERRING TO ORDINARY BUSH LAND IN NATIVE RESERVE  
BETWEEN KIKUYU AND LIMURU STATIONS.

Cost of clearing, breaking and preparing one acre of medium bush land, *No grass*, at Limuru by piece work or with good personal supervision of labour, can and has been done at Rs. 20/- which includes Rs. 6/- for weeding one year, and hoeing and planting coffee.

I have found the Kikuyu native ready to undertake piece work, so long as the task set them is reasonable and this works out cheaper and better than paying regular wage per mensem or diem.

Slopes with a south-west aspect would be chosen for planting coffee and this practically means all hand labour, but I have allowed the price per acre, viz., Rs. 20/- for all the bush land, whether worked by hand or machinery, which will allow a good margin, as this is the price it can be done by hand.

Also there is a good deal of cleared land in this district and situation, at present being cultivated by the native, which would still further tend to reduce working costs.

The soil after you pass Kikuyu station coming to Limuru becomes a chocolate loam and is very easily worked and reduced to a good tilth quickly and easily, there are no heavy clods to break up which you find in stiffer, heavier soils.

(Signed) W. H. CAINE.

13th July, 1917.

EXPENSES OF DEVELOPING A 160 ACRE FARM THE FIRST YEAR WITH  
£500 OR RS. 7,500/- WORKING CAPITAL.

*Estimate of Expenditure, Initial.*

	Rs.	Cts.
Small weather board house	400	00
Small kitchen, iron roof	75	00
2 boys huts at Rs. 15/-	30	00
Rough store built with wattle poles	50	00
1 tarpaulin	120	00
6 yokes Rs. 30/-, 6 chains Rs. 42/-	72	00
Carpenter's tools	75	00
6 axes	15	00
2 water tanks	150	00
Furniture	150	00
1 mould board plough 14 in. cut	150	00
1 zig-zag harrow	100	00
1 planter's friend	75	00
1 planet, seeder and weeder	45	00
1 spring waggon or trolley	350	00
24 pangas	36	00
24 fork jembsies	48	00
12 rems and strops	18	00
1 hand maize sheller (Mohawk)	10	00
12 trained oxen at Rs. 75/-	900	00
General Expenses	2,869	00

*Estimate of Expenditure for the first year.*

	Rs.	Cts.
10 acres of land on slopes planted with coffee ...	200	00
40 acres of land mixed crops, planted ...	800	00
1 acre fruit orchard preparing ...	15	00
$\frac{1}{2}$ acre market garden ...	8	00
$\frac{1}{2}$ acre coffee nursery ...	10	00
90 lbs. coffee seed at Rs. 0/30 ...	27	00
Coffee plants for 10 acres ...	180	00
Maize seed for catch crops, 12 lbs. per acre ...	6	00
Maize seed 20 acres at 18 lbs. per acre Rs. 3/- per load ...	18	00
Pea seed 10 acres at 90 lbs. per acre Rs. 10/- per load ...	150	00
Bean seed 10 acres at 90 lbs per acre Rs. 4/50 per load	67	50
Harvesting, cleaning, bagging, etc., 40 acres at Rs. 10/- ...	400	00
Harvesting on 10 acres catch crop	100	00
1 headman, at Rs. 10/-	Rs. 120/-	} . 504 00
4 men at Rs. 6/-	Rs. 288/-	
1 ox driver at Rs. 8/-	Rs. 96/-	
Maize, pea and bean seed for second season ...	241	00
Harvesting second crops, etc. ...	400	00
	<u>3,126</u>	<u>50</u>
Add general expenses ...	2,869	00
	<u>5,995</u>	<u>50</u>

## ESTIMATED YIELD.

## REVENUE.

Maize.	30 Loads per acre @ 2/- = 10 bags @ 6/- =	Rs. 60-00
Peas.	30 Loads per acre @ 3/- =	Rs. 240-00
Beans.	20 loads per acre @ 4/- =	Rs. 80-00

## REVENUE.

First season, long rains, 10 acres of peas between coffee ..	2,400	00
Second season, short rains, 10 acres of maize between coffee ...	600	00
Second season, 20 acres maize ...	1,200	00
Second season, 10 acres peas ...	2,400	00
Second season, 10 acres beans ...	800	00
First, season say $\frac{1}{2}$ return as above ...	2,200	00
	<u>Rs. 9,600</u>	<u>00</u>

(Signed) W. H. CAINE.

20th July, 1917.

## WITNESS No. 8.

**Mr. William Hall**, who has been farming at Limoru for 12 years at an elevation of 6,900 feet.

1. There is land similar to his in the Naitive Reserve but near the Railway it is not well watered. He thinks this would all be good dairying land if grass were grown on it.

He thinks 300 acres would be a suitable size for farms, but that they would require to be larger when the water supply is small.

He started with £650 but he thinks that to start dairying and mixed farming on a 300 acre farm a man would require now at least double that amount. There is an imported weed called by the natives MacDonah which adds 100 per cent to the cost of clearing land. This weed kills even sweet potatoes. He considers the presence of this weed is one of the reasons that the natives are leaving this part of the Reserve. He thinks that if a man were given 200-300 acres and had a capital of £500 he could just about exist.

He has 40 acres under coffee and it has done well. It is slower in growing than at lower levels but bears equally well, it also requires more sheltering at this altitude.

He has grown barley, wheat, maize, beans and peas. Barley, maize and peas all did very well. You can get a yield of one ton per acre per annum from peas.

He is now running cattle on his farm, having given up mixed farming on account of labour difficulties. His cattle do very well. He runs about 100 head on 100 acres and does not have to feed. Calves are easy to rear.

He does not artificially feed his calves, but leaves his cows with sufficient milk for them. He thinks that artificial feeding is one of the causes of so many calves being lost.

It is very good dairying country and you can reckon on 2 lbs. of butter per cow per week, the cows being in milk for 6 months in the year. That is 52 lbs. of butter per cow per annum. A man should have at least 100 cows to start a dairying business and if he had a creamery near to hand he should do well.

He once had some sheep on the farm, but found they required a lot of care. He thinks the district too wet for sheep.

Pigs do very well and pig-breeding is an industry that brings in a quick return.

He has grown flax but does not think that it is a crop to be relied upon. It grows too quickly and is affected by the uncertain rainfall. That is that at times you get too much rain and at others not enough.

Natives have told him that they bought land from the Wandorobo and that definite marks were put in. That is that certain families own the land. These families lease land to tenants, and it is the latter that are at present migrating to Nakuru and Njoro as they dislike paying the fees the native owners demand. He thinks the headmen would sell if they had somewhere to move to but he does not think the land-owning native would be willing to work.

2. He thinks it unnecessary for a man to go home periodically. He has worked hard out here and has felt no ill effects. He has 3 children, aged 22, 16 and 9 years, who have never been home and are quite healthy.

3. He thinks that, unless some system of controlling the labour supply is introduced, it will be very difficult to obtain.

4. He thinks that if the land is given free, conditions of both occupation and development should be imposed. He would suggest that a man should occupy for three years before title is given and that he should be required to do certain development, according to the class of farming he went in for. The question of the class and extent of development to be left to a Board. He thinks it would be a very good thing to make fencing compulsory. Of course if a man found he could not stand the climate or was convinced he could not make good before his 3 years were up, he should be allowed to go and compensated for the development he has effected.

5. He thinks that if Government were to erect creameries and bacon factories it would be a great assistance to a small man.

## WITNESS No. 9.

**Mr. James Burton**, who is employed at the Government Farm, Kabete, and has been in the country since 1903. He was on a rubber plantation at Kibwezi for a year and was farming at Lumbwa for two years. Most of his time has been spent in Government employment.

1. With regard to land in the Native Reserve in the vicinity of Kabete, he thinks that the minimum area which should be allotted is 200 acres.

The great difficulty would be the difficulty of getting a water supply and transport.

The water problem would be most difficult.

The water is all in the hollows and a man would have to bore to a great depth before he reached it.

The only way to deal with the situation would be to dam the streams and pump the water up on to the ridges, which are the only places on which a man could make his homestead.

Transport would be another obstacle, as the Kikuyu country is all ridges and road-making would be difficult.

This is a good part of the country for coffee, maize, beans, peas, barley, potatoes, pigs and dairying, and with an area of 200 acres and a capital of £500 a man should make a good living. This is all good mixed farming and dairying country.

Land could be cultivated ready for coffee for £2 per acre as the couch grass is mostly surface grass and there is no stumping to do.

You could run two cows to 3 acres on this land and with artificial feeding on less.

A man with £500 would require more assistance than being merely given the land. He would want the whole of his £500 for development and should be assisted in the way of passages, especially if a family man.

In two years time a man should be able to pay 5 per cent. on a capital value of £5 per acre.

2. A man would want always to have 60 boys for labour on a 200 acre farm, even after he got things going. Weeds are very difficult to keep down.

3. The land should be given free and development conditions imposed. A man would have to cultivate the whole of his holding to make a living out of it.

He thinks transfer should be restricted.

## WITNESS No. 10.

**Mr. Douglas Cooper**, who has been farming near Nairobi since 1904.

1. He does not agree with Messrs. Taylor, Caine and Buxton as to capital required, which he thinks should be £1,200—£1,500 for land in the Native Reserve, as this land is very difficult to clean owing to couch grass and there is a lot of stumping to be done.

It is good land for coffee and citrus which should yield a good income.

He does not consider it is good dairying country as there is a lot of disease of most descriptions.

The cows do not milk as they do on the plains grass and it is difficult to raise the calves.

A man would require 20 to 22 cows to have 10 always in milk as cows do not milk longer than 6 months.

A man should make about £300 a year out of dairying alone with a capital of £1,500.

Major Montgomery, the Government Pathologist, does not consider this good cattle country.

Apart from dairying and coffee a man with a capital of £500 could make a living out of market gardening and pigs on a 200 acre farm provided the market was not flooded, the demand being very limited.

The natives believe they own the land and that it is handed down from father to son. He thinks if this area were given out in, say, 1,000 acre blocks and the natives allowed to remain squatters, they would not object, as they like to get away from tribal control and be under a white man.

He also thinks they would be willing to move if compensated and given land elsewhere to go to, and does not think such a move would lead to trouble if judiciously done.

The land required by squatters would be about one acre per wife.

2. He thinks that if this area were fully planted up there would not be enough labour to go round.

3. A man should be given some months of local agricultural education before being put on the land and afterwards should be under some system of direction.

4. On this area stringent development conditions should be imposed and the settlers carefully selected. Capital is essential.

A man should be made to reside on the land for 2 years before he could transfer. In fact he would attach the conditions to the man and not to the land.

Mr. Cooper subsequently submitted the following statement at the request of the Commissioners

*Kirawa Farm,  
Nairobi, B.E.A.,  
June 23rd, 1917.*

THE CHAIRMAN,  
THE LAND SETTLEMENT COMMISSION,  
NAIROBI.

Dear Sir,

As requested by you, I beg to enclose statements showing the cost of bringing 100 acres of coffee into bearing together with earnings over a period of 4 years. These are actual figures and in no way estimates. Taking the figures as a whole I consider that the money has been well spent, with the exception of stock account, when the buying was bad and the management of the cattle not of the best.

*Building Accounts.* Cheaper buildings might have been erected at a saving of say Rs. 2,000. If you add Rs. 12,000 for the cost of management during the 4 years, the nett capital required will be Rs. 24,495/04 say £1,633.

I have not included the cost of a factory, about Rs. 11,000, as arrangements can generally be made with the Banks, when coffee is in bearing.

The estimated yield for the fifth year is 25 tons at £71-10-0 = £1,787-10-0.

The price of the coffee is based on two tons sold in March at £90 a ton, the difference being freights, sales charges, sacks, &c.

From the above figures you will see that a coffee plantation is a lucrative business and in this district a fairly safe one.



There are any number of middle class men fighting both in the ranks and with commissions and it seems to me that this country is more likely to appeal to that class than to the labouring class, while in all probability there are great numbers who could raise £1,500 to £2,000 capital, a sum of money too small to start with in most businesses.

You also asked me to supply figures, which I now beg to enclose, with regard to dairying on a capital of £500. The profit on the year's trading Rs. 1,374/50 or 18% on the capital expended is not sufficient in my opinion, considering the great risk entailed from disease in this district. A man could live on the amount earned, but there is very little prospect ahead of him and I should say a man capable of starting a business out here would earn more at home.

The only branch of farming with a capital of £500 in this district, capable of supporting a man with any degree of comfort is market gardening and the market for vegetables is very limited.

In the dairy scheme I have put the year's increase at 7 calves, my own rate of increase for last year, but in previous years it has not been nearly as much. Probably the Director of Agriculture could give you figures for the rate of increase on the Government Farm previous to 1914, which would be more reliable than mine, as they did not milk their cows for profit there.

The profit on my own dairy has varied from 10% to 17% which considering the very risky nature of the business is too small.

Believe me,

Yours truly,

(Signed) H. DOUGLAS COOPER.

ESTIMATE OF EXPENDITURE REQUIRED TO START A DAIRY HERD  
IN THE KIKUYU COUNTRY ON A CAPITAL OF £500.

	CAPITAL ACCOUNT.	Rs.	Cts.
20 grade cows at Rs. 300/- each	... ..	..	6,000 00
1 grade bull at Rs. 300/-	... ..	...	300 00
<i>Cow Byre</i>			
Thatched roof, stone floor of rammed stone, sides of spli. poles		450	00
<i>Dairy.</i>			
Thatched roof and sides, rammed stone floor	... ..	...	100 00
<i>Dairy Utensils.</i>			
Churns, separator, butter worker, pails, milking cans, &c.	... ..	...	350 00
<i>Dwelling House.</i>			
Thatched, mud walls and floor	... ..	...	300 00
		<u>Rs. 7,500</u>	<u>00</u>

RECEIPTS DURING FIRST YEAR.

	Rs.	Cts.	Rs.	Cts.
10 gallons milk a day at 50 cents a gallon	...	...	...	1,825 00

EXPENSES.

Wages 3 boys at Rs. 8/- per month	...	288	00	
Dipping 21 head, 3 day dip at 6 cents	...	162	50	
		<u>450</u>	<u>50</u>	
Profit	... ..	...	...	<u>1,374 50</u>

Calves reared : 7 at Rs. 30/- = c/a Rs. 210/-

CAPITAL EXPENDITURE REQUIRED TO BRING 100 ACRES OF  
COFFEE INTO BEARING OVER A PERIOD OF FOUR YEARS.

	Rs.	Cts.
To implements and tools account . . . . .	1,828	93
To general charges account . . . . .	588	98
To live stock account (oxen) . . . . .	3,911	92
To coffee account . . . . .	15,778	96
To building account (dwelling house, stables, corn-crib, cart shed, tool shed) . . . . .	7,491	14
	Rs. 29,599	93
	Rs. 29,599	93

BY COFFEE ACCOUNT.

	Rs.	Cts.
1st year sale of beans and maize grown as catch crops . . . . .	246	50
2nd year sale of beans and maize grown as catch crops . . . . .	891	84
3rd year sale of beans and maize grown as catch crops . . . . .	1,958	96
4th year sale of beans and maize grown as catch crops . . . . .	2,086	42
4th year stock of maize unsold (dry) . . . . .	300	00
4th year 3 tons 10 cwt. 100 lbs. coffee part sold locally, part in England . . . . .	3,575	52
4th year 7 tons 10 cwt. unsold on account of prohibition of export say at £71-10-0 . . . . .	8,045	65
	Rs. 17,104	89
	Rs. 17,104	89

## WITNESS No. 11.

**Mr. Q. O. Grogan**, who is farming near Molo.

1. He thinks the forest glades in the vicinity are suitable for cattle, as they are isolated, practically fenced, well watered and contain good grazing.

He does not think that any crop could be depended upon at that altitude.

He is actually farming on open grass land which he thinks was never forest and can grow only vegetables and potatoes.

He is farming on 160 acres and goes in for cows, pigs, poultry and vegetables and makes it pay, but considers his farm conveniently situated for disposal of his produce. He does not however think a distance of say 2 or 3 miles from the Railway, would make much difference, except for the sale of milk. At that distance one would have to keep more porters for that purpose.

He has a good market and could do better with more labour. He hopes to make at least £400 a year. He cannot at present keep up with the demands of the market.

He thinks that part of the country good for dairying but would only attempt to grow such crops as are required for cattle and pigs.

A capital of £300 to £400 would be necessary to produce a return of £10 per month.

A man with a capital of £600 and an average of 300 acres should do well for some time but that later he would find himself short of room for separating his stock.

2. A trip home or a good change every 2 or 3 years would be necessary for anyone living at this altitude, which is about 8,000 feet.

## WITNESS No. 12.

**Mr. Eustace Atkinson**, who lives at Londiani but does not know country far away from there.

1. He thinks Native Reserve between Nairobi and Limoru is one of the areas in the country where a small holding scheme might be successful. You have a definite industry, coffee, which a man could start on with a certainty of success.

2. Land between N'joro and Molo in Forest Reserve would be very good land when cleared, but the clearing would be expensive. This however might be made to pay for itself by selling fuel to the Railway. This would be good land and well watered and well suited for small holdings for mixed farming.

There would probably be about 70 to 80 square miles extending to about 7 miles from the Railway. There might be small areas of timber worth preserving for commercial use, but for the most part the timber was not too sound.

The elevation is about 7,200 to 7,800 feet and a very healthy climate.

3. Forest glades are of three descriptions.

(1) Shallow soil on high rocky ground.

(2) Swamps.

(3) Land which has been forest, which is admirably suited for farming.

The average forest glade is sour land and a swamp in wet weather. There are possibly 15,000 to 20,000 acres of land in the present Forest Reserve which could be cut up into 500 acre blocks for mixed farming including dairying, stock, pigs, flax, &c.

All these would be within about a mile of the Railway. Further away from the Railway, say 20 miles, the farms should be larger as a man would go in for more stock and less cultivation.

Farms should be as large as possible so as to enable Government to dispose of as much land as possible and to get the land developed.

4. He thinks that labour difficulties should not be considered as labour conditions are always changing. Shortage of labour would tend to force those industries which required least labour.

5. Selection of settlers would be very difficult and he would not attempt it except perhaps to give preference to a man who shews that he has the means to develop, but would only do this if there were more applicants than farms, and if this were the case a residential condition might be imposed.

He thinks any other form of selection other than by proof of means impossible, one man is just as likely to do well as another, and it is quite likely that a man altogether without experience of farming would do better than a man with experience of other countries to handicap him.

He would make a man appear in the country before giving him any land but would not compel him to remain if he was unwilling to do so, he should be given a title and let him sell and clear out.

All available land in the country should be thrown open for settlement to the public and he would make no distinction between ex-soldier and civilian. The great thing is to get the land out of the hands of Government into the hands of others who would do something with it. He would not impose any development conditions which often lead to useless waste of money.

## WITNESS No. 13.

**Mr. J. H. Cameron**, who has lived 3 years at Londiani where he manages Lord Cranworth's farms.

1. He knows a few forest glades which are either swamps or mountain tops, in either case unsuitable for agriculture, but he does not know of any unalienated deforested land between Londiani and Lake Narasha except Land Office No. 1860. There is land South and East of Londiani suitable for agriculture and some alienated farms near Lake Narasha. These would be suitable for cattle, pigs, flax, barley, oats and potatoes. Pig-feed would have to be bought, as maize will not grow.

If a man could raise 50 acres of flax per annum he would make a living out of it provided there was a factory within 10 miles of his farm.

He recommends that a man should make flax his main industry with pigs, poultry, vegetables and dairying to help out.

A man would not do with less than 500 acres and should have a capital of at least £500 to start with. His implements and cattle would cost him £300 and then there is a house and living and wages for 6 months when he would draw his first crop.

Though the Lumbwa creamery is near, he does not think a man could do on a smaller area, even if Government advanced a few cows for dairying purposes. Cattle do moderately but there has been a good deal of disease lately.

He suggests 500 acres as a minimum because a man would require 150 acres for flax, would require a certain amount under forest for fuel, and the rest for grazing, vegetables, gardens, bomas, &c.

A man who has 50 acres under flax should make a profit of about £250 per annum, by selling his straw to a factory. If he had an interest in a co-operative factory he would do better. The pre-war price of flax was £70 per ton.

A moist atmosphere is better for flax, that is that in a moist atmosphere one should get a higher percentage of fibre.

After 3 years he intends putting his flax land under maize in order to clean it. This could be done equally well by potatoes, beans, &c.

## WITNESS No. 14.

**Capt. H. de la Poer**, who is farming in Western Kenya.

1. He does not think Kenya farms are suitable for closer settlement on account of difficulty of obtaining labour, difficulty of transport, and the fact that that country is no good for agriculture. It is 96 miles from Nairobi to Nyeri and the cost of transport is Re. 1/- per mile per ton. This and the fact that there is no local market make dairying impossible.

He thinks this is purely stock country and that the smallest sized farm should be 5,000 acres for which a man should have at least £3,000 capital.

There is good rainfall.

He has looked for, but never found, depth of soil.

It might be possible to grow flax and wheat but transport is against such industries.

He is told it is not a good sheep country.

2. The Provincial Commissioner had said that the local Farmers Association should warn intending settlers that the labour supply was extremely limited.

## WITNESS No. 15.

**Capt. Claud O'Hagan**, who is farming at Nyeri.

1. He does not know West Kenya land well but has been through it. He thinks it good for settlement, for large holdings, not for small. He thinks farms should not be less than 2,000 acres and that is on the small side.

The land between the Ngare Ndare and Siolo Rivers is very stony and rough and not well watered, 100 yards from the river banks it is quite barren. The natives in this part of the country do not, he thinks, water their cattle every day.

He has been through North-West and North Kenya and considers this purely grazing land, and does not think the size of these farms (4,000 acres) could be reduced.

He has done no ranching in this country and can give no idea of the amount of capital required to start stock on these farms. If these farms are sub-divided he would not like to take one of the plots as a cattle proposition himself. The rainfall is, he understands, very small. He would not recommend this part of the country for the small man. It would be quite hopeless to attempt coffee.

2. Near Nyeri there is good agricultural land, but he does not think it good for cereals. He bases this statement on a Report from the Imperial Institute to which several samples of soil from his farm were submitted.

He put in an experimental crop of beans which did not do well. He does not consider beans a good crop in his class of red soil.

He thinks that maize would grow well and that there will be no difficulty in disposing of the crops (to the Frontier) for many years to come.

He thinks that flax has been started in the Nyeri district, but has heard that it is not doing well. The Imperial Institute Report stated that the soil is not right for flax on his farm.

In the immediate vicinity of Nyeri there is good land in the Native Reserve, and there are patches of coffee land on Farms 12, 31 and 32. He does not consider Farms 13, 26, 27, 28 and 30 coffee or even agricultural land. Farms 14 and 15 are very good land but they are very high and perhaps wet. He thinks that they are grazing land. He has no experience of agriculture on this type of soil.

In the Native Reserve South of Nyeri there is much good coffee land to be found, close into the Nyeri Boma and along the Nyeri-Fort Hall road.

His own farm is just over 300 acres and it is not large enough for his requirements. He has something over 150 acres under coffee which in the near future will be increased to 200. The remainder is not enough to provide grazing for his cattle, shambas for his labour, &c.

He estimates that it will take at least three teams of oxen to draw his crop, on account of the distance to Thika (70 miles). He reckons to load about one and a half tons on a waggon, as he thinks that the road is too bad to allow of the use of buck waggons in charge of Kikuyu drivers. He reckons that the journey takes about a week each way. The oxen require a rest between trips as the grazing along the road is so bad, there being no proper outspans provided.

In his opinion to plant 200 acres of coffee, a man would require a farm of at least 500 acres in the Nyeri district, this is of course partly due to transport difficulties.

He would estimate the cost of clearing, stumping and cultivating ready for planting coffee in the Native Reserve, at £10 per acre, but this of course depends on the kind of land, class of soil, &c.

3. He thinks that the great difficulty the small man will have to face, will be the labour problem. It was difficult before the war and he thinks it will be worse after it is over. He feels that the small man just starting would not be able to afford the inevitable rise in the price of labour, and he thinks that this will militate against any small holding scheme.

There is always a drain on the labour supply of the district from other parts of the Protectorate.

4. He does not think that a white man can work in the sun out here in the same way as he can at home, he thinks that this also will doom close settlement.

He would like to say that if white men are to be sent anywhere up in the Uaso Nyiro district it should be strongly pointed out to them that it is not a "white man's country" any way from a children's point of view. He does not think that children will do up there after the age of 10 or 11 years. His children at Nyeri are very fit but they have not reached that age yet. He has noticed some of the Dutch children do not look fit. Of course the question of children is a moot point in this country.

## WITNESS No. 16.

**Hon. Galbraith Cole**, who is farming at Galgil, and knows the Kenia farms and part of Laikipia.

1. With regard to Kenia area, he thinks this is suitable for farms of 3,000 to 5,000 acres, and that the slopes of the Aberdares would be good agricultural land but that any agricultural proposition is out of the question.

Owing to complete lack of communication in the way of roads or railways a grazing proposition is the only one that presents a possibility in these outlying districts. Broadly speaking, it requires £1 per acre capital to bring such a proposition on to a profitable footing irrespective of the cost of land.

2. The northern part of Laikipia is very short of permanent water and is, further, country with a light stock carrying capacity. It lends itself under present conditions to large grazing areas only, which will, by encouraging men with capital make the country here productive in the shortest time. Men with sufficient capital to develop outlying dry areas can only be encouraged by giving them large blocks of say 20,000 acres, giving them a fair chance to recover their outlay and what must be a long delayed return for their enterprise.

At present it is very difficult country to get into and 150 miles from the Railway.

3. He considers western Laikipia (Solai) area suitable for cutting up into say 640 acre blocks, given a good road. It is rich soil and has a good rainfall and given markets in the form of creameries and flax factories could be split up into even smaller farms of say 250 acres. Such creameries and factories should however be erected before the settler is put on the land.

He would not like to estimate the amount of capital required for such settlement as so much would depend on the man. Some men would be heavily handicapped unless some form of direction in the lines on which to work could be given.

4. He considers that any close settlement scheme should be regarded in the light of an experiment, until such time as it could be shown possible for it to be a success. To this end any scheme should be strictly confined to one or two areas which present themselves as suitable.

The apparent suitability of a given area to produce a certain crop grown under intensive conditions is an absolutely false guide as to whether such is suitable for close settlement. Such close settlement is dependant first and last on transport and marketing facilities.

Elburgon forest land near the Railway would possibly be suitable for such settlement, but he would let it out first in large holdings and then if it proved suitable would re-acquire and divide it up.

5. The difference between this country and countries such as Canada is that a small man is *not* able, here, to recoup himself for a bad time by falling back on his own manual labour.

6. He thinks that labour settlements should be established for such areas in order to avoid the necessity of a man having to keep his labour on his small holding.

7. Apart from small holdings he would throw open all available land in the Protectorate for settlement, and would impose moderate development conditions but allow immediate transfer. These development conditions would mean that a man must have a certain amount of capital in order to fulfil them.

He does not think that any satisfactory method of selecting settlers could be devised.



## WITNESS No. 17.

**Mr. Joseph Milton**, who has been farming at Northern Gilgil, Laikipia, for 4½ years.

1. The size of his farm is 2,500 acres of which 20 acres are cultivated. It is a stock farm. He keeps pigs and cures bacon; and also does cattle and sheep farming and dairying.

He grows principally crops for pig feeding, barley, potatoes, oats and lucerne. He has also an orchard of deciduous fruit, which is very promising but not yet in bearing.

2. He is very strongly against dividing this land into small farms, owing to the lack of roads and the distance from the Railway. No farm should be less than 1,000 acres. A railway and a good road would alter conditions.

This country is mainly suitable for stock farming which is essentially a well-to-do man's occupation. He must have considerable means. Of course it depends whether he is going to develop his farm to its full capacity, or only in a small way. He does not think that a man can possibly stock with cattle under £1,000, the more the better. As to the acreage that £1,000 would cover, it, of course, depends on the quality of the grazing. This varies in parts of Laikipia, but £1,000 put into cattle without other expense, would purchase, at the present market prices, 100 cows. These would probably feed off 300 or 400 acres, but this does not allow any margin for droughts.

He does not consider that less than 1,000 acres would do for stock.

The ideal size of farm is as at present surveyed, viz., between 3,000 or 4,000 acres, on account of distance from the railway and lack of roads. A tramway or railway running through them would help matters considerably.

In Western Laikipia vegetable growing would do well, depending on altitude. They could not be grown on the highest parts. You could grow barley, wheat and such crops, but not maize.

Flax would grow, but for a small man, is an extremely big outlay. He could go in for cattle at the same time. Settlers could combine, but in the first instance Government would have to guarantee labour. Laikipia, as far as I know this country, is the worst district for native labour, being so far removed from a Native Reserve. Squatters do not care for it as mealies do not grow to perfection there. Without certain labour for flax at a certain period of its ripening, it becomes spoilt. It cannot be left standing in the field, the same as maize, for a month or two. It deteriorates if left over a certain stage.

He does not consider that a man should start with cattle in this district with less than a capital of £1,000.

A man should visit a farmer and stay with him for at least six months, in order to become initiated into the methods of farming as we know it in this country.

A man should not buy dairy stock himself in the open market, until he has gained experience, for he has to buy and sell a good many before he can get a satisfactory herd.

After six months he would probably be able to start on his own. First of all he must put up buildings.

A good house, because it is a severe climate.

	£
This would cost about £150, using local material, cedar logs for house and outbuildings, with iron roofs. This is pre-war price, not to-day's	150
He would need trained oxen, yokes and chains which would cost about £100	100
Scotch cart about £30	30
Plough, harrow and tools, £50	50
Dairy utensils, separators, butter worker and churn, pails, &c., £30	30
Native cows, 50 for £500	500
One grade bull, £20	20
This leaves £120 for farm labour, living expenses, furniture, &c., until something comes in	120
	£1,000

For the first year he would probably not get much return. It depends on luck a great deal.

At the end of seven years, a man should be able to be comfortably making an income of £300 or £400 a year, assuming he gets no bad luck, such as epidemics. Of course, he might have to borrow money against contingencies.

A man would have to work extremely hard for the first few years. He must not expect luxuries. He would probably have to work as hard as they do in Canada.

It is an excellent dairying country. Cattle thrive there and Laikipia produces excellent butter and cheese.

Sheep, when acclimatised and following on cattle, do well. He has grade merinoes, putting them to mutton rams and they are doing exceedingly well. Sheep as an adjunct to cattle farming undoubtedly improve the grazing. He has had about 200 sheep following on cattle, on an area of 600 to 700 acres during the whole time he has been there, 4½ years. He has not exactly counted the deaths, but knows that they have paid for themselves in mutton. He cuts the wool, and last year got Re. 1/- per head for this.

In the event of settlement, a dip should be put up, in a central position, to help the small man. It is necessary in all good cattle districts throughout the country, as an insurance against tickborne disease.

Figs do well in this district, and barley and milk are the two finest pig feeds in the world. Potatoes are not so good.

There is no difficulty in finding a market for bacon.

There is practically an unlimited amount of good timber—cedar.

Roots such as mangolds and turnips grow well on manured land.

Lucerne grows well on the best land, without irrigation. He has cut about seven crops a year off a small patch.

The rainfall is quite sufficient for all purposes, and there is a heavy dew.

Fruit, limes and strawberries grow well, but a man cannot get a living out of strawberries.

The present roads in his district are the worst in the country, and in opening up a new district, it would be extremely economical to put in a tram line in the first instance, or a railway. You could utilise oxen for the tram line.

The railway earns dividends but roads earn nothing.

He would like to emphasise the labour question and access. Without these two things being absolutely promised and fulfilled, he considers it very inadvisable to invite the soldier and would rather warn him to keep away from Laikipia under the present conditions.

2. There is one portion, the extreme Western, which adjoins Solai, which might be split up into 500 acre farms. It is lower altitude than Laikipia and runs parallel with the present Solai road. 500 acres would be sufficient there, because a man could start directly. It is more or less accessible to the Solai road, but then again it is a comparatively small area. Assuming that a man gets his land for nothing and his farm is purely agricultural, he would need not less than £1 per acre to start with, 500 acres, £500. A man would have to be a worker to make good on that amount. The altitude in this particular part, varies from 7,000 to 8,000 feet, and undoubtedly a man can work there all day. It does not run less than 6,000 feet.

This valley is all old forest soil, the forest having disappeared. Citrus does well on similar land.

Flax would be good and although a factory may not be necessary in the first instance, it would be a great help if the Government could put one up. It would pay to cart the flax straw to the railway. There is a factory being erected about 15 miles away in that district. In that district, flax would probably give two tons to the acre, because it is excellent soil in that valley. The straw value at present rates, would be £6 per ton, at least 100% more than pre-war time. Flax fibre is now £150 per ton and this is also 100% more than pre-war price. It would cost about £3 an acre to bring that land into cultivation, breaking, ploughing and allowing for stumping.

It must not be assumed that the whole of that 500 acres would be good land and of course a man would require a certain amount of land for grazing.

As regards erecting creameries, flax factories, &c., the first thing to do is to make roads, the men will get the machinery, &c., themselves, if you give them good roads; to make a road and railway is more than a man can do.

He has been severely handicapped himself by not having good access.

All these things must be provided for, access and labour should be settled before the settler comes. He cannot afford to wait—he must start at once.

3. Government must control the labour. The present system is wasteful, in fact there is a lack of system, labour being absolutely unorganised. Natives should not be allowed to wander about the country seeking work. The basis of the whole thing is registration. Every native should be registered and not be allowed to leave the Reserve except to work. A good system of registration has been adopted in the Lumbwa Reserve where the District Commissioner has successfully organised the Lumbwa Native.

A Government policy should be applied to the whole country. It should not be left to the discretion of the District Commissioner. To give an instance—last year a man was doubtful about getting labour. He took on every boy he could get and kept them on his farm, in order to have them in readiness when the maize was ripe. That was a loss, but he had to do it, because he could not ensure having sufficient labour for harvesting the maize. If labour had been registered and under control, he would have been able to get it just when he needed it.

If the present system of administration remains in the hands of District Commissioners in settled areas, then it should be possible for a settler to apply to the District Commissioner for a certain number of boys, at certain periods. That officer should verify the requirements and he should advise the Government Labour Bureau.

At the completion of the boy's term of service, he should be returned through the same channel, the District Commissioner, to the Reserve.

You would not have to use force to get labour. As the native's wants multiply, he wants to go out. There is always the hut tax, for which they have to provide.

Squatters should be controlled, that is, limited to the requirements of a particular farm. You cannot lay down a fixed number of squatters to all farms. A man should not be able to get a large number of squatters, as a reserve, in the event of the labour falling short; that is a waste—so much labour off the market.

The squatter will undoubtedly become a most useful farm labourer, but he must be controlled, and there should be some binding agreement between the farmer and the squatter as to the amount of work to be done in the year.

4. The title should be such that a man cannot leave his farm derelict. He is surrounded by alienated land on which development has ceased. Of course if the war had not broken out, many farms which have been left might still be occupied, but the conditions should be such that these farms should be kept in occupation and should be continuously developed. There should be no possibility of an undeveloped alienated farm.

If some clause with regard to continuous development is not inserted speculation is invited. A man should be required to occupy 10 to 18 months. Should he fail, he should have the right to sell his farm, but in the event of the new purchaser letting it lapse, then increase the rent twenty fold. There is no objection to freedom of transfer, providing there is continuous occupation. Name a period which will give a man a chance to make good and if he cannot do this it is no use his staying. One and a half years should be long enough to show what he can do, assuming that everything is ready for him, labour and roads.

5. He has been in the country about 3½ years and has had to work, and has done so in Laikipia, where his health has been good.

He has been here five years without going home, and does not expect to go again for many years.

He has not noticed any bad effects from the direct rays of the sun, and thinks there is no doubt about a healthy man keeping in good health there.

The only change required is from the mental worries caused by the natives, which could be avoided by better organisation.

Of course if a man had anything wrong with his heart, say, the climate would probably affect him, but it has certainly not affected him.

A Medical Officer told him that a child born at the altitude at which he lives would be much stronger when removed to a lower altitude than the child born at a lower altitude. This is borne out by the children born up there. The district has not been opened up long, so the children are mostly young, the eldest being five years old.

From what he has seen of the children born in that district, it is undoubtedly suitable for families.

6. With reference to the advisability of inviting soldiers, who would have to work hard, to come out to this country, he does not think the country is suitable, compared with the Dominions, which have facilities as to markets, education, &c. This would be a much harder country to start in than Canada. Here a man has to deal with the foreign language to start with. It, of course, depends greatly on the individual himself.

It is not so much the agricultural knowledge which is so essential, but the fact that the man must be a general worker and adaptable. He has to learn a lot in this country. Agriculture in England is entirely different. A knowledge of English agriculture would not apply here. The essential thing is that the man must be a worker and adaptable.

It would be extremely difficult to select from these soldiers. A man who has been fighting should not be brought here, in any way under false pretences, or with the idea that he is coming to an El Dorado.

## WITNESS No. 18.

**Mr. W. J. Dawson**, who is farming on the Gilgil allotment and knows the Western Laikipia country, which is of two classes, viz., elephant grass land and short grass land.

1. Elephant grass land is very rich and is good for pigs, flax and possibly wheat and maize up to 7,300 feet: it is well watered with perennial streams. This area embraces about 12,000 acres North of Farm 1264, Gilgil.

This area could be divided into farms of 1,000 acres, averaging up the land, and a man with £1,000 capital and one of these elephant grass farms should be in a fairly safe position, provided Government give assistance in the form of flax factories. In fact with efficient direction a man could probably make good with a capital of £600.

On such a farm and given a factory, he would start with flax up to 75 acres, and would follow on with coffee in parts up to 6,200 feet or citrus up to 8,000 feet if possible.

It is not good stock country, *i.e.*, the elephant grass land.

He finds flax a very clean crop and he estimates a yield of 2 tons per acre.

2. He thinks the short grass land could be divided into 1,000 acre farms, but considers an ideal size to be 2,500 acres.

It is good land and easier cleared than the elephant grass land.

This short grass land is suitable for ordinary mixed farming, dairying, pigs, flax, peas, barley, &c.

It would be necessary to grow pig-feed.

Central creameries, factories and dips would be essential. He thinks that the best proposition for this area is stock, and that it is a very good proposition indeed.

£1,000 capital should be sufficient on 2,500 acres.

The one thing against smaller settlement in this area is the probable impossibility of getting to plantation later on.

3. He thinks that the Kikuyu Reserve between Nairobi and Lamoru could be split up into 160 acre blocks, as you are giving a man land of proved value. This would be a good area for close settlement.

4. He thinks any system of selection is very difficult to draw up and would probably not be satisfactory. What is wanted is not so much the practical as the adaptable man.

East Africa is a country absolutely for the individual, and he does not think one could find many small men who have been successful. However, a man who is adaptable, even if not practical, could possibly succeed with a capital of £600, given decent direction.

Government direction of settlers is essential otherwise many will work on wrong lines and come to grief.

He would make capital the only qualification, but thinks that conditions as to development and occupation should be fulfilled before transfer of the holding is allowed.

It is essential that intending settlers should have capital or the country might easily find itself with a large number of poor whites on its hands.

5. He considers a man should be given sufficient land to provide himself with an insurance against bad years and bad luck.

Everything agricultural is speculative in this country and much more so than in any other. You must give the small man a chance to cover himself by surplus profits, *i.e.*, to make an insurance for himself. If you put 5,000 small men on farms in this country and 2,500 of them have bad years East Africa will have 2,500 poor whites on its hands.

In East Africa one cannot, with a small man, go and calculate out profit with pigs, cows, &c., to a nicety; the speculative element always enters into it.

East Africa is a puzzle to anyone who has started in it. The soil and mineralogical conditions are very different in different areas, thus increasing the difficulty of initial direction.

There are, undoubtedly, lots of places suitable for small settlement in the usually accepted sense of the words, but you have all sorts of difficulties ahead and there are not many of us who have had experience of that sort of thing. He considers that the only alternative to Government direction is co-operation and, that must of necessity be of gradual growth born of mutual confidence which can only come after a community has been settled for some years. You cannot expect a number of men who do not know each other to co-operate as soon as they are put on the land. Any such co-operation as this would be courting disaster.

Any settlement scheme should be proceeded with gradually. If a settlement be forced unduly it will lead to innumerable difficulties. Introducing a lot of inexperienced men would probably lead to slack handling of the natives, which would counteract the real object of the Commission, viz., increasing the white population to counterbalance the native population.

If 5,000 men are rushed on to the land you are immediately faced with the problem of providing them with labour to the extent of a quarter of a million boys per annum, and stock to the extent of 35,000 cows and 100,000 oxen.

6. Too much importance cannot be given to improving means of communication.

## WITNESS No. 19.

**Mr. W. E. Perry**, who is the Manager of Earl Kitchener's Songhor Estate at Muhoroni is growing coffee, maize, beans, sisal, flax and rubber and also has cattle.

1. Sisal is a success. The leaves were long and fleshy owing to the rich soil, and the fibre is quite good. Coffee is quite a success.

Sufficient cheap labour for picking cotton cannot be procured.

Rubber is hopeless.

The distribution of rains is very uncertain, and there have been a few hailstorms during the year, but they did no damage.

2. The unalienated land between Muhoroni and Kibos is suitable for white settlement, provided people have mosquito-proof houses. The escarpment is about 5,000 feet. On this low land on the escarpment, you could grow coffee and on the plains sugar. It is too swampy for maize.

He thinks if a man had a fair house site, 1,000 acres and £1,000, he would score.

He would not recommend a soldier with no farming experience to come out here with less than £1,000 as an all round minimum. With a little experience an average man might do with £500.

He does not know much about sugar, but the Indians seem to do well with this.

Cattle do very well on this low land; the Nandi had this piece of land and it was a cattle country.

Horses and mules will not do down there owing to lymphangitis.

Farms under the hill could be cut up into smaller acreages, as there is lots of water, but not near the railway. The smallest area he would advise is from 500 to 1,000 acres.

It cost Rs. 5/- to Rs. 6/- per acre to clear, and ploughing cross-ploughing, &c., Rs. 20/-. It depends very much on the rains, at certain times of the year it is impossible to put a cultivator in, the bullocks would draw themselves right in.

They get couch grass out by hand, but you never see couch grass on new land. Kikuyu is all couch grass, but at Muhoroni you do not see any. It is on neglected land that you see couch grass, not on new land.

3. A man should get free title. He should put 100 acres under cultivation, independent of the time taken to cultivate that is 100 acres planted with a crop of some sort, not 100 acres of coffee, but maize, &c.

He should occupy from three to four years at least.

4. Should the Government introduce the soldier to Muhoroni they should guarantee a labour supply. At the present moment if 200 or 300 men come out to buy farms he does not see where they can get their labour from. Why should the Kavirondo and Kikuyu do all the work? Government should compel the Wanderobo and other tribes to come out and work. They should be encouraged to come out and bring their wives. At one time the Kano had not been out, but they were brought out and signed on, now they are looking for work. The Mumias Kavirondo are now bringing out their wives, they were signed on for 12 months and after 6 months went back and brought their wives.

The Kavirondo should be given a pass law.

If a Lumbwa wants work he goes to the Boma, gets his pass, and then goes round and gets work.

If a Kavirondo is given a pass the same as the Nandi and Lumbwa there would be no trouble.

It does not deter them from coming out to work. All they have to do is to go to the Boma and ask for a pass and they get it; they feel safe with it and happy. For instance, they will not pass a Police Station without it, if they have one they take their stick in their hand and march past quite safely.

That system should be used throughout the country.

## WITNESS No. 20.

**Mr. H. W. Hindle**, who has been farming at Fort Ternan and Muhoroni for the past five years, growing coffee and maize.

1. He knows the land below the Nandi Escarpment, between Muhoroni and Kibos fairly well. It is suitable for white occupation, provided one has a really good mosquito-proof house. There are several parts there, which give a man 500 acres and £1,000 capital, he should do all right, but he does not think he could do so unless he had this amount of capital; of course there would be exceptions.

For a start a man should stick to maize.

If 500 men started to work together and each required 40 working bullocks it would be a problem to find them

A good house would cost not less than £200. This figure refers to that low-lying ground. In a healthier part, say 5,000 or 6,000 feet he could do with a lower priced one, say £50.

A man must keep a reserve of capital in case of sickness.

If a man can be a successful farmer in another country, there is no reason why he should not be here, with a capital of even £500 only, provided there is no exceptional clearing and it is fairly near, say 10 miles to the railway line, so that he can get a cart to the station and back in a day.

Sugar cane grows well there and in parts you can grow coffee. Weather conditions are too uncertain to grow cotton. You might get native women and children to do the work, being near the Reserve.

He knows very little about flax, but that grown at Muhoroni is not up to the Lumbwa standard.

It is rather too wet for sisal.

It is mostly black soil, a little red, and a great plain of disintegrated granite.

The average rainfall is about 60 inches.

Maize is very scarce in the district, especially since the war. Most of the settlers grind their own maize, but there are mills at Kibos.

If the Government could put up a sugar factory and give men with a capital of £1,000 not less than 500 acres, generally speaking, and encourage the men by giving them the cane for planting, maize and sugar would be a paying proposition.

He would say give preference to good capable men, with experience of growing sugar cane, and also preference to the man who has a capital of £2,000 rather than £1,000. That is for sugar; for maize he thinks £1,000 is sufficient.

A man would get a return in roughly 18 months, but at present there would not be enough cane for planting.

The Government Farm at Kibos should be able to give some reliable figures. They had a plot of sugar there and it must now be in a state suitable for cutting, sufficient to plant 50 acres, unless they have disposed of it.

A poor quality of sugar cane is grown in this district at present but an Indian has the Kikuyu Blue cane growing on a lower altitude and he is planting nothing else.

One sugar factory should be sufficient. It is 18 miles from Muhoroni to Kibgori. It is all level country and easy.

2. Under present conditions, he thinks the effect of additional settlers on the labour market would be serious. There should be some control, such as registration of all the eligible workers in the different Reserves. He believes it is intended to have a Native Pass Law and thinks this would tend to control labour, provided the Police force was increased. He has lived in South Africa and was in the South African Constabulary for three years. They have the Native Pass Law, and though it did not completely control the native, even with a white police force, yet it goes a long way to control and is better than no pass at all. The invariable fine for having no pass is £2 or a month.

If one could be sure of a native working for six months, it would help matters.

Increasing taxation might help a bit.

3. He thinks the £1,000 man should be given a free title as soon as he has a certain area under crops. He should not be able to transfer until he has done the required development, and that development should be agricultural, and should be maintained.

A man who is going to live there should be forced to have a mosquito-proof house to start with. If men go there and live in grass huts, the whole place will be condemned as unhealthy.

4. He has been about five years in this part of the country and has not had much sickness. The land below the Nandi Escarpment is not suitable for a family, though he would go there himself.

## WITNESS No. 21.

**Mr. Harold Hill**, who is farming at Machakos, Mua Hills in partnership with his cousin.

1. He suggested that a strip of land at present included in the Wakamba Reserve should be made available for alienation. This area is one of the finest parts of the Machakos district, and extends from about 20 miles North to about 10 miles South of Machakos.

A certain portion is populated with natives, but his contention is that the native has no legal right to this land. From what he has ascertained, when the East Africa Company started there, no Wakamba were living there, it was no-mans land, the Masai one side, Wakamba the other. When settlers came, we got Mua Hill first and it took us five years before we could get it open. Certain native chiefs had occupied these Mua Hills. Give them land in place of this, you can give 10 acres for every acre taken from them. All the water has been taken inside the Reserve, thus making the land outside of no use.

The Yatta Plains across the Athi River is fine grazing land, you have only to look at the District Commissioner's book of fines to show you this, for the natives *will* go across these plains, because of the good grazing.

There is a road going through to the Kitui Native Reserve which separates the Reserve from the Yatta Plains and the one side is already occupied by the Kitui natives. He would suggest putting the natives on the other side as well, it is low and not so healthy. It is waterless in most parts but they have the Athi River bordering it, also some other rivers where water will be found by digging in the sand like the Kitui natives all do.

There are not enough settlers there to hold their own in case of a rising but with a 100 new men there things would be better.

He suggests that Machakos should be the headquarters of a Magistrate. The District Commissioner or Native Commissioner further back. The Government could then do away with one District Commissioner and make Kitui and Machakos one district.

The altitude he thinks is from 5,000 to 6,000 feet odd.

There is a 40 inch rainfall.

It is well watered, good soil and there is plenty of timber in most parts. It could be cut up into very fine farms, some into 500 acres, others 2,000 or 3,000 acres. Owing to absence of water and soil some would have to be cattle farms only, but it is all good cattle country and the area would be about 80,000 to 100,000 acres.

There are permanent springs and dams, if necessary, can be made.

A good proportion of the soil is red.

A good deal of that land, except down towards Rangundu is open ground and would not require stumping at all. It would cost about 25 shillings per acre to break up and bring into cultivation.

The portion he suggests should be thrown open, is good cattle and dairying country, also good for citrus and coffee.

There is no comparison between coffee and citrus as regards the labour required, on paper it is said that citrus is paying £40 per acre, but he will be satisfied if they get £10 per acre. There is only the picking of the fruit practically, no pruning is required. There is a factory at Kitanga where they turn out citrate of lime and hand pressed oil and they take all our fruit.

Wheat, coffee, citrus, all deciduous fruits, maize, barley and oats could be grown there. Oats do very well, owing to the soil being specially good.

Wheat is likely to do well, as there is no rust or difficulty of transport, but a small man cannot go in for wheat, he needs oxen to plough and machinery, these alone would cost £300.

A farm of 500 acres would be suitable for mixed farming, a man should not put all his eggs into one basket. In this country one should leave a certain acreage for coffee, citrus and pasturage. A man must have cattle.

The citrus trees on their farm are free from disease.

They are dairying on a small scale, but their neighbours go in for it largely.

Coffee does just as well as citrus. Some neighbours have over 100 acres each, doing splendidly and they are not worried over labour.

There is no coffee disease there to his knowledge, except ordinary scale.

He is very keen on having settlement on that portion of the land. He knows it is good and thinks we have every right to it. He would be glad for a Commission to come and see for themselves if this is not correct.

2. Assuming that the land will be given to those soldiers who have been fighting, he considers they should have a capital of say £1,000.

The average man would not make good with a capital of £200 or £300. With a market at his door, factory, roads, co-operative organisations to deal with his produce, without his having to find capital for transport, an exceptional man might get through with £300, but not the average.

They are 15 to 18 miles from the railway line and a good road would be a great advantage for future settlement and with £1,000 a man who knew anything about farming should succeed, but he would have to work himself, or at least supervise.

He does not think it is any good for a man to start with less than £1,000 unless the Government helps in erecting creameries and factories of different kinds, then perhaps the capital required could be reduced. This amount refers to farms of 500 acres.

3. It is not likely that an enormous labour supply would be required there.

They have about 50 or 60 working men, some work practically 9 months in the year, and average between 20 to 30 men a month. Of course, they have their own cattle on the farm.

4. People say you must have leave after three years in the highlands. He does not think this is necessary if you are living on a farm in any of the healthy portions of the country. In a healthy part it is nonsense to say it is absolutely necessary to have a holiday after three years. If a man's interests are in the country, he will not feel the need of a holiday more than if he lived in England or South Africa. A holiday does, of course, do a lot of good, it does not matter where one lives.

His partner and himself have been 13 years in the country. His partner had not been out of the country at all, and he only went once to South Africa on a visit of two months. They are both as well to-day as they have ever been.

His cousin has been at the front since the start of the war and not one day in hospital yet, as far as he knew. He understands his nerves are still good.

His own nerves are not as good as they were, but he does not put this down to the climate but rather to accidents with wild animals.

He is a married man and his wife has been on the farm for the last five years, they have one child, two years old and he is quite fit. He knows of children who have lived about here for 8, 9 and 10 years and are all in perfect health, some have had a holiday, some have been there all the time.



## WITNESS No. 22.

**W. E. Kolbe.**—LICENSED SURVEYOR.

1. Mr. Kolbe, considers that in the Trans Nzoia country a suitable size for farms is from 300 to 500 acres.

There appears to be no difficulty in obtaining water, the general opinion being that it can be obtained almost anywhere by sinking wells of which several exist at present. He does not consider it essential that each farm should have a river frontage. He understands that the rainfall is from 40 to 42 inches per annum, so that irrigation would not be necessary except for coffee nurseries, etc. The yield from trees and crops is very quick, coffee bearing fairly well at 3 years of age. Maize, beans, potatoes, coffee, citrus and other fruit trees should do well. Maize and potatoes yield exceptionally large crops and the former can be sown during the greater part of the year. Sugar cane grows well and there is a fair amount of swampy ground suitable for rice, which has been successfully grown by a swahili working on one of the farms. Tea will most probably be successfully grown on the higher land on the eastern side of the Trans Nzoia, where there is a good rainfall.

Ploughing is about 25% lighter than on the Uasin Gishu.

Unworked land on some of the farms is now valued at about £1 per acre and several of the farms have been developed by men of small means, these men being given 300 or 400 acres of the farms as payment for effecting the development required by Government.

It is considered that the Trans Nzoia will eventually carry large numbers of sheep and cattle fed on artificial grasses such as Paspalum, Teff, &c.

2. He considers that in the Trans Nzoia a man with a working capital of £500 and a farm of 500 acres should do very well, and that the poorer settlers can usually make a little money by doing transport work for their richer neighbours.

3. Government assistance in the form of providing roads and markets would be of great assistance in the development of this district.

4. Mr. Kolbe does not consider the Ithanga district suitable for the small man. It is rocky and very wet in places. There is a lot of black cotton soil which is good soil but very difficult to work. It would be very difficult to make roads. He has been told that there is fly there but has never seen any. He cannot say what crops could be grown in this district.

5. He considers Laikipia country, with the exception of the western farms suitable for nothing but cattle. On the western farms, however, there is a poor water supply.

## WITNESS No. 23

**Hon. C. W. Hobley, c.m.g.**

*Provincial Commissioner, Seyidie Province.*

1. Mr Hobley, prefaced his remarks by stating that when the appointment of the Commission was announced he considered that one of the duties of the Provincial Administration was to place information before it as to any unalienated areas suitable for settlement, irrespective of any question regarding the feasibility of soldier settlement. He then invited attention to an area which he had recently inspected on the lower Eastern slopes of Mount Kilimanjaro, which he considered would be suitable for a closer settlement scheme.

He submitted a report and a map setting forth and illustrating his proposals.

The area covered by this report is entirely in the East Africa Protectorate, and he considers that a greater area than that shown on the map could eventually be dealt with.

There is also land on the Western side of the mountain which Mr. Hobley considers equally suitable if we retain German East Africa. The elevation of this land would be about 3,500 feet.

*(Mr. Hobley here read his report).*

In answer to further questions he stated that he did not consider it an unhealthy part of the country if a man was careful and lived under hygienic conditions. It is hot in the dry weather.

The area covered by his report contains about 112,000 acres on which he had marked out 225 farms mostly about 320 acres and a few of 640 acres, each on a permanent water frontage. He does not think it would be expensive land to clear.

He would classify most of them as agricultural farms but a trifle low for coffee. Rice could be grown and other crops, particularly sugar cane, which should do very well on a considerable proportion.

He does not know if there is any other land in the Seyidie Province suitable for closer settlement, but there is a considerable amount which could be used for settlement in the ordinary way.

2. *Coast Land.* With regard to coast land he sees no reason why ex-soldiers should not take it up for coconut planting if they have capital to enable them to wait for the crop. The return would be about £26 per acre after 8 years; the land would cost about £10 an acre to clear and plant. The extra amount necessary to be expended to bring a coconut plantation to bearing is not quite certain. With about 200 acres a man might do very well. After say 3 years, when it will be seen whether his plantation will succeed his credit with a Bank will increase.

*Labour.* The labour supply on the coast is not adequate, but Mr. Hobley thinks it would improve slowly if a consistent policy with regard to the Nyika tribes is pursued. The population is, however, comparatively small.

*Water.* Water can usually be obtained on the coast by means of wells so that water frontages would not always be necessary.

3. *Land area, Kitui.* Mr. Hobley thinks that there is an area of land North-West of Kitui that would grow coffee, maize, beans, sugar cane, etc. The altitude would be about 4,400 feet. He would call this land potentially unhealthy, that is, people might be careless, breed their own mosquitos, and then blame the climate.

He does not know if it would be good stock country, but it would probably be infected with East Coast Fever, as ticks are numerous. He did not see any fly.

A copy of Mr. Hobley's report is attached.

#### MR HOBLEY'S REPORT

The construction of the Voi-Taveta railway and the question of the settlement on the land of soldiers who have served in the war has brought new factors of real importance into view and I would urgently urge Government to carefully consider these.

I have during the last 10 days travelled over a great portion of the country under reference and it offers I am convinced a very considerable area suitable for allocation into farms. The soil is of great fertility and about 176 square miles (200 farms) possibly more can be thrown open for allocation owing to the large extent of permanent water frontage available. A small proportion of the land is strewn with loose stones and would therefore be difficult to plough and I have marked the portion of the area which I found so constituted, the soil between the loose stones is however very rich and it would not preclude its use for say coffee. The general altitude of the area is 3,000 to 3,500 feet. It is practically free of ticks and it is free of fly.

If as may be anticipated we retain German East Africa, there is a large supply of intelligent labour in the vicinity, viz: at Rombo on the East slopes of Kilimanjaro and beyond doubt there is a further area over the border, West of boundary pillars 56 and 57, which will also be available for settlement but I do not consider myself justified in personally investigating this point.

The flow of the streams is steep and the banks are not unduly deep and as the streams are narrow the building of dams to facilitate the construction of water furrows would not be a great task.

There is a supply of excellent timber along the streams which could be judiciously thinned and would furnish a supply of wood for farm use and there are considerable patches of good timber at several places in the open. There is limestone near Taveta and at several other places along the Voi-Taveta railway. Further East there is an enormous deposit of limestone near the Voi river and the railway have erected kilns and are converting it into building lime.

In addition to the area above referred to there is the question of the utilization of the Serengeti Plains for settlement and as previously pointed out this hinges on the provision of water. For reasons which I need not enter into here it is unlikely that permanent supplies will be obtained by deep bores, but shallow wells in several places which can be indicated might produce a supply sufficient for farm use for several months until the supply of surface water became exhausted.

Before I visited the region on this occasion I thought that there might be a possibility of conducting water by means of surface channels along contours from the upper waters of the streams rising on Kilimanjaro on to the Serengeti Plains.

I find, however, that owing to the curious configuration of the country this proposal is not possible as all round the West and North-West side of Kilimanjaro there is for some distance a distinct depression which is probably due to the withdrawal of liquid igneous rock material found under the earth's crust, this material going to form the lavas and ashes which built up the mountain.

Due West to the mountain the lowest portion of this depression is marked by the red line on the attached map and it is along this line that the water sources join up and flow away, the North half of the Tsavo and the Southern half to the River Lumi.

The result of this is that to the West of this line the terrain slopes upwards towards Kilimanjaro and to the Eastward it slowly rises to the great mass of metamorphic rocks which underly the Serengeti and if the Kilimanjaro water is to be brought on to the Serengeti, pipes will have to be used instead of open conduits.

The Serengeti Plains have not been accurately contoured but the section of the Voi-Taveta railway gives us some information and from an examination of that I should say that if a couple of 6 inch pipes were taken out from the mountain springs at the foot of the mountain at a height of say 3,600 feet and run eastward on to the plains to two places at some distance from each other, discharging into reinforced concrete tanks at a height of about 3,200 feet considerable settlement could be effected, about 20 miles of water main would be required in each case. In addition the water in the Bura Hills should be utilised to a greater extent and the present small pipe along the railway increased to a maximum proportionate to the supply.

These schemes will cost money and will naturally not be likely to receive attention until after the area previously referred to; but it is believed that the results would be commensurate with the expenditure. The red soil of the plains produced by the decomposition of the granites and gneisses is I believe well suited for the cultivation of cereals and the fine growth of the maize patches planted by the railway maintenance gangs is evidence of this; the good drainage of the soil and the dryness of the climate would it is believed enable wheat and oats to be grown with a minimum of liability to rust.

With the possibility of such a considerable field for settlement the commercial future of the Voi-Taveta railway should I consider be assured and even at the present time the traffic could be increased to a considerable extent. With the railway passing below their hills the Wa-Taita are making efforts to produce grain and beans for despatch to the coast. The Wa-Taita grow enormous quantities of bananas and complain that they cannot sell them so have to feed their cattle on them, rice is also grown in the district and the output can be considerably increased. Up to now it has all drifted into German East Africa.

Near the Ziwani Swamp there is a block of about 1,000 acres of alluvial soil which could with but little effort be put under rice, cotton or sugar-cane with every hope of success, it is perfectly flat and was formerly part of an old lake bed.

Ziwani Swamp was formerly of greater extent than at present and was then a true lake but the gradual dessication to which East Africa has been subject during recent geological times has reduced it to a swamp and there is now no reason why a great portion of it should not be gradually reclaimed.

Lake Jipe was also of much larger extent formerly and what is now the Taveta forest was formerly part of this lake, hence its fertility.

## WITNESS No. 24.

**R. W. Burkitt**, L., L.M., R.C.P. (IREL.); L., L.M., F.R.C.S. (IREL.).

I do not consider this country suitable for permanent European colonisation. It is suitable as a planting country, a country of European supervision of labour.

I consider it absolutely necessary for a man to go home at intervals. I put the maximum at four years, but if possible, every two years.

The man who is exposed to the sun (this is my experience, my experience through my practice) degenerates very much quicker than the man working in the office.

I would like to divide this degeneracy roughly into three parts.

**MENTAL, NERVOUS AND BODILY.** Although they are fundamentally really all nervous.

*Under the Mental.* The first thing that generally appears will be, want of concentration. Secondly, want of memory.

**NERVOUS.** The want of initiative.

Want of vigour

Want of nerve force.

Want of self-control.

Unable to write, I mean to actually sign his name; or make figures.

Unable to count.

Unable to do business generally.

**BODILY.** The circulatory system. This includes the heart and blood vessels. The heart and blood vessels (the nervous system governs them) owing to high blood pressures, are abnormal in the vast majority of these degenerate cases. The blood pressures are greatly increased.

**PALPITATIONS, FAINTINGS, WANT OF RESERVE STRENGTH, &c.**

Now I come to Acidosis. This means acid poisoning, a decrease of the alkalinity of the blood, which may be brought about by many factors, but one here is very noticeable, viz: nervous exhaustion. The system does not do its work co-ordinately. Acidosis is demonstrated by the urine—it is extremely acid. Its extreme acidity is due to its containing one or all of three very complex bodies, viz: (A.) Oxy-butyric acid, (B.) Oxy-butyric acid and acetone. These are abnormal to urine.

Regarding blood pressure, which is abnormal, our abnormally high blood pressures are due to nervous exhaustion.

At a high altitude here abnormal blood pressure is most marked. If you take a man between 30 and 40, whose blood pressure should be about 130, here you will probably find in a tired man it is 160 mm. of mercury pressure.

A man comes and tells you, that something must be done. I cannot do my business. I am out of breath. You will probably find his blood pressure is 180. I have seen undiseased persons 210.

The average normal pressure for a man in health between the years of 30 and 40 is 130.

A woman will suffer out of proportion more here, quite apart from the fact that she was not so strong in England. The nervous system in the female is not so stable as the nervous system in the male, thence it will suffer sooner and more.

I have left out a very important point under the Nerve heading:—**INSOMNIA.** This is very common.

**BATHS.** My opinion is that cold baths are very invigorating, and provided one has not malaria and provided the shock is not too great for the individual temperament and the heart all right, I should certainly advise persons to take cold baths for tonic purposes and for insomnia. I do so myself. The sudden contraction is the value.

The proportion of nervous exhaustion cases here is 100 times more than at home.

**NEUROSTHENIA.** A man who does not take alcohol, who lives outside, works hard, is honourable in every sense of the word, that man at home will not suffer from nerves. Here he suffers.

I do not consider that nerve exhaustion is due to financial worries, or small worries such as a plough breaking, &c. Such worries occur in Canada and other Colonies. It is entirely climatic.

With reference to remedies. I have had little success here. I do succeed to a certain extent, in children.

A man here loses his vitality. There is no hope of remedy. The only thing is for him to get to a temperate climate, when his vitality will return. I have said that the maximum length of time a man should stay here is 4 years, if possible he should go away every two years. He should be away 6 months. A man who does this is of more value to the country.

In most of the patients who complain of this nerve exhaustion, I can find nothing wrong physically, yet they tell me they are finished, cannot write, cannot count their cattle, cannot write their name, cannot make certain figures, but I find if I take the blood pressure, this is probably high, and the urine, which is an index of the blood, is extremely acid.

You take the hunter, he comes here after a safari. The daily papers tell you he has arrived and is looking in perfect health. This same hunter will come to me next day and tell me that he must get out of the country, he is finished. He is bodily perfect, but he himself knows he is done. As soon as these people have gone down to sea level and been in a ship for a month, they are perfectly all right again. Nervous exhaustion.

There are quite a number of persons who have come to this country suffering from Tuberculosis of the Lungs. The majority of these cases do exceedingly well. Tuberculosis is extremely common amongst the Somalis. If a European gets Tuberculosis in this country he dies quickly. If he gets it in another country and comes here, on the whole he does very well.

That may be said of other countries—of Samoa in the Pacific. It is no argument to prove that this is a white man's country. Samoa is not a white man's country.

I have had cases of valvular disease of the heart and have had to send these out of the country.

The higher the altitude, generally speaking, the harder on the heart and lungs because they have to do more work. For instance, Switzerland would be an ideal place for Tuberculosis, if it were not for its altitude. Other places which have not the altitude are much better.

With reference to the best thing to do in order to live here. I say, first of all recognise that this is a planting country, recognise that you are living in a tropical country and live according to the conditions of life in the tropics. A man should not work out in the sun, properly clothed he can supervise. I do not think a man should wear shorts and sleeves turned up.

Drugs are of very little value.

If we could give persons suffering from nervous exhaustion, organic phosphorus, it would do good, but it cannot be grown in this country. Theoretically, a lot can be done by a course of food. Indian wheat is not suitable. It is deficient in both calcium and phosphorus.

*Houses.* The house must be hygienic, that includes facing the proper quarter; in this country it should face towards the East, it should get little light, comparatively little direct sunlight. Light is very tiring and nerve racking. The house can be so made that you get indirect light.

Plenty of ventilation.

*Material.* I would condemn iron entirely, would prefer stone, brick and tiles to anything. After that wood. I would like to say that I would never, under any circumstances, have a bungalow built on piles, they should be all built on a plinth, on the solid. Having a house on piles, is a harbour for rats, insects, &c., and it is hotter. It is a sounding box.

*Clothing.* The hat should be well ventilated, deep and sun proof. I would suggest that the coat should be of thick woollen material, very porous, as a good protection from the sun but allowing for the best of ventilation.

With regard to shorts. I have no very definite opinion. There are theoretical arguments against them, exposure of the nerve endings to the direct rays of the sun.

With reference to the child. There is little charm in childhood here. They are generally irritable. They cry for no reason. Play very little, compared to at home. They often suffer from continence or involuntary discharge of the urine. The result is the child may, whether female or male, wet its bed at all ages at night time and sometimes may wet its clothes in the day-time, it may do one or both. This is due to a want of co-ordination in muscles guided by the nervous system. The nervous system is out of gear.

*ADENOIDS.* I have only met three children in this country who have not had adenoids, not necessarily born here or in South Africa but after being here for three years the child has them. This adenoid condition I might say is much the same with Indian children. The removal is effective; when I remove them I always give calcium lactate and I tell mothers to give them calcium lactate until they are full grown; and in those cases which I have examined four years after I have removed them, there are none. They are attributable to bad hygiene, this includes three things, immediate surroundings, general surroundings, (such as climate, &c.) and improper food, that is, a want of organic minerals in the food. Adenoids are much more common of late years at home, because the flour has had the outer coat taken away, there is no organic mineral matter in white flour.

Children at home get adenoids, but not through climatic conditions.

Tonsils are very common here also, but not so common as adenoids. These latter produce first of all a poison. Secondly the whole face becomes deformed, the lower jaw, teeth, face and skeleton generally are affected. The whole nervous system is affected by this poison which is created. Adenoids grow on the base of the skull, at the back of the nose.

Rickets is closely allied, it is caused by bad hygiene.

With reference to the fontanel. In a healthy child who has good food, this should be closed, at roughly between the ages of 10 and 18 months. If the child is over 2 years and it is not closed, you have a right to say that it is rickety. In this country the fontanel is late in closing, in some cases not until the child is 2, 2½ or even 3 years old.

In the arm bone, the two ends are not joined to the shaft until getting on to full growth, 16 years old. In a rickety condition, the ends are very easily dislocated from the shaft, being only held by cartilage. In this country this is much more common than at home.

In the thigh bone, which is the last to finish, the shaft is not joined to the head until 25 years old.

The skull of the African is finished sooner than the European. Here puberty begins at the age of 12 to 14. At home at the age of 16 to 18.

I would not keep a child out here, send him home at four years, preferably two, and keep him there, never let him come out again, until full grown.

The teeth in children here are very bad, that is another sign of bad hygiene. They decay quickly

I do not think this applies to Natives.

One other thing Children suffer terribly from acidosis, a decrease of the alkalinity of the blood, this is caused again by nervous exhaustion and bad hygiene. Re a chemical remedy. I would say give four things.

Phosphorus, magnesium, potassium, calcium. If you give these, the acid will go.

There are other conditions that give acidosis, viz :—Blackwater, malaria and a lot of other factors, but it can be brought on by nerve exhaustion alone.

In Flanders after shock (nervous exhaustion) a surgeon never operates on a man, without first seeing that he has not got acidosis, or the patient will die.

Acidosis is due to a wrong working of the whole organism.

The proper working of the body is controlled by five or six glands, which are most intimately connected with the sympathetic nervous system and which manufacture certain bodies and these bodies are poured into the blood and act and react on each other in beautiful co-ordination

In children who have adenoids, we know that these glands are not working co-ordinately. You may give a person calcium and the calcium will be absorbed into the blood, but if the thyroid gland is not working properly, the calcium will not be taken up from the blood by the tissues and hence it is not made use of. The working of this thyroid gland is affected by adenoids prejudicially.

Both on theoretical and practical grounds I do certainly recommend that a man should abstain from alcohol. It is not a stimulant; the reaction is a depression. The reason a man takes alcohol in the tropics more than in a temperate climate, is because of his nervous exhaustion. It does him no good only harm. It is not a food.

Degeneracy here has nothing to do with the mind, the abnormal mental condition is the result. There comes a point when the nervous system is so exhausted that the mind will cease to control. To give an idea, a man who becomes degenerate, nervous, and breaks down, cannot make up his mind; he makes up his mind now and in five minutes he will change it. It is not his fault. That condition is entirely owing to his nerve exhaustion or degeneracy. The only thing to do is to make up his mind for him and send him home. After six months away he is restored to health. That has been done by lots of people here. Only yesterday I sent a man home for good who had been here for 10 years and had worked very hard, a coffee planter, if he did not go he would die

I can say this honourably, that planters who work outside in this country and do not recognise it as a tropical and planting country eventually go under, and the harder he works manually, the sooner he will have to leave.

I see most people who are outside Nairobi. People come to me for advice, they are out of health and express the wish to go home, but for want of means they cannot.

I do think that an educated person will stand this climate better than an uneducated person, because the uneducated person will not concur with conditions, will not treat the sun properly, will not treat his health properly, will consider his shamba first, his health afterwards. The reasonable person should study his health first, his plantation second. His house is the first thing to see to. Except for rats, a grass banda roof is excellent but few people know how to thatch here, the ridge-pole should project over the gable roofs, at ends of the house, about 2 yards, the main roof of course is carried on along the ridge-pole. The gable roofs are not carried right up, but an open triangle is left at the top. This triangle will be shaded by the two main roofs, so that no rain can go in. The result is there is excellent ventilation along the top of the roof inside. This is called a Manipuri roof. In no other way can you make a rain proof thatched house. The gables should be East and West.

With reference to Insurance. There is a greater percentage of first class lives here than at home. The man who comes here, generally speaking, is more physically fit, my experience is based on the first class man. A first class life here includes the commonsense condition of mind, that accepts this as a tropical country and being a white man and not a native of a tropical country, he recognizes that he has to concur with the conditions.

May I say something about the birthrate. Amongst young healthy couples who come to this country or are married in this country and who do not go home periodically the birthrate as compared to the same class of people at home is very small. Amongst those who do not go home and who have been out here for any length of time, the birthrate becomes nearly nil. For this there can be only two causes, the first, and I believe much the commonest, is that procreation does not take place. The second possibility is that the prospect in conditions and means for children here is so bad that the parents decide not to have any more.

*Assam.* I look upon British East Africa as a much better planting country, at the same time the nerve racking conditions are not there, which are here. In the beginning of that country's life, after the Burmese war, planters went out. They got the China Tea bush, brought it there and made Assam a great planting country. They began a one-man show. Every plantation was owned by one person. After a few years they found that these men could not live there for ever. The result was that these gradually returned to their own country after making a company of their plantation. A large plantation now means 7,000 workers and there are three, four, five or six Europeans on each plantation. All plantations are run by Agents in Calcutta, who have a general oversight. They realize that the European must go home and they see that they do so in rotation, because it has been found that if the European does not go home the plantation is not well worked. He is paid exactly the same when at home, with passage paid both ways. At the present time, in lower and upper Assam no such thing as a plantation run by one person is possible, it is merely a matter of £ s. d.

A man can manage his financial affairs better through a little company. As a rule the Manager is a big shareholder in the company and each assistant is encouraged to have shares in the company. They are very often family companies.

The white man, everywhere without exception, in the tropics, or sub-tropics, becomes degenerate. He is an exotic.

Take the case of Northern India. I refer you to a celebrated book by Sir Havelock Charles as to the degeneracy of Europeans from time immemorial in Northern India and their utter extinction. There is nothing left of those people, except an European language and a blue eye now and again. That book shows how Northern Europeans gradually degenerate. Nervously, mentally, bodily, in even the sub-tropics.

In the planting districts of India, a man who is European, born of European parents, educated in India, but who has never gone home, will seldom get a responsible position, such as the running of a big estate when the Manager goes home. A young man, 25 years of age, an Englishman, born in England, brought up there, will get it. He may know little of the language, the other man knows everything, but the other will not get the responsible charge.

I understand that quite recently vital statistics were taken in Australia regarding colonisation in the tropics but these were not allowed to be published.

I believe the finding was that Europeans living there for 3 generations died out unless there was imported blood to mix with from Europe. To run Queensland and at the same time to adhere to the law that black men cannot be brought in the country, they have been compelled to go to a halfway house and bring in Maltese.

It is found that the Northern European cannot work there.

The same vital statistics are true with regard to all the Southern States of United States of America. It is found that unless there is an immigration of new blood the white man dies out.

The only place where I know Europeans have lived a long time in the tropics, is Barbadoes.

General Cromwell in 1645 sent out about 28,000 Irish to Barbadoes with their wives and families, the result was, no in-breeding, and I have it from men who have lived there, that those people are very degenerate, especially nervously. This is notorious.

I have heard the question put, what about Brazil in the tropics, high country, is it similar to this? I would refer you to a lecture and an article written by the Professor of Climatology in Harvard University. He compared it with British East Africa, the highlands of British East Africa, and gave reasons why neither of them could ever be homes for white people. He states that the humidity of British East Africa in the day-time is much too low, a low humidity is most nerve-racking, and that where the humidity goes below 75% it is a bad country for white people.

In the year 1915, I took the humidity between the 1st November and 1st May. I used the ordinary wet and dry bulb thermometer, which registers no lower than 40% saturation, we were below that almost every day, in the day-time.

In comparing the two countries, this Professor shows the impossibility of thinking of making either of these countries a home for white people. I emphasise *white* because the people in Brazil are not pure Europeans.

Potosi, which is inside the tropics, 16,000 feet high, is 24 hours up by train from the sea coast of Chili. All people who go there are examined at the coast before going up. The Doctor who writes the article, says he can never tell who is going to stand the altitude and who will not.

Beyond 12,000 feet peculiar nervous phenomena are liable to occur. They take the form of restlessness, going on to actual fits. The heart becomes restless, flutters, works without co-ordination. The whole nervous system gets out of gear. If persons thus affected are not brought down at once they die of nervous exhaustion. The picture was a most interesting one, as being a great exaggeration of what occurs to the nervous system here. The Dr's. argument is, that the heart is controlled by the nerves, and if the nervous system is out of gear the heart will work all wrong. These men would die, not from heart disease, but from the heart working incoordinately. He dies from a nervous phenomenon.

The Professor who wrote that article on Brazil and British East Africa, I take it has been out there and here because he mentions a lot of local detail of each country.

With reference to the difference between coast and highland in this country. My experience is, that if I send people to the coast, their nerve phenomena are generally relieved. It is also noticeable in infants; infants here sometimes cannot sleep, but as soon as they get to sea level, they are much better, they sleep.

The altitude is a nerve exhausting factor.

At the coast the heat factor is a bad one.

In the day-time the evaporation in this country is tremendous.

To keep a community fit in its natural environment admixture of blood is not necessary. This is shown in the case of Iceland. The Icelander is an absolutely pure bred man and is looked upon as the highest type of man.

Most of the troubles arise from nervous exhaustion.

It is deteriorating for children to be brought up in the presence of natives.

Young men here do not take reasonable care of themselves, consequently they break down. Having the same conditions of housing and feeding, that break down will not occur in a healthy country.

Feeding here on the whole is good, better, I think, than in Europe. I do not mean by this that the chemistry of the foodstuffs is good.



## WITNESS No. 25.

**W. J. Radford**, M.B.C.S. (ENG.), L.B.C.P. (LOND.).

*Principal Sanitation Officer, East Africa Protectorate.*

I have been 19½ years in this country. Have been in general practice here for 15 years, principally among Europeans, all over the country.

I have heard Dr. Burkitt's evidence and in the main I most certainly agree with it.

A certain portion of my practice has been with Government officials. My experience with this class of individual has been such as Dr. Burkitt describes.

Regarding Insurance. Everybody starting out here, is placed under a disadvantage. You are moderate in saying an extra 3% is charged. To-day there are very few Insurance Companies that will accept a policy on life at home rates on a man coming out here. They all start with this disadvantage although they are physically fit and entitled to a "first class life" category at home.

Regarding the necessity for change. I find, in my association with men, that it does not matter, whether at coast or in highlands, that after 24 or 30 months, a man can hardly be what I describe as a commercial asset; he carries on, but his mental energy has become more or less dulled; he requires to get away.

I have been on the invaliding board and my experience is that after that time a man must have a change. Apart altogether from conditions produced by definite disease the inertia is simply due to the environment here. After a residence in this country for that number of months, a man becomes degenerate. Trivialities worry him and it all affects his work. Dr. Burkitt mentioned "send him to the coast" I go further, send him out of the country. You call them Nervous Breakdowns. I by some Latin name. When a man has been out here for this time, there may be no evidence of disease yet he is unable to work, unable to put forth energy, mental or physical in an effective manner.

*Settlement.* I cannot understand why settlement is suggested, the very word itself means increase of population.

Dr. Burkitt and I told you the effect this country has on women. Young couples here have small families. After a certain number of years in this country, the woman cannot work. I am not speaking of conditions, but of my definite knowledge of facts, of the effect these things exert on health here. The woman, the white woman, suffers more than the man.

I cannot conceive any one, asking, or considering for one moment, the advisability of placing a community of poor white men or women in this country.

*Clothing.* We wear woollen clothing at home, because it is cold, here because it is hot. In either case it is to control the body temperature.

The white community out here, from which the quoted statistics are taken, are specially selected, living under special conditions, everything in their favour. Infant mortality at home is the result of an inferior condition and overcrowding.

The actual infant mortality in this town, Nairobi, last year, was 88.6 per thousand At the age up to one year. I am not taking into consideration miscarriages, born dead, neither suggesting the number of deformities or abnormal mental conditions, which one sees.

In the East End of London, Liverpool and the Slum districts, it is as much as 314 per thousand, but that is not living under such good conditions as here, which resemble a Garden Suburb.

The number of births during last year, 1916, in Nairobi was 77.

You are putting men on the ground without any medical examination. You have no knowledge as to their physical fitness in any way whatever.

I am not suggesting that a white man cannot live here, or in any part of the world. What I say is, that he can only maintain his existence here, by the exercise of the greatest possible care. That would be impossible to expect from the community you are suggesting to bring here.

I would be the last in the world to say that organic disease is less or equal here to at home, here you have every disease, known in the temperate zones and dysentery, malaria, blackwater and diseases of that sort in addition.

I say that no man should stay here longer than two years, if perfectly well he may be able to stay four years, but if possible he should have a change before and that change should be, go home, and he should stay there for six months.

In order to live here, a man must, first of all, exercise his common sense and not undertake any undue amount of physical exercise. The first white men sent out to this country, wore shorts and had their sleeves turned up. One should cover up as much as possible. The amount of surface upon which the sun penetrates, should be as small as possible. It is not advisable out here to work with one's sleeves turned up, even if you consider you are acclimatised and accustomed to work; not white races from a Northern altitude. When you have your white race from the South or from South Africa, then it is a different matter.

White people from a temperate climate, do not become acclimatised. If they did, they would be like the Indian, would never want to go home, or want a change.

With reference to the house. One of the most important things, is the modification of light and a proper amount of ventilation. Kind of structure. It may be well to know, that in the last seven years we have insisted on a different type of ventilated native hut, a properly built hut. Huts built with what we term, permanent ventilation. The effectiveness of that particular class of hut, has been an economic factor.

The best type of house to be built out here, in my experience, is stone or brick, the most hygienic would be a vegetable material. You want something that will maintain an equitable temperature. The least advisable, I say, is a building such as this we are in, wood and iron.

From a health point of view, I consider it a criminal action, to build a house, a residence of any kind, in this country, of galvanized iron.

With reference to a house on piles. I prefer a house built on the ground but supported by a raised plinth both for Europeans, Asiatics and Natives.

The best kind of floor is one such as this, resting on joists.

I think the saddest part of the whole question of intimate domestic life, is the relation between parents and children. One does not send them home because one wishes, but you find you must and I have had to advise many to do the same; it is absolutely necessary, if you accept your full responsibility here and such is within your means. You must send the children home. I do not think any child should be here beyond 5 years of age. The female class is more impressionable to the native influence more precocious than the male.

What do you mean by settlement?

You take the average soldier, of European extraction and put him on land, without any assistance. How is he to live? What can he do?

Do you suggest a community of men, without financial aid from Government, Bank or philanthropic society?

He cannot do the work of a native.

A man with small capital? I cannot see how he can get on without assistance of some kind. I would not take land as an asset, *per se* I do not think you should give land. You are accepting a great responsibility if you place him on the land without the means of developing it.

No man, unless he has £1,000 capital, should start here. If he has to wait for results, his mental depression may be so great that it is very likely to produce a breakdown. He should be relieved of all financial worry.

*Food.* With reference to the actual factors of the energies of the food you absorb. A large percentage of the meal out here is not the same as at home, certain constituents are lacking. Your mutton and beef are lacking in fat. The water supply is small. Nearly all water supplies here should be chemically treated, and all should be regarded as polluted.

We certainly have improved the facilities here for living. The man who comes out here, after the war, will have the advantage of the experiences of the last 15 years but will he apply these? I do not think he will. Certainly not this type of man it is proposed to settle in the land.

Dr. Radford submitted the following notes on the "Terms of Reference" which he desires should be read in conjunction with the foregoing evidence.

COMMISSION OF ENQUIRY INTO SETTLEMENT FOR  
EX-ARMY MEN AFTER THE WAR.  
NOTES ON THE "TERMS OF REFERENCE."

*Reference (1).*

It is assumed that the phrase "Settlement on the Land" should not be interpreted in its literal sense to the placing of a certain number of persons within defined areas; but should rather imply that these immigrants should be possessed of those physical and intellectual qualities, equally with sufficient means, that are the essential complements for the control and utilization to the greatest advantage of all conditions of their environment, in order that their labour may be productive, and the State directly benefitted thereby. It appears to be a matter of conjecture if these individual mental qualifications and the necessary initiative ability will generally be found among the

rank and file of soldiers of European extraction who have served in His Majesty's forces in the present war whether in East Africa or elsewhere. There is no intention of disparaging the attainments of those who have already achieved what may be termed the "impossible" in certain spheres, but such result has been materialized by the application of technical and scientific knowledge, commercial astuteness and capacity; the exhibition of resourcefulness, and adaptability to conditions and circumstances. These qualities have in the main been fostered and exercised, and certainly correlated by a trained and constructive mind; and their proper utilization under direction, has determined the success or failure of the enterprise.

The geographical position of this country, its hitherto isolated position with reference to other nations; its rainfall, temperature, the general attainments of its inhabitants, have been determining factors in delaying its development, rather than enhancing one of its real assets—its economic prosperity.

The earlier planters were confronted with all the difficulties attending the exploitation of a practically unknown land, the task of correcting the traditions and methods of the indigenous inhabitants, and of bettering conditions that had directly retarded rather than advanced its agricultural possibilities. Everything had to be started fresh. It is not contended that the capital expenditure involved in overcoming these difficulties, combating disease and pest, correcting the natural traits of native indolence and apathy, has not been warranted by the results achieved in certain directions; but this very success has only been rendered possible by having at command a capital sufficient to tide over the period of waiting for results; while the application of exact knowledge, scientific methods have been contributory factors to its fruition.

Though this very success may justify the optimism expressed regarding the potentialities of the country, it is well to remember that the capitalist approaches the subject from a standpoint entirely beyond the perspective of the poor man, who presumably (judging from the term of reference No. 1) would be dependent on his own efforts; and from the very nature of things be deprived of those additional safeguards to health that are within the command of the well to do.

This country has been named the "Rich Man's Land;" in any case the cost of breaking new land at £5 per acre, and its maintenance for (say) some 3 years at approximately the same rate; the expenses of housing, stock, labour, material, living expenses are all items that total an equivalent far beyond the financial possibilities of the average man who would generally be found in the ranks; and his handicap would be correspondingly greater had he received no previous tuition in agricultural pursuits, nor possessed technical knowledge of the industry he intended to prosecute.

From personal knowledge, acquired during long residence at the coast, an estimate of the failures in this respect has been possible; and an appreciation of the extent of the demands that have in the past been made on the philanthropy of the general community for the repatriation of those who hoped to easily achieve an agricultural success with a working capital of a few hundred pounds only. The signal individual failures of these years cannot, it is considered, but be multiplied in the future if an attempt be made to settle a large community of comparatively poor men with little technical knowledge within a tropical or semi-tropical zone, entirely unprotected, or unaided.

#### *Reference (3).*

From the nature of the case it would appear to be possible to accommodate the average man with small holdings only; an individual entirely dependent on his own efforts cannot hope to successfully cope with the disadvantages that comfort him on large areas; though a community of such persons who may be enabled to command the financial assistance of Government, or rely upon private or philanthropic aid would be more advantageously circumstanced; but it is observed that continued unsolicited aid is apt to stultify individual initiative, and prejudice sustained effort. Probably a communal system of tenure would be found the most advantageous proposition.

#### *Reference (4).*

The geographical and meteorological conditions obtaining in this country, and the deleterious effects of light and heat on the white man, demand a compensatory degree of natural protection that is denied the blonde races. The point need not be laboured; it is evident that the predominant races in tropical and semi-tropical areas are "coloured;" and the history of the ages but repeats itself in the present by the continued elimination of the white man within the tropics; his presence there is due to constant immigration from without rather than to an increase from within; and the experience of this country affords but little evidence on which any modification of this law can be justified. On the contrary it suggests that the white man must be regarded as an "exotic." He is the overseer rather than the actual labourer. Should his pecuniary possibilities debar him from exercising the more complacent role of the proprietor, and he be compelled by force of circumstances to maintain his very existence by manual labour; it is then found that his potentialities of physical energy become quickly attenuated—a condition that may be entirely independent of deleterious effects produced

by tropical diseases, or those that may be termed more especially "local" in manifestation. Without help he may automatically become a charge on, rather than an asset to, the State that has advocated his retention within an unnatural environment.

Instances can be quoted of individuals who have not only resided within tropical belts for long periods without apparent harmful effects to themselves, but have even appeared to thrive; but exceptions generally prove the rule. The statistics at the command of the Medical Department tend to prove that the effects of service in East Africa upon a carefully selected community of no mean attainments, possessing the required physical qualifications, commanding the amenities of life that a continued income, housing facilities, definite leave privileges, free medical attendance, and in a restricted sense change of environment can bestow; act more prejudicially on the individual than on a similar class of society within the temperate zone.

The following table compiled from the official return of sick, invaliding and death rates amongst European officials in the Protectorate as a whole in the last 7 years indicates the annual loss to the State of 4,520 days work in an average community of 579 officials; a sick rate of 82 per cent, and an invaliding and death rate of 30 per thousand.

	Number of Resident Officials	Total on sick list	Number of days on sick list.	Deaths and Invalidings.
1910	424	307	3,034	5
1911	388	413	3,410	8
1912	423	449	3,405	12
1913	682	506	4,079	20
1914	539	539	5,151	20
1914	539	539	5,151	20
1915	777	567	6,296	29
1916	820	582	6,270	30

If this be the state of health among a favoured section of the community, it is reasonable to suppose that those to whom such privileges would be denied, must be placed at a serious disadvantage.

Apart from the effects noticeable in the individual more directly attributable to meteorological conditions, or to those more immediately traceable to tropical diseases; is the mental and physical inertia so frequently noticed in those who as a result of occupation, environment, or financial limitations are precluded from effecting any radical change in their routine of life. Change is one of the secrets of health; experience has shown that monotony in this country is by no means a negligible factor in the lack of successful achievement.

Settlement on the land pre-supposes the existence of conditions that will permit its resident population to increase at a normal rate within it; and in this connection it is expedient to estimate the effects produced in the sexes by climatic conditions and environment. True the period of time under review is limited to less than one generation, but it is possible to indicate with some degree of certainty a few results that have become obvious. Be it understood that these observations are restricted to the effects observable on those immigrants who have come direct from the Northern Temperate Zones, and have not resided neither they nor their forebears in sub-tropical areas prior to arrival here.

The effects can generally be traced to one or two sets of conditions, due to environment, or disease; and the experience gained in this country in a great measure coincides with that recorded in similar latitudes in other parts of the world that the results inimical to the normal increase of population are more generally obvious in the female than in the male, and therefore are far more serious in effect on the community. Maturity is reached at an earlier age than in Northern climates, precocity and impressionableness to environment are very marked features in childhood especially in the female; and climatic conditions exert a more marked generally deleterious effect on the physiological functions of the female than is observed in Northern latitudes.

Children are difficult to rear, their resistance to disease is lessened, and their recovery from it protracted, and their liability to recurrence correspondingly increased. That children of both sexes thrive fairly well up to 4 or 5 years of age is admitted, but generally after that age their care adds greatly to the anxiety and responsibility of the parents.

The infant mortality of Europeans in Nairobi for the last 4 years is as follows :—

	<i>Mortality Rate per 1,000 Births.</i>			
1913	..	...	...	102.04
1914	...	...	...	96.27
1915	...	...	...	78.4
1916	...	...	...	88.6

Nairobi is quoted, as the environment is considered as exceptionally advantageous in comparison with out districts.

The educational and social possibilities and the means for training the young with due regard to their responsibilities of citizenship and efficiency are, at present, of such a nature that the average parent would be unlikely to select them as eminently satisfactory.

To sum up this aspect of the case; the imported individual, to become a real commercial asset to the State, should provide or be provided with the means of controlling natural conditions with the expenditure of the least amount of energy and material; and if such a man cannot command from the outset the additional safeguards that residence in an unnatural environment has proved to be an essential for the maintenance of health, he is not far removed from being an incubus to the State rather than a potential economic factor of its success.

It is unnecessary to point the force of the argument when applied to the case of a white man dependent on his own efforts situated within the more tropical or unhealthy areas in this country; the observations refer more particularly to those who would probably be called upon to occupy the so called "healthy" portions of the Protectorate where the compensation for tropical disabilities is merely expressed by the quasi advantages of increased elevation, and a corresponding reduction in the mean temperature; and such areas can generally be said to be above the 5,000 feet level in this country.

#### *References 5 and 6.*

Preference should be given to those who would be able to fill subordinate positions in various capacities such as overseers, foremen, clerks, mechanics, stock men, farmers or employment in activities connected with the development of land rather than the actual ownership of it. It is impossible to imagine that any individual entirely lacking in financial means could develop even a market garden or a cabbage patch; or indeed be able to keep body and soul together unless aid of some description be afforded. The men with small capital would be a welcome addition in any country provided he could be insured a percentage on his capital invested. The special qualifications considered desirable are (a) mature age: by that is meant above or about 25 years, (b) technical ability, and a sound general education, (c) preferably a total abstainer, (d) persevering and methodical habits, (e) married men to be accompanied by their wives if possible, (f) physically fit in every particular, (g) mentally well balanced and preferably of cheerful disposition; taking too serious a view of affairs does not tend to success anywhere, and is apt to produce the loss of the sense of the due proportion of things in this country; a condition in medical experience emphasised in localities over the 5,000 feet elevation limit.

Apart from the possession of special knowledge in any particular direction, the well intentioned handy-man would be always an acquisition, provided he be not left to his own resources; but the immediately useful persons would appear to be those whose financial circumstances render them independent of assistance of any kind or sort.

#### *Reference 7.*

For any scheme of land settlement to be successful, communication must be maintained between outlying districts and the railway system. The history of every country points the necessity for the maintenance of roads of access altogether outside any railway development scheme; no man can benefit to any extent who is denied access to markets for the disposal of his produce, and the maintenance of roads and bridges in such a country as East Africa bulks largely as a developmental necessity. As the "small man" could not be in a position to send his produce for any distance, it would appear desirable that he be placed either on some gazetted road, or in areas intimately served by the railway; and it would probably be found essential certainly at first to accord him special facilities, such as Government transport, or reduced rates on the railway if any chance of his eventual success be entertained.

#### *Reference 8.*

The financial limitations imposed on this class of individuals place them at a serious disadvantage in their competition with the capitalist. They are precluded from seeking the most advantageous market for the disposal of their produce in this or in other countries. They would be unable to appreciate, personally or by agent, the exact moment when they should dispose of their produce to the best advantage in foreign markets. Of necessity they must command payment, so as to obtain ready cash immediately their crops have reached maturity. Cash-in-hand is a *sine qua non* of their existence, without it their position is rendered precarious, and their claims for immediate assistance will become insistent.

To overcome these difficulties, possibly one of the fairest methods would be for Government to guarantee the purchase of their output at a price that can be determined, to insure them a fair percentage of profit; and at the same time safeguard itself from actual loss in the transaction. The purchase price to include the *quid pro quo* for cost to the individual of collection and transport of such commodity.

At this stage of the country's development an estimation of the inclusive cost per acre of production of any staple should certainly be possible; and it is suggested that the purchase by Government under such conditions would generally be more acceptable, and imply a greater degree of security, than if the transaction were left in the hands of private persons.

*Reference 9.*

The more white men that may be settled on the land, and the amount of development initiated by them, the greater will be the demands on the Native Labour Supply. It has already been stated in broad terms that the white man is the overseer, and not the actual worker, certainly this is true of nearly all agricultural propositions; a white man cannot be considered a substitute for the black. It is black labour under white supervision that has actually been responsible for the success of any agricultural proposition in this Country.

## WITNESS No. 26.

**J. A. Haran, C.M.G., M.D., B. CH., B.A.O., M.A. (DUBL.), D.P.H. (DUBL.).**

*Acting Principal Medical Officer, East Africa Protectorate.*

States that he had been in East Africa since 1898. He agreed with the expressed opinion that this country was unsuitable for settlement.

He thought that capital or financial assistance was essential for starting here, as, in order that a man might be helped to keep well he should be properly housed and be able to live becomingly whilst awaiting a return for his labours. Such a person should also have a knowledge of matters relating to tropical hygiene so as to enable him to guard his health.

He thought that the minimum capital needed was £1,500 (fifteen hundred pounds).

He considered that if a man were gloomy he would naturally feel depressed; the possession of a cheerful disposition did not, however, prevent mosquitoes from biting one.

It was understood that the birth rate had been diminishing in England (before the war).

## WITNESS No. 27.

**J. Forbes, M.B., CH. B. (U. ABERD).**

Who was unable to give evidence, submitted the following statement.

The result of my experience in medical practice after careful observation for nearly five years confirms my original belief that the highlands of this country are eminently suitable for closer settlement. I exclude all the country up to Nairobi except Machakos and the low country approaching Kisumu where no one has ever suggested that white people would thrive. I consider the Kyambu district and all the country up to Fort Hall absolutely unsuited at the present moment for closer settlement, not because of altitude, direct rays of the sun or any other reason except that it is too malarial, and there being not the faintest chance at present of malaria being prevented there on account of the large extent of the country. The bulk of my medical cases were malaria and dysentery—both preventable diseases. They could easily be prevented in Nairobi if proper action were taken, but as nothing is ever likely to be done, judging from past experience, Nairobi will continue to be a happy hunting ground for medical men. I find that there are nerve cases in this country but not much in excess of those in South Africa where I had 11 years experience before coming to this country. If there are relatively more cases, which I am doubtful of, they are certainly due to malaria. Malaria is the curse of this country. Most so-called cases of sun-stroke here are really malaria. This I have verified over and over again by blood examination.

I am of opinion that the altitude of the highlands is their saving grace, neutralising the deleterious effects of the latitude. Compare Mombasa residents with those of the highlands and the fact is self-evident. I think there can be no two opinions regarding this. I have seen no bad effects in my patients except cases of heart disease and cases where the heart is secondarily effected, such as in Bright's disease. It is difficult to say how much the altitude is responsible even in these cases, but I do know that hearts weakened by malaria improve on going to higher levels. I am of opinion that a holiday is beneficial as it is everywhere, but not more so than at home in England. I find that a trip to South Africa is just as good as going to England and in military service this has been abundantly proved. On the other hand a trip to the highlands for even a week makes a wonderful difference to anyone who is run down or who has had malaria. This I have seen over and over again. If a quarter of the time spent on a trip home were spent in the highlands, the result would be the same as regards improvement in health, and the expense would be considerably less. I have been particularly struck by the fact that although I drew my cases from all parts of the Protectorate, like other medical men, the numbers from the highlands were much fewer than from elsewhere, and I believe there is only one Doctor excluding Mission Doctors between Nairobi and Kisumu. That to my mind is the real criterion of health. If there was a need for medical men in the highlands there would have been sufficient doctors there. "Where the carcass is, there the eagles gather together."

If people will hermetically seal up their houses, carefully exclude air and light, how can they expect to remain healthy. Fresh air and light, when the sun is not too hot, are the secret of health in British East Africa just as they are elsewhere. There are far too many bogies in this country. I am strongly of the opinion that the country is all right and that the croakers are wrong. I can point to case after case of people coming to this country physical and mental wrecks who after living here for some time were so fit that they could only express their thankfulness that they had come. I consider that one must go above the 5,000 feet level before one finds a country fit to live in, but here I mean again just because malaria is absent or less frequent. At 8,000 feet and even somewhat above, you get an ideal country producing wheat, oats, barley, potatoes and all the home vegetables in profusion and supporting not only native cattle but pure bred cattle imported from home.

I am convinced that a country which produces all the food-stuffs of temperate climates and supports in their native vigour cattle, horses and sheep imported from those climates, can support white people. If animals from temperate climates can produce their species and these thrive, I see no medical reason why European people should not do so also.

Take South Africa. This country depends on black labour as East Africa does. It is a land waterless compared to ours. Its rainfall is not nearly so evenly distributed, half the year it is dry; it cannot produce crops to the same extent except by irrigation that we can do; it is as hot in summer as it is in our highlands and its winters are very severe in the high veld. No one has ever seriously suggested that South Africa is not a white man's country. People there go home when they can if they can afford it, and if they cannot, they do not, and yet they thrive.

Again, take Australia and take its worst part near the Gulf of Carpentaria, originally perhaps the most unhealthy climate in the world. This is now occupied by whites who do well. Take the sugar plantations there, worked originally by Kanakas. A labour Government turned them out and everyone said that sugar planting would be killed because whites would be unable to do the work. Instead of this, this hard manual labour is now carried out by whites who certainly do not go to England every few years and who thrive and bring up families in health.



These countries had their pessimists as we have, but the British Empire, thank God, was not founded by such as these.

This going to England every two and a half years is utterly unnecessary. Take the civil servants in this country. If it is necessary for an official who lives in say Nairobi or Naivasha or any part of the highlands to go home every two and a half years, it is a gross injustice to those who have their tour of duty at say Mumias, Kisumu or Banga. Officials who are not allowed to hold land and whose salaries are a disgrace to the British Government should get leave by a medical board when they require it, with no relation to their length of stay in the country at all. This leave should be optional, to be spent here or in England or South Africa or elsewhere. Since the war it had been the practice to send sick whites from the front to Nairobi and Kijabe to recruit, and yet Nairobi officials in peace time get home leave every two and a half years. It is absurd.

I believe that too much alcohol is drunk in this country. There is no question that alcohol drunk in the day time is deleterious in all warm climates. The rule among sensible people in all hot countries is to drink at sun-down and not before, and this rule should be strictly observed, especially as regards spirits.

As regards children I can only say that the chief drawback, as with adults, is malaria. Where malaria is not found, children do well. I believe that all the necessary minerals are found in sufficient supply with ordinary food. All children need calcium salts which they get in milk, the same as horses, cattle and all other animals do. Providence looked after that all right and no doctor can improve on it.

As regards giving calcium salts to children as a matter of routine, I consider this a most dangerous practice, to be utterly condemned. To show how children can thrive without salts in drinking water, I have a large family all of whom drank nothing but rain water which contained no mineral salts all their lives till they went home to school. Good milk in proper quantity with oat-meal or mealie-meal porridge, bread and meat supply all the salts necessary to them. It is only in the case of people living in slums whose food consists of tea and ham three times a day that the question of giving mineral salts crops up. In farming communities one never needs to give them. There are doubtless samples of milk in Nairobi wanting in ash but this is because the milk is adulterated with water. The milk and butter in the highlands in my opinion are second to none in the world. In any case, the evidence about the lack of ash in milk is of no value unless supported by a large number of analyses and thoroughly checked in a scientific manner.

As regards Dr. Radford's statement, I find it very difficult to follow what he means, but I beg to say that his table of sick and deaths for the whole country is absolutely irrelevant to the question of closer settlement in the highlands. No one has ever suggested, that I know of, that settlers should be placed in the worst malarial districts from where he draws part of his figures. I go so far as to advise closer settlement in the Kyambu and similar districts at present. Later, with more experience in eradicating malaria, it may be attempted.

I see no reason why the lower country should not be given to Indians if they wanted it.

Dr. Radford's table of infant mortality in Nairobi is interesting because it shows a drop for three years and a rise only in 1916, when the war had been on for two years. It is a well known fact that the Indian troops brought another type of malaria into Nairobi and this probably accounts for the increase in 1916, but this type with the others could be prevented if the Government would only wake up from its torpor and do in Nairobi what has been done in Ismailia, in the Panama Canal Zone, in Durban and in many parts of Australia. I suggest to Dr. Radford that he prepare tables for the highlands and separate statistics for the different districts.

There are two real troubles in this country; the first, which must be rectified before closer settlement is attempted, is want of educational facilities for the children. If schools were established at proper centres to bring on children sufficiently to let them enter a public school at home or to enter business in this country, one of the most needed wants would be supplied. The second is a pass system for native servants. The present chaos cannot continue where a servant can break his contract and leave you at any time without punishment of any sort. From every side one hears this complaint and most of the worry caused to our womenkind comes from this source. I warn the Government that the people of this country are getting tired of it and that unless the Government does something soon, the settlers will take the law into their own hands. From many years experience as a police surgeon in South Africa I know how essential a pass law is for natives. It is the greatest deterrent of crime I know amongst them. Wisely and moderately drafted, with due regard to the rights of natives and administered by some officer with long experience of natives, it would immediately justify itself.

As regards closer settlement itself, many difficulties at once show themselves and many factors have to be taken into account.

First, suitability of country as regards health. This I have dealt with.

Second, possibilities of growing crops, of cattle farming including dairying, &c., &c. This also has been touched upon.

Third, the most suitable branches of these as paying propositions. This opens up a wide field for discussion which can only be settled by those with experience in the different branches, (a) cattle for dairying purposes and for beef; (b) cereals, maize, wheat, oats, &c., (c) peas and beans, (d) food for cattle, viz: lucerne, beet, mangolds, hay, &c., (e) flax.

Fourth, methods of farming and markets, local and export.

Fifth, conditions of tenure.

Sixth, acreage required and capital necessary for same.

Seventh, type of settler required for closer settlement.

Eighth, co-operation.

(Wattle, coffee, sisal and coconuts are expressly left out as being too large propositions for financially small men and as they grow, wattle excepted, in unhealthy areas, unsuitable for closer settlement at present).

These points would take too long to discuss, so I confine myself to the last, co-operation. Last year I had the opportunity of examining the working of the co-operative movement amongst farmers in Ireland. I had the privilege of being received by Sir Horace Plunkett who has done so much for Irish agriculture and who is Chairman of the Irish Agricultural Organisation Society. His officials explained to me the working of the movement and gave me literature on the subject which I had in. After this I went to the country and saw the actual working of co-operation at meetings of farmers. I saw peasant proprietors carrying on their business with a knowledge born of this movement that was absolutely surprising. I saw there under such a scheme that small farmers were getting the use of the very latest up-to-date agriculture machinery, that they bought their seeds and manures cheaper than they could get them if they were not members, and that they produced better cattle and dairy produce than if they were not members and got better prices for them. I saw that the farming there was much in advance of a large part of England and Scotland whose farmers are reckoned to know their business, and I at once grasped that the scheme was not only suitable but essential to closer settlement in British East Africa. I therefore, from first-hand knowledge advocate that no scheme of closer settlement be instituted in this country unless accompanied by co-operation. I suggest that some officer be sent home to examine and report on co-operation. He should then be able to advise the Board that I presume would be formed to look after closer settlement. He could be sent round the country in addition, explaining the system to other settlers. I am utterly opposed to spoon-fed Government assistance in any way except as regards payment of land, which ought to be spread out over a long term, say 30 years, bearing interest. Under co-operation one asks for "Government aid for self help," and nothing more. No special railway rates should be necessary. The scheme will stand or fall on its merits and I am abundantly convinced that on a co-operative basis it will succeed.

This is entirely, so far as we know, an agricultural and planting country. No payable minerals have yet been found. We must specialise therefore in agriculture. Our Director of Agriculture should, next to the Governor, be the most important man in the country. He should be well qualified, energetic, and enthusiastic as on his knowledge and energy the future of the country will depend. The best veterinary pathologist the country can afford should be obtained, as farming generally and transport depend on the success of cattle-breeding for the next few years. An experimental Government farm should be started on the higher levels as well as having one at Kabete. It does not help the farmer at 7,000 feet to 9,000 feet to know that certain crops can do well at Kabete. A tropical agricultural farm should be immediately started—a real farm, not a shamba growing pineapples as we have at Mazeras. Experts in the different planting concerns should be obtained—real experts.

I have never regretted for a moment coming to this country. I advise all my friends at home and in South Africa to come here when the war is over. I state emphatically that I am a firm believer in this country, in its possibilities and in its future. It will succeed in spite of the croaking of pessimists in spite of want of Government help, but I trust that the Government in the future will materially assist in the development of the country. I see in the future a country with a net-work of railways to every part of the highlands, with flocks and herds in enormous numbers, with dairy farms and creameries, with flax factories, with grain elevators, with oil seed mills, with coffee, sisal and coconut plantations exporting all over the world.

I see also a large and prosperous population passionately attached to their adopted country which by their courage and their labours and their faith they have helped to attain to the proud position of the brightest gem in the British Empire.

## WITNESS No. 28.

**H. A. Bodeker, M.B., C.M. (U. GLASG.).**

Who was unable to give evidence, submitted the following statement.

The medical opinion publicly stated on the European colonization of British East Africa is a matter of vital importance to us all as well as to the future of our adopted land.

I feel it is my duty to say a few words on the subject.

My personal experience of this country as a medical practitioner dates back to July 1896, when my wife and I bringing two other young married couples as helps left England with the purpose of settling down at Fort Smith in the old caravan days when the Uganda Railway was barely three miles in length. Perhaps to the large majority of our present settlers the early days of pioneering in British East Africa is more or less a fairy tale. We were obliged to take the whole of our outfit on the heads of swahili porters and wend our way through the hot, dry and waterless Taru desert and the everlasting scrub and bush zone from the Tsavo river to Kibwezi with our faithful and plodding swahili porters and be thankful at the end of each daily march to pitch camp by the side of a running stream after a wearying, footsore and thirsty march under a blazing sun. In spite of all discomforts we were eager to push on and were well-rewarded when we arrived at Fort Smith in the month of October 1896, which was regarded as the haven of rest in the old safari days. It had the reputation of being one of the healthiest stations from the Coast to Uganda and situated in a land overflowing with milk and honey, which was literally true as all caravans passing up and down rested for a few days and every porter took advantage of the abundance of ever welcome fresh foodstuffs, which were a God-send added to their monotonous daily rations of mtama flour. I fear I am transgressing from the main subject in referring to the good old days gone by.

It has been my luck to witness the wonderful and extraordinary development of this country since the railway was built.

I clearly remember prophesying to some of the Kikuyu Chiefs in the old days that the time would come when they would see the white people coming in hundreds to settle on the land—my words you will see have come true.

During my tour of Government service I have come in contact with all phases and conditions of life among the Europeans of all classes and must confess that the results have thoroughly convinced me that our highlands can provide a healthy and vigorous life for all who are willing to toil on the virgin soil, which had given such profuse and lavish results from an agricultural point of view. I have seen practically the whole portion of country given out for European settlement and having had a great deal of medical experience in the various Provinces of this Protectorate I would hesitate to condemn the country as being unsuitable for European colonization.

The question of rearing children in the country would appear to be a serious setback. My own conclusion is that a healthy child born in the country, provided it receives natural nourishment in the early months of infancy, thrives extraordinary well and passes through the teething stage with very little trouble. As the child grows, great care must be taken that the food given is nutritious, wholesome, well-cooked, simple and un-contaminated. The milk from the native cows is excellent provided it is carefully supervised, and strict cleanliness exercised when taken from the cow. The other points necessary for the welfare of children are good drinking water, suitable clothing of light wool, daily warm bath, and regular hours of feeding. Personally, I should strongly advocate that all children should have the benefit of a change to the coast during the months of June, July and August, which are the most pleasant, cool enjoyable months of the year. It is to be greatly regretted that nothing so far has been done to encourage parents to take their families to the coast as an annual holiday. There is a deplorable lack of suitable accommodation and other seaside attractions which deprive a large number of highland people from enjoying the benefits of a well-earned holiday at the coast, which in my opinion is absolutely essential for those who cannot indulge in the luxury of having a change out of the country. There is plenty of scope for proving whether children can be successfully reared or not, and it is certainly not our place to condemn the road as being barred until every effort has been made to help them to maintain good health until the age of maturity is reached.

Next to the importance of the mother's personal and strict supervision of her children comes the question of education. This must be looked squarely in the face, and after all it is a sacred duty to us that our future generation should have the very best and up-to-date methods of a modern education. I am convinced that if parents take the proper interest in their children, children born in this country are intellectually as good as those born in any other part of the world—they are both quick and reliable in character with a spirit of self independence which is lacking among the majority of home children, speaking native dialects as a matter of course and conversing in English with the parents.

The native influence on a child's mind cannot be regarded with indifference by parents—very few children have the attention and care of a European nurse, with the result that the inevitable native boy, who is more or less a savage at heart, is depended upon as a mother's help in most families and in many instances the boys have proved themselves worthy of the trust placed in them, but cases have happened where the degraded and evil mind of a native has wrought disastrous consequences upon a white child. It is imperative that parents should consider this matter at all costs to themselves and be most careful in the selection of native boys as attendants on their children. Unfortunately the native women of this country have been found to be worthless and unreliable in performing the duties of a mother's help. It must therefore be understood that the resources of a mother will be taxed to the utmost in rearing her children and it is her right to expect every protection, comfort and help as far as circumstances will allow in each individual case.

Taking it on the whole the greater bulk of the European adults settled in the country for several years have shown no substantial evidence that the prevailing climatic conditions of our highlands are detrimental to their welfare. On the contrary it has been my experience to find that most of the men keep very fit on their farms. Personally nothing suits me better than to be working out-doors on a shamba in a climate averaging 60° in the shade and a night temperature necessitating a comfortable fireside before retiring after a hard day's work in the invigorating and cool atmosphere of Fort Smith. One must live a life of this description to thoroughly appreciate the climate of our highlands. The effects of the active rays of the sun can be nullified by a proper headgear, suitable clothing and an interval of rest at midday for two hours. In addition wholesome, plain well-cooked, food with plenty of vegetables and fruit if possible, cleanliness and sober habits. Alcoholic excess and overfeeding are to be carefully avoided. The period of acclimatisation is not a long process—in fact I think I am correct in saying that many persons shortly after arrival in the country begin to feel the effects of the salubrious and bracing climate of our highlands, their vital activities are stirred up that they are smitten with the thought that this country is worth settling down in.

The question of capital and labour, which are the keys to our future progress, do not enter into the object of this letter—the subject is too wide to be briefly discussed.

The labour problem, I hope, will resolve itself as soon as we have a department of Native Affairs firmly established in the country.

From an Imperial point of view I cannot help thinking that every endeavour should be made to look ahead as far as possible. Take my own case, I never realised 20 years ago that this country would advance and develop so rapidly, and that land would go up in value by leaps and bounds. The day will surely come, when our railways will be predominant and linked up with all parts of Africa. The future generations of our country will then be in the position to seek health resorts by railways leading North and South of our vast, precious and wonderful continent.

The science of hygiene will ultimately triumph over our prevailing diseases which are easily preventable and notoriously due to a cheese-paring policy of blocking sound sanitary measures so frequently recommended by the Medical Department year by year.

In conclusion we have before us a large amount of spade work in eradicating old fashioned ideas of living in surroundings populated by natives, who are the primary cause and carriers of most of our epidemic diseases. They should be strictly segregated in a township area and their supervision should be conducted under a proper and modern system of sanitation.

I sincerely trust that what has been written will materially help to dispel all alarming thoughts concerning the future welfare of British East Africa which will continue to blossom out as the land of a promising and prosperous career in the wide-world British Empire.

## WITNESS No. 29.

**M. Mackinnon, M.B., CH. B., M.D. (U. EDIN.); D P.H. (OXFORD).**

Who did not give evidence but submitted the following statement.

An eminent writer in a recent article on the international control of tropical and sub-tropical countries, maintains that for the colonization by a white population there, countries must be capable of fulfilling the following conditions—

1. Permanent settlement.
2. White domestic life.
3. Rearing and education of healthy children.
4. Cheap and abundant labour.

Any tropical country that can admit of these conditions can surely claim to be a white man's country. We in British East Africa have to decide on these vital questions and the future of the country depends on their successful attainment.

It will be sufficient for my purpose, to briefly examine the headings in their bearing to East Africa, but I shall omit any reference to the rearing and educating of healthy children as I have already in a paper, recently published, expressed my opinion on that subject. I would only repeat that definite conclusions cannot be drawn from a study of a very limited number of children. It is only by careful observation from infancy to man-hood and woman-hood of the generation reared and educated in a tropical country, and comparing their physical and mental characteristics with a similar generation reared in a temperate climate that one is justified in expressing any reliable opinion on the suitability or otherwise of that particular country for a white population.

As far as one can judge at present the health and development of the rising generation are distinctly encouraging.

## PERMANENT RESIDENCE.

The consideration and solution of this question in its application to a tropical country has engaged the minds of pioneers and colonizers for a long period of years, and there are so many factors to be taken into account, that judgment in many cases, is reserved to the realms of better experience.

It must always be understood that nature is continually at work in adapting the animal and vegetable kingdom to their environment and in the process of adaptation although nature may be extravagant and wasteful there is a constant weeding out of the unfit, and the survivors are endowed by a gradual development, characteristics which are capable of resisting harmful processes not encountered in that part of the earth's surface specially allotted to them by nature. The natural abode of the white race is the temperate zone, and whenever that race is removed from its natural environment, there comes a time when the instinct, which is the guiding principle in the emigration of birds from a warm to a cold climate and vice versa, becomes irresistible and the yearning for a return to the land of its birth is imperative to its very existence.

Climatic conditions, the presence of endemic and epidemic diseases, are conditions that a white population endeavouring to establish permanent residence in this country have to fight against. Situated as we are only three degrees south of the Equator, it must be apparent to all that the direct or actinic rays of the sun combined with extreme degrees of heat must by a constant process of stimulation so exhaust the nerve protoplasm and cells that a change to a less enervating climate becomes in the course of time an urgent necessity.

This factor alone conclusively put out of account, permanent residence on the Equatorial Zone. The prevalence of endemic and epidemic diseases may produce a high mortality rate among the white races in a tropical country but that does not exclude permanent residence, as a certain degree of immunity is gradually developed which enables one to diminish the effects of an attack of disease or even resist it altogether.

## WHITE DOMESTIC LIFE.

By this is meant a mode of life as closely approaching as possible to that which prevails amongst white races in temperate climates—a life in which children are brought up under the care of their parents, disciplined by principles which can be learned in childhood, guided by motherly care and family relationship.

Circumstances and conditions are not conducive to such harmonious domestic life in this country. For health and other reasons children may have to live away from parents, wives away from husbands, and there is an absence of that family cohesion and relations which is such a valuable and distinctive feature of domestic life at home.

## CHEAP AND ABUNDANT LABOUR.

The care and good government of the native races are of infinite importance to the well-being and comfort of the white race. This is mainly an agricultural country, with abundant scope for manual labour and the closer the supply approaches the demand, the greater the comfort and prosperity of the settler.

I feel sure that much of the irritability, anxiety, hardships and failures, experienced in this country is due to the quantity and quality of the labour supply.

Train the natives, teach him some of the elementary principles of sanitation and hygiene, and above all instill into him by the laws and orders of a good government the highest respect and submission to the white man, and you thereby lay the foundation to a prosperous and wealth producing country.

## WITNESS No. 30.

**W. H. Heard, M.B., B.S., B.U. (IREL.); L.R.C.P., L.R.C.S. (EDIN.); L.F.P.S. (GLASG.)**

Who was unable to give evidence submitted the following statement.

Remarks based on roughly 12 years' experience of British East Africa highlands, comprising Nairobi and district and Uasin Gishu Plateau.

1. In my opinion no dogmatic statement is worth considering seriously until another 10 to 20 years have elapsed. At present after roughly 10 years of white settlement during which children have been born and brought up by European settlers, we can only be guided by conclusions by what evidence we have so far in front of us.

2. As regards European children on the Plateau, some months prior to the present enquiries, with the kind co-operation of the Head Master of the Central School, Eldoret, (a mixed school of English and Dutch children of both sexes numbering about 50 at the time), I had their weights and measurements taken, and compared same with the average of home children of like ages, and fairly similar conditions.

The result showed unmistakably that age for age there was increased physical growth in the children of this country.

Enquiring from the Head Master (Mr. Humphriés, recently from home), he corroborated my opinion that as regards mental development, there was no particular noticeable difference, except that the Dutch children were perhaps a little slower at the start than the others, accountable for, by their natural characteristics. The question therefore for future years to solve is.

"Is this a case of rapid early development, which will be followed by early decay, or is it a sign of a new generation more sturdy than the present?"

3. As regards the *Medical ailments* met with by me in this country, their variety has been surprisingly few. Rickets I have never seen, adenoids occasionally. The usual epidemic diseases of chicken-pox, measles, whooping cough and occasional enteric fever are met with, but are hardly especially attributable to climatic influences. What I might call the more indigenous diseases of the country such as dysentery and malaria, both preventable diseases, are seasonable and common to all ages and classes but the mortality is extremely small in these parts. Infants up to a year old suffer usually from constipation which disappears when they reach the stage of mixed diet after which they as a rule thrive wonderfully well, when they receive due care and attention. Insufficiently treated malaria produces in them marked anaemia at times. Another common cause of trouble is parental neglect in permitting them to be out of doors in the midday heat, without adequate head covering, which children are so averse to retain. Nasal catarrh of a persistent nature is perhaps one of the commonest climatic troubles here, but is more prone to attack adults than children. Average plateau European death rates compare most favourably with home.

#### EFFECT OF THE TROPICAL SUN ON THE GENERAL HEALTH AND NERVOUS SYSTEM OF THE WHITE MAN.

One hears much talk of actinic rays, etc., but practical experience of 12 years has yet to confront me with anything more serious than occasional mild sun strokes with invariable recovery (speaking of the highlands only). Prolonged years of residence effect the nervous systems of some to the extent of temporary lapses of memory notably for names of some familiar objects or persons whilst in others a condition of hyper-sensibility is occasionally observed, best described perhaps, by the condition known as "jumpy" sun action is observable in cutaneous irritation on first exposure producing sun erysipelas and eczema (common to any hot country).

Altitude effects are also produced, but like sun on newly exposed skin, are in the healthy soon rectified by a natural process covering a period known as the period of vital adjustment, during which the organs, readjust themselves to altered conditions (roughly a fortnight). Worry, mental irritability induced by the vagaries of native labour, isolation, and an absence of the mental philip to be derived from amusements obtainable in more advanced civilisation are in my opinion much more potent factors secondary to badly cooked meals, the lot of many, may also contribute militating against a sound nervous condition than any climatic causes, indigestion

#### NECESSITY FOR CHANGE TO OTHER CLIMATE.

To make a standing rule on this subject on account of climate, appears to me ridiculous except in notoriously unhealthy stations. In the highlands as a whole I believe as good average health can be enjoyed by the majority of Europeans in this country as in most others. Medically selected children and adults might be sent elsewhere, but for the majority adequate change could I believe be found within our own borders. The white man has proved his capability not only of living but of thriving throughout the world at all temperatures ranging from tropical heat to 70% below zero

clearly demonstrating the power of the human system to adjust itself comfortably to its environments climatically, provided other factors are not against it. If any exception other than above it would be in the case of children nearing puberty, when a year or two of a more bracing climate might prove of advantage.

#### SUMMING UP.

I am a firm believer in the future of the highlands of British East Africa as a country for European settlement in the broadest meaning of the term. Efforts to produce a healthy and contented European population, would I believe be best directed along the following broad lines.

The proper and careful selection of township sites selected with a view to proper drainage, and adequate and healthy water supply.

The immediate elimination of that curse of any country, the "galvanized iron" living house in favour of stone or brick, erected under stringent sanitary regulations

The segregation of races, as regards living quarters in townships, making adequate provision for the health requirements of each.

The encouragement of closer settlement than at present obtains, in the various districts. Provision in all townships however small, if necessary at Government expense, of educational facilities, sufficient for local needs, together with such places as drill halls, swimming baths, cinema halls, gymnasiums, etc, where social amusements can be within the reach of all.

A systematic organisation of the available native labour supply, on such lines of useful labour as may be dictated by the needs of the European community to whom they look for employment, and not on the lines of idealists and faddists.

Persistent efforts by both Government and community to eliminate the mosquito and other pests.

The general discouragement of the belief obtaining with some, that hard manual labour is detrimental to health in the highlands. The practical experience of the majority of men, who are at present helping to make this country is entirely contrary to such an opinion.



## WITNESS No. 31.

**Mr. E. Battiscombe**, Conservator of Forests, who was asked if, in his opinion, any portions of the existing Forest Reserves could be utilized for settlement.

Mr. Battiscombe stated that he considered the present Forest Reserves were not large enough to produce the amount of timber required by the Protectorate. The area of the Forest Reserve, about 2,000,000 acres, is only 11¼% of the area of the Protectorate and about 8% of the inhabited portion, that is alienated land and Native Reserve. He bases his statement that the existing Forest Reserve is not large enough on the proportion of forest in other countries the minimum, about 12%, being found in India and the Straits.

Mr. Battiscombe stated that about half, 1,000,000 acres, of the Forest Reserve was capable of producing timber but that a large proportion of this is rendered useless, at any rate for years to come by reason of its inaccessibility. He estimated that, in order to be self-supporting, the Protectorate would require at least 1,000,000 cubic feet of timber per annum, and that as the forests are at present not more than 500 cubic feet per acre could be obtained, though he expected to quadruple this amount by replanting. The acres replanted would not, however, be ready for cutting for saw timber for 120 years.

To reply to a criticism that his figures shewed that the Protectorate contained four times as much forest as it could use, Mr. Battiscombe stated that in his opinion this was not the case. If the forest were concentrated in one solid block which could be systematically worked he would have agreed that the existing Forest Reserves were large enough, but as they were scattered all over the Protectorate and to a large degree were situated in inaccessible districts he did not consider the available timber supply sufficient for the requirements of the country. It must also be borne in mind that the whole of the Grogan-Lingham concession, some 200,000 acres, was not at present being replanted, and that a great deal of the timber cut on this concession might be exported. Mr. Battiscombe also drew attention to the fact that the value of forest land was not merely that of producing timber but also that of conserving the water supply of the Protectorate.

With regard to the open glades in the Forest Reserve, Mr. Battiscombe said it would be a great advantage from the point of view of his department if these were alienated to a good class of settler. In fact he would like to see a barrier of farms between the forest and Native Reserves as a guard against the destructive proclivities of the natives. A point, however, that must not be lost sight of is that much of the grass land in the Forest Reserve is required as grazing for the oxen of the saw-millers.

## WITNESS No. 32.

**V. H. Kirkham**, B. SC. (LOND.), F.I.C., DIP. AGRIC (CAMB.).

*Government Analyst, East Africa Protectorate.*

## MINERAL FOOD.

I have been asked to carry out investigations to ascertain whether or not the food-stuffs produced in East Africa are of normal composition in respect of the mineral elements which they contain, and further, as to whether or not the soils of the country are such as to cause an abnormal composition in the crops grown upon them.

I propose discussing the question in the natural order of (1) the soil, (2) crops grown, (3) animal products derived from the crops.

## THE SOIL.

The minerals present in the soil which may be regarded as of particular importance as potential plant food are lime, phosphoric acid and potash, and it is with these alone that I propose to deal.

When artificial manures are applied to the land they are applied with the idea of supplying plant food in a soluble form so that the maximum rate of growth of which a crop is capable may be maintained. This is true of manures other than lime and chalk. Lime or chalk is not applied as plant food—in hardly any soil other than pure sand would such a contingency arise as the necessity of offering lime to the plant. Chalk or lime is put on the land to maintain a sufficiency of base to neutralise acids formed by fermentation and particularly to encourage the formation of nitrates from nitrogenous organic matter (humus) in the soil.

I particularly wish to draw attention to this point because I think it is due to a lack of appreciation as to the functions of lime that the misapprehension has arisen that the soils of this country are deficient in lime. Be it understood then that silicate, sulphate, chloride, phosphate or other neutral compound of lime, affords the growing plant with lime, but that it is only lime in the form of quicklime or carbonate which can neutralise acidity.

Now the great majority of soils in this country are very deficient in carbonate of lime. I stated in my Report for January—June 1912. "There is need for experimental trial of lime or chalk upon these soils, in order to ascertain if chalk is of the paramount importance to these tropical soils and crops that it is in European Agriculture." I have reasons to suspect that it is not, my reasons being, (1) that even in soils most deficient in chalk no appearance of sourness is evident, and (2) that the degradation of organic nitrogenous matter does not appear to go so far as nitric acid to anything like the same extent as is observed in Europe. Probably research will show that our crops derive most of their nitrogen from the soil in the form of ammonia.

The deficiency of lime in the form of chalk is a fact, but detrimental effects are not observable.

Now as to the presence of lime compounds, other than the carbonate, I give you the following figures:—

Kilimanjaro	...	...	.492%
Kibwezi, No. 1	...	...	.557%
„ No. 2	...	...	.442%
Muhoroni, No. 1	...	..	.504%
„ Sub-soil	...	..	.484%
„ No. 2	...	...	.756%
„ No. 3	...	...	.243%
„ Sub-soil	...	...	.526%
Average	...	...	.500%

Now is .5% of lime sufficient or otherwise.

These samples represent the top nine inches of soil, and the quantity of soil in one acre by nine inches deep is about 3,000,000 pounds weight. We have therefore, in our average soils 15,000 lbs of lime per acre in the top nine inches.

A thirty bushel crop of wheat would remove a pound of lime per acre, hence we have enough for 15,000 years.

As regards phosphoric acid, I give you the following figures:—

PHOSPHORIC ACID SOLUBLE IN CONCENTRATED HYDRO-  
CHLORIC ACID.

Kilimanjaro	...	...	...	.077%
Muhoroni, No. 1	..	..	..	.113%
„ Sub-soil	..	..	..	.117%
„ No. 2	...	...	...	.192%
„ No. 3	..	..	..	.139%
„ Sub-soil	..	..	..	.141%
Average	...	...	...	.140%

This means that there are about 4,200 lbs. of phosphoric acid per acre in the top nine inches. A thirty bushel crop of wheat would remove 15 lbs., hence we have in sight enough phosphoric acid for 280 years.

Much of the phosphoric acid present is locked up in a comparatively insoluble and therefore inaccessible form which only slowly becomes reduced to a form in which the plant can make use of it. By treating soil with a very dilute acid (one per cent citric acid) we can find out how much phosphoric acid exists in a fairly soluble and available form. This has been done with a number of samples of soil and the following figures obtained :—

AVAILABLE PHOSPHORIC ACID.

Kibwezi, No. 1	Top soil	...	...	.0412%
„ No. 2	2 feet pit	..	..	.0164%
„ No. 3	Another pit	...	...	.0079%
„ No. 4	Top soil	..	..	.0330%
„ No. 5	2 feet pit	...	...	.0235%
Kyambu, No. 1	Top soil	...	..	.0284%
„ No. 2	Sub-soil	...	...	.0330%
Ngong, No. 1	..	...	..	.005%
„ No. 2	...	..	..	.013%
„ No. 3	...	..	...	.006%
Kabete, No. 1	...	...	...	.021%
„ No. 1	Sub-soil	...	...	.041%
„ No. 2	...	...	..	.028%
„ No. 2	Sub-soil	...	...	.064%
„ No. 3	...	...	...	.0382%
„ No. 3	Sub-soil	...	...	.038%

Generally speaking, .01% available phosphoric acid would be expected in a fertile soil, and with the exception of the Ngong samples and one of the deep sub-soils from Kibwezi, these East African soils are quite satisfactory. It would appear that for the top nine inches something like .03% available phosphate may be looked for, and this figure is rather over the usual run of ordinary arable land in England.

The question of potash may be dealt with similarly, but this difference may be observed—potash occurs in certain minerals, like mica, which are not attacked by the hydrochloric acid used in analysis, and unless the soil is treated by a fusion method the total amount of potash is not obtained. The following figures give the amount of potash extracted from the soil by hydrochloric acid in ten hours at boiling point, and, while not representing the total, it represents the potash in forms which are either immediately available or potential reserve.

POTASH SOLUBLE IN CONCENTRATED HYDROCHLORIC ACID.

Kibwezi, No. 1	...	...	...	.280%
„ No. 4	...	...	...	.230%
Muhoroni, No. 1	...	...	...	.106%
„ Sub-soil	...	...	...	.179%
„ No. 2	...	...	...	.220%
„ No. 3	...	...	...	.122%
„ Sub-soil	...	...	...	.079%
Kilimanjaro	...	...	...	.195%
Average	...	...	...	.176%

We are justified in expecting something like 5,200 lbs. of potash per acre in the top nine inches, or sufficient for 520 crops of wheat at 30 bushels per acre.

As regards the more immediately available potash in the soil, i.e., soluble in 1% citric acid, the following analysis are available :—

## AVAILABLE POTASH.

Kibwezi, No. 1	Top soil	...	...	.0825%
„	No. 2	Sub-soil	...	.0471%
„	No. 3	Sub-soil	..	.0483%
„	No. 4	Top soil	...	.0331%
„	No. 5	Sub-soil	...	.0408%
Kyambu, No. 1	Top soil	...	..	.021%
„	No. 2	Sub-soil	.	.004%
Ngong, No. 1		.	.	.048%
„	No. 2	...	..	.046%
„	No. 3	.	...	.005%
Kabete, No. 1		..	...	.039%
„	No. 1	Sub-soil	..	.030%
„	No. 2	...	...	.027%
„	No. 2	Sub-soil	.	.015%

As stated in my Report January—June 1912 “Potash is abundant” The available potash is considerably higher than in normal English arable soils, and this figure is only reached in stiff loams of high fertility.

Luxmore in his “Soils of Dorset” gives the analysis of 98 samples taken from soils of the different geological formations in the county of Dorset, and the highest available potash (*v.e.*, soluble in 1% citric acid) is .024%, and in over two-thirds of the soils it does not reach .01%

In my own “Notes of Agricultural Analysis” are given some eighty odd analyses of soils in the Counties of Essex and Hertfordshire made in my laboratory in England. Of these soils only thirteen contain .02% or upwards of available potash.

Before passing on to the composition of crops grown on the soil I wish to add a word of caution. While we have every reason to congratulate ourselves on possessing soils so amply provided with the essential plant foods, it must not be assumed that the addition of phosphatic or potassic salts would have no effect upon growing crops. In rapidly growing crops under certain climatic conditions it may happen that the plant can make use of more mineral food than its limited root development enables it to acquire from the soil, and a concentration of the soluble salts in the soil water may therefore have a beneficial effect. Even in slow growing crops with extensive root systems the application of soluble salts at a time when some rapid development, such as formation of inflorescence or fruit, is in progress may have an effect.

These matters can only be determined by field experiments so that while our soils are rich in plant foods this fact is not incompatible with the use of fertilisers to “force the pace.”

## CROPS GROWN ON THE SOIL.

Maize is the principal corn grown in this country. Three samples gave 1.25% 1.21% and 1.32% minerals, the average being 1.26%. The average minerals in American maize is given in Wolff’s “Farm Foods” as 1.23%

Beans are very important foodstuffs, particularly as they supply nitrogenous flesh-forming material and may be regarded as vegetable “meat” As the varieties analysed here—native beans of various sorts—may not be strictly comparable with the analysis given for “beans” grown in Europe and America, I will not force attention to the comparison, but merely state that my analysis gave the following figures:—

<i>Kind.</i>	<i>Minerals.</i>
Maharagwe	... . 3.57%
Mbumbu	... .. 4.03%
Mbazi	... .. 3.96%
Pojo	... .. 3.19%
Kunde	... . 3.1%
Average	... .. 3.55%

Wiley gives 3.53% minerals in Lima beans (*phaseolus lunatus*), with which compare our own Maharagwe.

As regards wheat I have found that a sample grown at Nandi gave, on the dry grain the following figures :—

Lime	...	...	·0536%
Phosphoric acid	...	...	1.062%

*English Wheat :—*

Lime	..	·05—·065%	} according to the amount of ash.
Phosphoric acid	..	8—1·1%	

*A sample of Wheat grown at Kabete gave :—*

Lime	...	..	·056%
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This raises a very important point of which only students of agricultural chemistry would be likely to be aware, and that is the extraordinary constancy in the composition of the ash of seeds, whatever may be the composition of the soils upon which they grow.

If some essential mineral food is absent there is not produced grain of abnormal composition—the plant simply builds up as much grain of ordinary composition as regards minerals as it has material to work with; if it cannot acquire sufficient lime, or potash, or any other particular substance, it simply does not make any more grain. In illustration of this law of nature I give the following example from the world renowned researches of Lawes and Gilbert at Rothamsted.

Continuous cropping with wheat, with and without manure has enabled the effect of the addition of minerals to an exhausted soil to be observed, and the following table will shew that, while the effect of the addition of plant foods tremendously increases the yield, its effect upon the minerals in the grain is almost negligible.

The figures represent the average for ten years, commencing after a period of fifteen years constant treatment.

Staement	Unmanured	Ammonia	Am and Super Phosphates	Am and Super Phosphates and Potash
Yield of grain in lbs. per acre	.. 881	.. 1553	.. 1799	.. 2305
Minerals in grain	.. 2.0	.. 1.72	.. 1.79	.. 1.86

#### COMPOSITION OF ASH PER CENT.

Ferric oxide	... ..	.57	... ..	.61	... ..	.46	... ..	.62
Lime	... ..	3.22	... ..	4.35	... ..	4.31	... ..	2.96
Magnesia	... ..	10.52	... ..	10.89	... ..	10.57	... ..	10.54
Potash	... ..	33.17	... ..	34.12	... ..	32.10	... ..	33.52
Soda	... ..	.13	... ..	.22	... ..	.26	... ..	.14
Phosphoric acid	... ..	50.30	... ..	45.79	... ..	49.67	... ..	50.18
Sulphuric acid	... ..	1.44	... ..	3.03	... ..	1.91	... ..	1.43
Chlorine	... ..	.07	... ..	.42	... ..	.18	... ..	.01
Silicia	... ..	.60	... ..	.66	... ..	.56	... ..	.60
		100.02		100.09		100.04		100.00

Casual inspection at once shows that these analysis are practically the same. Comparing the ash of the plot with ammonia only with the ash of the plot receiving super-phosphate of lime in addition to the ammonia, we see that there has been no increase in the percentage of either lime or phosphoric acid in the ash although the yield of the crop has been increased by 246 lbs. per acre, showing that the plant was restrained in its development through lack of phosphates. Comparing the ammonia + super-phosphate with the ammonia + super-phosphate + potash we see that there is only a slight increase in the potash content of the ash although the need of potash to the plant is shown by its having increased the yield by 506 lbs. per acre. Such slight increase in the potash content of the ash as is observed is quite discounted by the fact that the ash of the plot receiving ammonia only contains more potash than the ash of the grain receiving potash.

This proves fairly conclusively that the relative proportions of the ingredients in the ash of grain is practically constant even if the soil is markedly deficient in one or more of these ingredients.

Should our soils, therefore, be deficient in some particular element required by a plant, this would affect the yield of the crop of grain but not the composition of the ash. Our maize, beans, wheat, nuts, millet, sesame, &c., must therefore contain the usual relative proportions of minerals proper to their kind irrespective of the proportions of plant foods occurring in the soils upon which they have been produced.

It will be noted that the total amount of ash present is higher in the unmanured plot than in those which have been manured. Ammonia is really an organic manure and the effect of this is to increase the proportion of organic matter to mineral matter in the plant generally. The more fertile the soil, therefore, the lower might one expect the ash of the plant to be, because fertility depends more upon nitrogen supply than upon mineral supply.

The above law of the constancy of the composition of the ash of grain is not applicable to the ash of vegetative organs of a plant. A botanist classifies plants by means of their reproductive organs because these are constant, whereas roots, leaves and stems, are so variable in a plant that should classification be attempted on such a basis a plant might find itself in one order growing in a damp situation and in a very different one if growing in a dry place.

This constancy of form in their productive organs we see reflected in the chemical composition of the seed produced and the variability in form of the vegetative organs has its counterpart in their chemical composition. The differences in possible form and possible composition are probably of the same magnitude; that is to say that while a leaf of a solanum of a particular species may sometimes be large and smooth and in another situation it may be small and prickly yet it can always be identified as a solanum leaf; it has inherent tendencies towards a certain form which cannot altogether be deflected by environment—and in a similar way vegetative organs of a plant have tendencies to accumulate minerals in a certain relative proportion although quite capable of accumulating a surplus of one or other salt above normal requirements if that salt is presented to it in unusual quantities.

The total amount of ash in a vegetative organ varies considerably—more with the season, supply of organic nitrogenous food and water, than according to the minerals in the soil—and it is therefore very difficult to arrive at what is normal or what is not.

From what has been seen of our soils there is obviously no indication that an unusual ash might be anticipated, and one sample of locally grown potatoes gave .017% lime and .10% phosphoric acid, figures quite normal.

#### ANIMAL PRODUCTS DERIVED FROM THE CROPS.

I have not analysed any animals, human or beast, and I can only give the effect upon the milk of cows feeding on the natural herbage of the country.

Lime and phosphoric acid, as the most important mineral constituents, have been determined upon the ash obtained from daily samples of milk taken throughout the year 1916, from a herd of cows belonging to Mr. J. A. Dokelman, Katsura River.

The results are compared with the average composition of milk in England, as given by Droop Richmond, Analyst of the Aylesbury Dairy Co.

	<i>East Africa.</i>	<i>England.</i>
Lime	... .174%	... .152%
Phosphoric acid	... .231%	... .220%

The explanation of the higher figures obtained in East Africa milk is to be found in the fact that in this country the milk is richer in solids than is English milk, as will appear from the following comparison:—

	<i>East Africa.</i>	<i>England.</i>
Fat	.. 5.10%	... 3.74%
Solids not fat	9.20%	.. 8.91%
Total solids	... 14.30%	.. 12.65%

The lime and phosphoric acid are largely in combination with the casein in the form of a definite substance, and therefore, the more casein present the more phosphoric acid and lime there will be.

I was at first led to suppose that the milk was deficient in mineral constituents as the total ash averaged about .6% instead of .75% in Europe. On investigation I found that at the temperature of the particular type of burner I was using I was volatilising the potash and soda, which could in fact be seen as a white smoke above the strongly heated ash. As it is troublesome to get rid of carbon in an ash without a high temperature I determined to continue my method and only deal with the percentage of lime and phosphoric acid in the milk.

I mention this as my ash figures misled me and possibly others.

#### WATER.

In connection with the supply of minerals to human beings the waters of the country are not without interest.

When the Laboratory Report for the past few years are out of the press those interested will have an opportunity of investigating this matter.

Briefly, I would summarise the results by saying that all water East of Nairobi and Ngong is hard, is charged with lime and often with magnesia. Ngong water is hard and so is the water in Mr. Mackinnon's well above the Golf Club, Nairobi. West of Nairobi, starting at Kikuyu, our town supply, the waters are soft, their hardness being in the order of 4 to 6 parts of lime per 100,000. Exceptions occur to most generalisations, the only one worthy of note being the Shimba Hills (Mombasa) water supply, This is probably the softest water supply in the world, and with this exception there is no other water in the country so deficient in lime as the Glasgow water supply.

I am prepared to discuss the effect of soft water upon health but in many parts of the world rain water is used for drinking so that data upon this subject must exist.

## WITNESS No. 33.

**Mr. H. Ryle Shaw**, who is farming near Kyambu.

1 He is sorry to think a scheme for settlement is impracticable, as everything should be done to keep this fine country absolutely British. He would suggest that soldiers, even if slightly maimed should be found Government positions of responsibility and trust. The Police force should offer service to young soldiers, who are fairly educated and not too old to learn the Asiatic languages.

He considers settlement for average ex-soldiers quite impossible without financial assistance.

It is difficult to understand what is meant by "soldiers" our soldiers to-day are the British nation. Lord Wolesley once said that 75% of the pre-war army were "hunger conscripts." To-day we have soldiers in Egypt that one reads of going to the Bazaars and buying curios for £50 or £100—privates. Then there are also soldiers who are being relatively well paid. Colonials are paid a great deal more than the British.

There is one thing he is sure of; British East Africa cannot do as well as America or Canada for the average soldier, assuming that he is a strong, sturdy man whose physical strength is his capital. In Canada and North America nearly the whole country from the Atlantic to the Pacific is flat. If a man goes there he can farm exactly as his neighbour does. There is generally a District Experimental Station and what that station advises can be done with confidence. The man just puts in his physical work. Here, with the management of natives especially, agricultural work is of a wholly different character.

There have been in Natal several attempts at settlement with men of some education, and having a little capital. They were excellent men who came from England, particularly from Yorkshire. Many got stranded for the Government schemes were useless. Being men of grit they mostly won through and their sons made good. One man made a fortune of £30,000 to £40,000. When he abandoned his settlement he worked as baker for a time at a shilling a day.

He considers it bad to get a large and sudden rush of Europeans amongst natives. In the South of course, the immigration except to the Gold-fields, has been gradual. He knows a good deal of Johannesburg and the South generally. There would be danger in bringing to British East Africa certain of the men recruited there. There is also the question of a mixed breed.

In Natal a good many sailors and others in the early days went to saw timber in the forest district and soon took to themselves black women. To-day the progeny presents a difficult problem.

In Natal Government land was sold on the 15 years purchase system. It was put up to auction and was paid for in yearly instalments. Years ago he bought land at the upset price of 10s. Sometimes the competition was keen. In some instances lately the applications had to be submitted to a Committee of practical men. This system was adopted in the selling of the choice sugar land of Zululand when Zululand was brought under Natal administration. The examination as to character, qualifications, financial position, etc., was not perfunctory. A milling concession was given by the Government to a practical man, who thoroughly understood sugar work. Sugar is much protected in Natal.

A man buys land largely according to the market facilities. If for instance near a town and he prefers cattle he goes in for milk, if some distance away then he goes in for butter; if very far away he would make cheese and his oxen would go to market on their own feet. In the end, depending on the agitation roads are carried everywhere.

He thinks that in this country the officials should be entitled to buy land, and has asked one or two why they are debarred and they do not know. In Natal, where he has spent the best part of his life, all officials were allowed to buy land both Government and private, and he thinks that that right would be beneficial to this country in every way. He cannot remember that right having led to abuse under Crown Government, and cannot imagine any openings for abuse.

In British East Africa there a most undesirable aloofness or estrangement between the official class and the settlers. If the official could buy farms say on an instalment principle they would in many cases be able to get a relative or friend to do the occupation conditions and when their leave became due instead of taking a holiday to England they would probably go to their farms.

He imagines that most officials come out here with academical education and none other. What can they learn of the country if they keep aloof from those engaged in making the country—the settlers? If officials had land of their own they would understand the settlers' problems and cease to be mere bureaucrats. Everything connected with land or stock is a common ground of interest between all classes.



He would be glad if these views could be brought before the Government.

2. The effect of any extensive land settlement scheme would undoubtedly affect the labour market. At present labour is all hand to mouth and it causes a lot of anxiety to all who depend on volunteers.

In Natal the labour was very much upset by the gold and diamond fields. Previously we used to pay 10s. to 20s. for labourers and relatively they were capable and responsible men. Here if you send say three or four boys to do a little job and leave them, you may discover them later sitting or possibly asleep. Labour here is not satisfactory and he considers the wage Rs. 6 to 8 and food too much. He and most of his neighbours get volunteer labour only.

His experience in British East Africa is that the Police force is ineffective. This is a great drawback for settlement. If boys desert, you cannot get them back. Out of about 60 to 70 boys he has at times lost 10 to 12 in one day, and this unchecked desertion necessitates the maintenance of a constant surplus of labour. What can a small man do, just beginning, with such heavy desertions? The stealing propensities of the natives, almost unchecked, also presents a difficult problem.

Then again in the country the system of monthly contracts is bad. In the South and also in England if a servant is engaged by the month both sides have got to give a month's notice. Here, as soon as a servant has completed a month, he is entitled to leave. In the South at the end of his 30 days month if a servant wishes to go he gives a month's notice, you then know where you are.

As a matter of fact shamba boys are legally only engaged by the day. Native management requires complete revision.

Registration is effectively done in Natal. Every man before he leaves his domicile for work has to get a Government pass.

To move his domicile from one farm to another or one reserve to another he must have Government authorisation. I am told that large numbers of natives emigrated from a reserve here a short time ago; this would be impossible in the South.

3. As to capital required here he would say that an average man of agricultural knowledge should find £1,000 free for development enough to bring success.

Unforeseen expenditure is apt to come. I had about 20 acres in couch grass and it cost me about £5 an acre to get rid of it.

## WITNESS No. 34.

**Mr. Harry Ray**, who has lived in British East Africa for 6 years but has never farmed in the Protectorate.

1. He puts forward these suggestions, viz :—
  1. Land in Native Reserve along the Lamoru Road to be used for small holdings.
  2. War building material to be used in assisting settlers.
  3. Grants to soldiers to be valued and used as cash in bidding at Government sales if a grantee considers he could do better on other land than on his original holding.
2. He considers a capital of £200 sufficient and that the size of grant should vary from 300 acres at a distance from the railway to 20 acres near towns.
3. He would advise most smallholders to go in for pig-breeding.

## APPENDIX II.

The further subdivision of the Western Laikipia and Trans Nzoia Farms, Groups 4 and 5, presents no difficulty, as this can be effected on present plans of the farms of those districts, the actual erection of the beacons being left till later on, when surveyors can be released from the work of laying out such unsurveyed areas as may be found to be available for alienation.

The fact that the beacons may not have been erected by the time the deeds of any of these farms are required need not delay the issue of the deeds, since a correct plan can be attached shewing the exact position in which the new beacons will subsequently be placed.

With regard to the unsurveyed areas recommended as suitable for settlement by the Commission, viz., Kikuyu Reserve land, Forest Reserve land between Kikuyu and Kijabe, Forest Reserve land between Njoro and Molo, Kericho land and the area now in the Wakamba Reserve near Machakos, it is estimated that the number of surveyors required to survey these areas into farms would be as set out in the attached table.

It will thus be seen that, on the assumption that all the areas suggested are found to be available, survey should be completed prior to the first allotment of land.

The only difficulty that can be foreseen is the fact that the salaries paid by Government to surveyors in the Protectorate compares very unfavourably with that paid in other Colonies.

The Australian Colonies, for instance, offer a surveyor a salary of £600 per annum, plus allowances, whereas the surveyors of a similar class in this Protectorate only receive from £450 to £550 per annum without allowances. It must also be remembered that living in Australia is considerably cheaper than in the East Africa Protectorate, that the climate is far better suited to the white man, and that the facilities for bringing up and the education of children are infinitely superior.

Group No.	Locality.	Area,	Average size of farm.	No. of Farms.	Rate of survey per Surveyor.	No. of weeks required
1	Kikuyu Reserve Land ...	83,000 ac.	200 acres.	415	1 week per 5 farms.	83
1	Forest Reserve Land from Kikuyu to Kijabe ...	20,000 „	250 „	80	1 week per 1 farm.	80
3	Forest Reserve Land from Njoro to Molo	32,000 „	320 „	100	1 week per 1 farm	100
7	Kericho Land ...	87,000 „	1,000 „	87	2 weeks per 1 farm	174
See para. 33 (2)	Machakos Land	57,000 „	1,000 „	57	1 week per 5 farms	12
Total Number of weeks required ...						449

Thus the number of surveyors required for above work will be, say, 20 Surveyors for period of 6 months.

### APPENDIX III.

#### BRIEF SUMMARY OF CONDITIONS FOR ALIENATION OF CROWN LANDS UNDER CROWN LANDS ORDINANCE, 1915.

1. All Crown land is sold by public auction.
2. Leases for 999 years of farms of varying acreage are sold, the bidding starting from an upset price fixed by Government.
3. 10% of the purchase price, must be paid at the time of purchase and the balance may be paid in 9 equal yearly instalments or together with survey fees, etc.
4. Survey fees, cost of deeds, etc., must be paid on or before the 1st day of the month following that in which the sale has been held.
5. The rent is 10 cents per acre. This rent is revisable in 1945 and at periods of every 30 years subsequently.
6. The development required is to be to the extent shewn in attached schedule.
7. Copies of the Crown Lands Ordinance, 1915, can be obtained from the Government Printer, Nairobi.
8. Maps can be obtained from the Survey Department or seen at the Land Department.
9. Notice of public auction of Crown land is published in the "Official Gazette," the subscription to which is Rs. 10/- per annum, at least 3 months prior to the date of such auction.

Area of farm.	Minimum value of improvements to be effected within first 3 years of the lease	Nature of improvement	Value of additional improvements to be effected within first five years of the lease	Nature of additional improvements
300 acres or under.	10 rupees per acre, subject to minimum of 300 rupees.	Per- manent.	5 rupees per acre, subject to a minimum of 150 rupees.	Per- manent
Over 300 acres.	Rs. 3,000  and in addition Rs 2 per acre in respect of every acre over 300 acres.	Per manent  Per- manent and or Non-per- manent	Rs. 1,500  and in addition Re. 1 per acre in respect of every acre over 300 acres	Per- manent.  Per- manent and or Non-per- manent

1. For the purposes of this Schedule the term "Permanent Improvement" shall mean:—
- Farm buildings of all descriptions.
  - Fencing.
  - Water furrows.
  - Planting trees or live hedges.
  - Walls.
  - Wells.
  - Draining land or reclamation of swamps.
  - Road making.
  - Bridges.
  - Clearing of land for agricultural purposes.
  - Laying out and cultivating gardens and nurseries.
  - Water boring.
  - Water races.
  - Sheep or cattle dips.
  - Embankments or protective works of any kind
  - Planting of long lived crops.
  - Water tanks.
  - Irrigation works.

Fixed machinery.

Reservoirs.

Dams of a permanent nature.

Provided that in estimating the value of improvements there shall be excluded the value of any dwelling house which is not occupied by the lessee or by some person employed by the lessee in connection with his operations on the land leased.

2. For the purpose of this Schedule the term "Non-permanent Improvement" shall mean:—

Live stock.

Agriculture implements and machinery, and all apparatus and plant used in farming operations on the land leased.

Dairy appliances.

Provided that:—

(1) The stock, implements, or other article or thing above mentioned is the property of the lessee.

(2) The lessee or his manager or agent shall, if so required by the Land Officer or a Land Ranger, make and sign a declaration that such stock, implement, or other article or thing is the property of the lessee.

**APPENDIX IV.**

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REPORT OF THE COMMISSION ON THE SETTLEMENT SCHEMES  
PUT UP BY BARON BLIXEN, EARL KITCHENER OF  
KHARTOUM AND MR. W. S. BROMHEAD.

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The Commission has very carefully considered the scheme proposed by Baron Blixen on behalf of Mr. Ekman.

The scheme was referred by the Commission to a Committee presided over by Lord Delamere.

The report of the Committee was considered at length by the Commission which unanimously recommends the adoption by the Government of the scheme as propounded by the Committee, which the Commission understands has been approved by Baron Blixen on behalf of the promoters.

The report of the Committee is attached hereto.

The scheme affords a means of placing discharged soldiers on the land, giving them ample financial assistance and leaving them in possession of a developed farm free from encumbrances at a comparatively early period.

The scheme affords an opportunity which the Commission is of opinion should not be allowed to slip by.

It would perhaps be more desirable if the capital to be used were British but the great need of this Protectorate is capital and it would in our view be a mistake to turn away capital offered on such favourable terms if it be proved that its source is above suspicion.

Schemes put up by Earl Kitchener of Khartoum and by Mr. W. S. Bromhead, particulars of which will be found in Annexure F, were also dealt with by a Committee presided over by Lord Delamere.

The opinions expressed by the Committee, which are set out in Annexure E, were considered by the Commission. After hearing Mr. Bromhead, the Commission arrived at the conclusion, that it was unable to recommend the adoption of either scheme both of which appeared to be impracticable of carrying into effect.

Nairobi,  
21st November, 1918.

J. W. BARTH,  
*Chairman.*

DELAMERE,

A. C. MACDONALD,

P. H. CLARKE,

W. MACLELLAN WILSON,

ARTHUR C. TANNAHILL,

R. BARTON WRIGHT

SAMUEL McCALL,

F. W. BAILLIE.

J. E. ALEXANDER,  
*Secretary to the Commission.*

REPORT OF THE COMMITTEE APPOINTED BY THE COMMISSION  
TO ENQUIRE INTO A PROPOSED SCHEME OF LAND SETTLE-  
MENT SUBMITTED BY BARON VON BLIXEN.

The Committee consisted of the RIGHT HON. LORD DELAMERE (who was elected Chairman of the Committee).

THE HON. A. C. MACDONALD.

THE HON. P. H. CLARKE.

F. W. BAILLIE Esq.

CAPT. S. MCCALL.

A. C. TANNAHILL Esq.

1. Baron Blixen first submitted the outline of his scheme in a letter dated 14th February, 1918, addressed to Lord Delamere.

A series of questions were submitted in writing to Baron Blixen who answered them in writing and amplified his replies verbally in two interviews with the Committee.

The letter with the questions and replies is attached hereto (Annexure A.).

2. Baron Blixen stated he himself was acting purely in an advisory capacity and his replies therefore could only be taken as his personal impression of the intentions of the Promoters.

3. The proposition as first put forward by Baron Blixen is very shortly as follows :—

A neutral Bank or body of Financiers ask that an area of 100,000 acres shall be reserved for their scheme.

They estimate this will provide accommodation for 300 settlers and they are prepared to enter into a contract to sub-divide the area into 300 farms (approx. 300 acres each) to erect a house on each farm and to plant and maintain to the productive stage, on each farm, 100 acres of some permanent crop. In addition they undertake to provide a School and Hospital, Creameries, Bacon Factory, Flax Factories, and also sufficient factories to deal with the raw products (Coffee and Sisal) produced on the various 100 acres.

They also contemplate the construction of roads, the provision of water supply and the planting of an area with timber for fuel purposes.

THE METHOD OF PAYMENT suggested was to be a sum calculated at five times the fifth years' nett profits from the 100 acres.

4. Subsequently the Committee was supplied with certain despatches from the Secretary of State for the Colonies attached hereto (Annexure B.).

In these Mr. Eckman suggests a proposition shortly summarised as follows :—

(It should be noted he refers throughout to British Officers but the Committee understands it is not intended to limit it to Officers).

MR. ECKMAN'S PROPOSITION.

A concession for 10 years on about 60,000 acres of land which he suggests should be in Kisii country.

The British Government to select the settlers.

Farms to be surveyed into approx. 300 acres of which 100 acres will be planted by the promoters and presumably maintained by them until they relinquish control.

Promoters to erect a bungalow sufficient for a family, also supply pulping machinery on every section, by which term the Committee understands is meant every farm), a curing factory and necessary drying machinery in the centre of the property.

Promoters to build roads to the main roads and curing factory.

Promoters when handing over will provide oxen, cultivators and other necessary implements.

At end of 4th planting year the crop will be assessed at the average price of London market values for that and the previous year (*i.e.*, 2 years' average) less freight and insurance and the purchase price of the farm shall be three times the value of the crop.

During the four years the promoters to take all profits off the 100 acres and guarantee to purchase any crop grown by the settler on his 200 acres at current rates.

The settler can pay cash or instalments spread over 10 years plus interest at 6 per cent.

A special Board is suggested which will "give directions to the promoters in order to protect the Government and the settlers' interests"

5. The Committee assumes the British Government are satisfied as to the source from which the Promoters' capital is derived as otherwise the scheme would not have been submitted to the local Government for consideration.

6. Baron Blixen's scheme has been the subject of considerable adverse criticism in the local press and public meetings have been convened with the object of criticising the scheme.

#### REVISED PROCEDURE REGARDING PAYMENT

7. Baron Blixen again met the Committee on June 19th, 1918, and submitted a revised proposition dealing with the method of payment and the Committee attaches the letter in original as Annexure C to this Report.

This revised proposition is as follows:—

The Promoters to plant up to 100 acres either with sisal or coffee off which the Promoters shall take all profits for the first five years from planting

During the 6th, 7th and 8th years the promoters shall share the nett profits equally with the settler and thereafter the entire farm becomes the settler's property.

In a subsequent interview Baron Blixen stated that he wished to add a safeguarding clause to the effect that the Promoters shall not be compelled to commence planting until two years after the date of commencement of the contract.

He felt bound to ask for this as the Promoters must have some time in which to arrange for contracts, the importation of implements, etc., and the laying down of seed-beds.

8. The Committee considered in very great detail the respective merits of the three schemes submitted, the main details of which agree except as regards the methods of repayment of the Promoters' capital.

The Committee is unanimously of opinion that Baron Blixen's last proposal (Annexure C. and Para. 7 supra) affords an opportunity to the soldier of an assured and substantial income combined with a minimum of risk and most strongly recommends its adoption.

#### COMMITTEE'S RECOMMENDATIONS WITH DETAILS TO BE EMBODIED IN AN AGREEMENT.

9. The Committee recommends that the following terms, stipulations and conditions shall be embodied in any form of agreement or contract entered into with the Promoters but as an over-riding principle they wish it to be clearly stated that it is the essence of any contract that the Promoters do not, in fact cannot, under any circumstances acquire a permanent interest in the land.

They are essentially contractors who undertake to develop the resources of the land and are content to receive payment from the possible results of this development.

- (a) The Government to reserve an area of 100,000 acres for the exploitation of the scheme. This area shall be in one block and shall be good coffee land at an altitude of between 5500 and 6000 feet above sea level.
- (b) The locality to be the subject of investigation. Two localities have been suggested, viz., the Trans Nzoia and the Sotik. It is absolutely necessary that a healthy area should be provided.
- (c) The Government shall sub-divide the area into farms of approximately 300 acres each. The cost of survey will ultimately be paid by the settler.
- (d) The Promoters to erect on each farm a bungalow of four rooms with the usual offices (Baron Blixen estimated the cost of these at £200 each). The bungalows will be immediately available for the settler and ultimately to be the property of the settler without payment. The Promoters to maintain and repair the bungalows free for the first five years and for the 6th, 7th and 8th years any repairs to be charged against working expenses.
- (e) The Promoters to provide a school and hospital on approved plans to become immediately the property of the Government. The Government to maintain the buildings and provide the furniture and staff.
- (f) The Promoters to provide adequate roads and bridges for internal communications within the area and to maintain these roads during the period of the contract. The Government to provide the main communications to the Block
- (g) The Promoters to provide a fuel reserve on each farm of not less than 5 acres, one-fifth of the area to be planted in each of the first five years. The class of timber to be planted to be decided upon by the Arbitration Board hereafter mentioned.



- (h) The Promoters where necessary to provide a water supply on each farm sufficient for domestic purposes and for stock.
- (i) The settler to have the right when acquiring control to purchase implements, tools, work oxen, etc., from the Promoters at a valuation. Payments by instalments is recommended if possible.
- (j) The Promoters to plant 100 acres on each farm with a permanent crop.

The Promoters to have the right of selecting the position of the 100 acres and also to have the right of deciding whether coffee or sisal shall be planted thereon.

No crop other than sisal or coffee may be planted except with the express authority of the Arbitration Board.

The Promoter to maintain the said 100 acres at their own expense for the first five years. During the 6th, 7th and 8th years from planting the cost of maintenance to be borne equally by the Promoters and the settler, the Promoters finding the capital for working the farm and dividing the nett profits of the 6th, 7th and 8th years equally with the settlers as more fully set out in para (m) hereunder.

Sisal must be treated as a rotation crop and the Committee recommends a seven years rotation of 14 acres per annum (vide diagram, Annexure D.).

The Committee considers that it is practically impossible to plant up 300 farms with 100 acres each of permanent crop, a total of 30,000 acres, in one year and therefore recommends that the 100,000 acres shall be divided into approximately three equal planting areas referred to hereinafter as Blocks A., B. and C., containing approximately 100 farms each.

It shall be obligatory upon the Promoters to plant up Block A. during the long rains of the third year from the commencement of the contract, Block B. in the 4th year and Block C. in the 5th year.

The Committee also recommends that, for the purposes of fixing a date for the determination of the Promoters' interests and also for striking the Annual Profit and Loss Balances in the 6th, 7th and 8th years, an average date during the planting season shall be fixed upon which it is suggested should be the 31st of May.

The effect of these recommendations is that, supposing the contract commences from the 1st of December, 1918 :—

Block A. must be planted not later than during the long rains (say March to June) of 1921,

and, on Block A. the settler will commence to share profits from the 1st June, 1926, and will enter into full occupation of the whole profits on the 1st June, 1929, Blocks B. and C. will follow a year and two years later respectively.

- (k) The Promoters to provide the necessary factories to deal with the raw materials from the 100 acres and also to provide a bacon factory, flax factories and creameries.

The Promoters to have the right of selecting the sites for these factories subject to the approval of the Arbitration Board.

The Government or the settlers have the right to acquire these factories at valuation and failing acquisition they can be removed by the promoters and the sites revert to Government.

During the period of the contract the factories to be controlled by the Promoters but factory charges are not to exceed 10% per annum on the capital after making allowance for approved depreciations. The deductions shall not include a sinking fund to replace capital at the expiration of the contract.

The Promoters to provide all necessary trolley lines for sisal propositions.

- (l) The settlers are to be selected by Government and the Promoters cannot interfere with the tenancy of any settler so selected.

The Promoters undertake to find employment at a minimum wage of £10 per month for any settler in the area seeking employment. No settler shall be dismissed from such employment without the consent of the Arbitration Board.

The supervisors of the development, by that is meant those employees of the Promoters who come into contract with employed settlers, shall be British, except with the express approval of the Arbitration Board.

- (m) The Promoters shall, for the purposes of the fulfilment of their development contract, be entitled to undisturbed occupation of the 100 acres (planted area referred to in (j)) for 8 years from the commencement of planting.

They shall be entitled to the whole of the crops from the 100 acres for the first five years after planting.

In the 6th, 7th and 8th years from planting the Promoters shall take half the nett profits from the 100 acres and the settler the other half.

At the end of the 8th year all rights of the Promoters in the whole farm including the 100 acres shall absolutely determine and the farm then becomes the leasehold property of the settler.

- (n) The settler shall be entitled to enter into the house and upon the 200 acres (approx.) not planted with permanent crop and not required for fuel area immediately the Government issue permission.

He shall hold the whole farm, subject to clauses safeguarding the Promoters' interests in the 100 acres, on a lease which shall be negotiable.

There shall be a clause prohibiting transfer until six months personal occupation has been completed but otherwise transfer shall be free and subject only to the Crown Lands Ordinance, 1915.

Rent at 10 cents per acre per annum shall commence from the end of the 5th year after planting

Survey fees, to be payable in instalments spread over 10 years, from the same date.

The 999 years lease shall commence from the date he is given permission to occupy.

- (o) "Nett Profits" shall mean the sum of money realised from the crops raised upon the 100 acres of each particular farm after deducting all expenses of harvesting the crop, the factory charges as provided in (k) depreciation on tools, and the proper maintenance of the 100 acres and the house and fuel area and after allowing a fair proportion of agreed overhead charges.

NOTE:—14 acres of sisal shall be planted in the 6th, 7th and 8th years on sisal farms and the cost of planting shall be a charge against profits.

Any dispute arising on the proper allocation of charges shall be referred to the Auditors and appeal shall lie from the Auditors to the Arbitration Board whose decision shall be final.

- (p) The Arbitration Board shall appoint Auditors.  
 (q) An Arbitration Board of three persons shall be constituted of which one person shall be nominated by the Promoters, one person shall be nominated by the Settlers and the President shall be nominated by the Government.

The duties of the Board shall be to settle all matters in dispute between the settlers and the Promoters and to decide upon the matters hereinbefore mentioned.

The above embraces the main points of the Promoters' and the settlers' obligations during the period of the contract.

#### PERIOD OF THE CONTRACT.

10. The period of the contract extends over 12 years approximately as follows:—

During the first two years the Promoters are making arrangements and preparing the Land			
During the third year, one-third of the total number of Farms are planted,	Block A		
„ „ fourth „ a further one-third are planted ...	..	..	Block B
„ „ fifth „ „ „ „ „ ..	..	..	Block C
„ „ tenth „ The Promoters' control over ..	..	..	Block A determines
„ „ eleventh „ „ „ „ ..	..	..	Block B
„ „ twelfth „ „ „ „ ..	..	..	Block C

The following hypothetical time-table sets out the intention (see also the last sentence of para 9 (j)).

Contract dated 1st, December 1918, Long Rains say March to June.

Mean Date 31st, May.

1st December, 1918	Contract Starts
During 1919	Promoters making arrangements and preparing the Land.
„ 1920	„ „ „ „ „ „
Long Rains 1921	Block A is planted.
„ „ 1922	„ B „
„ „ 1923	„ C „
June 1st 1926	Settlers on Block A commence sharing profits.
June 1st 1927	„ „ „ B „ „
June 1st 1928	„ „ „ C „ „
May 31st 1929	Promoters' control over Block A ceases.
May 31st 1930	„ „ „ „ B „
May 31st 1931	„ „ „ „ C „

## TRADING SITES.

11. The committee recommends that no person shall have a monopoly of trade within the area covered by the agreement with the Promoters but that trading sites shall be reserved in suitable localities within or adjoining the area and shall be alienated by Government under the ordinary procedure in force.

12. The committee unanimously recommends the foregoing proposals to the consideration of the Commission and has authorised the Chairman, Lord Delamere, to sign this Report on behalf of the whole committee and to present it to the Commission.

DELAMERE,

8th July, 1918.

*Chairman of Committee.*

## ANNEXURE "A."

(VIDE PARAGRAPH 1 OF COMMITTEE'S REPORT).

Synopsis of Baron Blixen's letter to Lord Delamere, dated 14th February, 1918, with Baron Blixen's written replies to various questions put to him.

*NOTE :—The extracts from Baron Blixen's letter are printed in capitals.*

*Q. Denotes question.*

*A. Denotes answer.*

1. THE GOVERNMENT HANDS 100,000 ACRES GOOD COFFEE LAND ON AN ALTITUDE OF BETWEEN 5,500 AND 6,000 FEET ABOVE SEA LEVEL OVER TO A CERTAIN COMPANY FOR A SHORT PERIOD OF

Q. 1. Where?

YEARS (5 to 8).

A. 1. Trans Nzoia.

Q. 2. Must the whole area be contiguous?

A. 2. Yes, I consider it desirable as it would simplify the cultivation of the land as well as enable the settlers to work the co-operative undertakings in a larger scale.

Hospitals, schools, etc., could also then be worked with more qualified people.

It would also be cheaper for the Government to arrange the main-roads leading to the block.

Q. 3. Could there be separate blocks provided in the same area?

A. 3. Preferable if all in one block.

Q. 4. Could portion be in Sotik and another portion in Trans Nzoia?

A. 4. Preferable if all in one block.

Q. 5. Has he studied any particular area?

A. 5. I have some knowledge of the Nzoia district.

Q. 6. Does he know any area where 33.1/3% is capable of agriculture?

A. 6. I think this could be found in the above-mentioned area.

Q. 7. If 90,000 acres are for farms what happens to remaining 10,000 acres?

A. 7. The remaining 10,000 acres will be utilised for roads, township, timber plantation. I think it must here be mentioned that 100,000 acres is approx. also 300 for the farms.

The survey must be done by the Government and the surveyor must to some extent have free hands and use his own discretion so as to make one farm more or less of the same value as the other.

Q. 8. In view of obligation to plant (100 × 300) 30,000 acres could he plant 10,000 acres per annum?

A. 8. Yes, (provided the rains are normal).

Q. 9. Is he satisfied that 5 years is long enough?

A. 9. Five years after date of planting. Yes.

Q. 10. Will the company find the men or does it expect Government to guarantee 300 desirable settlers?

A. 10. Expects the Government to find settlers.

## 2. THIS COMPANY UNDERTAKES :

## (a) TO SUBDIVIDE THE TRACT OF LAND INTO 300 FARMS OF 300 ACRES EACH.

Q. 11. Does he believe he can get uniform farms of 300 acres?

A. 11. 300 acres or thereabouts.

## (b) TO PLANT 100 ACRES OF SOME PERANNUAL CROP (SISAL OR COFFEE) ON EACH FARM.

Q. 12. What crops are suggested?

A. 12. Sisal and coffee.

Q. 13. Can sisal be treated in this way in view of cost of transporting leaves. Six years' crop (no profit 5th year)?

A. 13. I think so. A sisal plantation shows profits the fifth year.

Q. 14. Who is to maintain for 5 years?

A. 14. The company.

Q. 15. How old would coffee be after 5 years?

*Note.*—Seedlings one year to grow: Believe coffee would only be 4 years at outside from seed after 5 years lease.

A. 15. I reckon coffee to be 5 years old, 5 years after planting (6½—7 years from seed).

Q. 16. Could company arrange for dairy farms?

A. 16. The settlers could keep a few cows each and stud bulls for common use.

## (c) TO BUILD A FOUR-ROOMED BUNGALOW ON EACH FARM.

Q. 17. What does he estimate cost of bungalow?

A. 17. £200.

Q. 18. If company erected buildings other than bungalow who would pay?

A. 18. The company would erect buildings for their own servants during the cultivation period.

## (d) TO ARRANGE WATER SUPPLY.

Q. 19. Does he contemplate water furrows, or piping or both, dams and irrigation schemes?

A. 19. By water supply the company means that there is ample water on each farm for cattle and household purposes.

Q. 20. What figure is estimated?

A. 20. £10,000.

## (e) TO BUILD NECESSARY ROADS.

Q. 21. What sort of roads?

A. 21. Mud road with good bridges.

Q. 22. Does he presume Government will provide main communication to the block?

A. 22. Naturally.

Q. 23. Does he presume Government will make *any* internal roads?

A. 23. No.

Q. 24. What figure is estimated?

A. 24. £10,000.

Q. 25. Who would maintain roads after 5 years?

A. 25. The settlers (private roads).

## (f) TO ARRANGE FOR TIMBER TO BE PLANTED FOR FUTURE FIRE-WOOD SUPPLY.

Q. 26. What sort of timber?

A. 26. The company is willing to let the Government decide.

Q. 27. What area per farm?

A. 27. 10 acres per farm = 3,000 acres in one block.

(g) TO ARRANGE FOR CENTRAL FACTORIES, SCHOOLS, HOSPITAL, CREAMERIES STORES, Etc., ALL ON CO-OPERATIVE LINES.

- Q. 28. What factories?  
 A. 28. Necessary factories to deal with fourth and fifth year crops, erected so that they can be extended.  
 Q. 29. Would they be all centralised or distributed?  
 A. 29. Centralised as much as possible.  
 Q. 30. Who would provide coffee trays?  
 A. 30. The company until the settlers take over. These are then paid after arbitrators valuation.  
 Q. 31. Who would maintain schools and hospitals?  
 A. 31. The settlers.  
 Q. 32. At expiration of lease to whom would schools and hospitals belong?  
 A. 32. The Government.  
 Q. 33. Could he arrange that the purchase price of the farms (under 3b) would include so many shares in the co-operative factories, creameries and stores?  
 A. 33. The factories must be either :  
     (a) Paid for at cost price.  
     (b) Or the settlers must contract to supply leaves and cherries at certain price.

3. SETTLERS BENEFITS AND OBLIGATIONS :

(a) HAS FREE HANDS TO UTILISE THE 200 ACRES NOT CULTIVATED BY THE COMPANY.

- Q. 34. What sort of title will the settler get?  
 A. 34. This will be for the Government to decide upon.  
 Q. 35. Can the settler live in the house?  
 A. 35. Yes.  
 Q. 36. Who will select the 100 acres for cultivation by the company?  
 A. 36. The company.  
 Q. 37. Can the settler decide what is to be planted, subject to Government expert?  
 A. 37. This will be decided upon by the company (presumably the settlers would have no experience).  
 Q. 38. Can the settler be turned off, and for what?  
 A. 38. The Government controls the settlers.

(b) HAS AN OPTION TO BUY OUT THE COMPANY AFTER FIVE YEARS FROM DATE OF PLANTING AT FIVE TIMES THAT YEARS NETT PROFIT FROM THE 100 ACRES PLANTED BY THE COMPANY.

- Q. 39. To whom does the land belong if the settler will not or cannot exercise option to purchase?  
 A. 39. The 100 acres belong to the company if the settler or the Government will not purchase.  
 Q. 40. What terms of payment can be arranged, including rate of interest?  
 A. 40. I think 10 years payment under current bank rate.  
 Q. 41. Is the house included in the purchase price?  
 A. 41. Yes.  
 Q. 42. What else will be included (shares in co-operative concerns?)  
 A. 42. Nothing.  
 Q. 43. Can implements, tools and accessories (e.g., coffee trays) be included or what arrangements can be made for payment?  
 A. 43. Can be taken over after valuation by an arbitration board.  
 Q. 44. What is nett profit?  
 A. 44. The difference between nett realisation and actual expenses incurred for maintenance, handling the crop, including factory charges and fair rate of depreciation if factories not taken over at cost.

- Q. 45. Who will do the accounting?  
 A. 45. Special office under official control.
- Q. 46. Will depreciations be allowed on tools and also on factories?  
*Note* :—If the farms are charged the bare running costs of the factories the profits will be higher.
- A. 46. A proportional amount for implements (according to the time each article has been in use) of the difference between cost price and the value arrived at under clause 5, and 5% on factories.
- Q. 47. What does he estimate a fair average nett profit per acre after 5 years from coffee?  
 A. 47. The fifth year £5 increasing annually up to £12.
- Q. 48. Who takes the revenue (if any) from the 100 acres during the five years?  
 A. 48. The company for the maintenance until producing stage.
- Q. 49. What happens if there is no profit in the fifth year? Does the settler get it for nothing? (Drought, famine, disease, no labour)?  
 A. 49. I suggest that if season not normal the company should then be allowed profits of sixth year and value of farm be to five times that year's profits.
- (c) THE SETTLER CAN OBTAIN WORK FROM THE COMPANY AT £10 A MONTH IF SO DESIRED.
- Q. 50. Is £10 a month a basis or a fixed salary?  
 A. 50. Fixed.
- Q. 51. Can he consider giving the settler a substantial interest (by way of percentage) in any revenue derived from the 100 acres during the 5 years?  
 A. 51. Yes.
- Q. 52. Does the settler have to live on his farm and for how long?  
 A. 52. For the Government to decide.
- Q. 53. Does he contemplate any scheme of assisted passages?  
 A. 53. For the Government to decide.

## ANNEXURE "B."

EAST AFRICA PROTECTORATE.

*Downing Street,  
 8th January, 1918.*

No. 15.

Sir,

With reference to previous correspondence on the subject of the settlement of soldiers on land in the East Africa Protectorate, I have the honour to transmit to you for your consideration and report, the accompanying copy of a letter from the Foreign Office, with enclosures, regarding a scheme with that object which has been put forward through His Majesty's Minister at Copenhagen by Mr. P. E. Ekman of Sweden.

2 I should be glad to learn whether you are of opinion that this scheme should be encouraged and, if not, whether you think that an arrangement of the kind, under direct Government control, would be practicable.

I have, etc.,  
 Sd. WALTER H. LONG.

THE OFFICER ADMINISTERING  
 THE GOVERNMENT OF THE  
 EAST AFRICA PROTECTORATE.

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 COPY.

No. 241891/C/115/1917.

The Under Secretary of State for Foreign Affairs presents his compliments to the Under Secretary of State for the Colonies and, by direction of the Secretary of State, transmits herewith copy of the undermentioned paper, for observations.  
 Foreign Office,

December 31st, 1917.

## DESCRIPTION OF ENCLOSURE.

*Name and Date.*

H. M. Minister, Copenhagen, No. 2864 Commercial, 10th December.

*Subject.*

Development of land in British East Africa.

COPY.

Copenhagen,

December 10th, 1917.

No. 2864 Commercial.

Sir,

I have the honour to transmit herewith copy of a letter from Mr. P. E. Ekman of Waija, Sweden, who is owner of a farm in British East Africa, together with its enclosure in which is formulated a scheme for developing a tract of land in the colony and settling it with British officers after the war.

The scheme was first discussed in the early part of this year between a member of my staff and Baron Blixen-Finecke, whom he had known for some years and who is now settled in the colony (see my despatch No. 2696 Commercial of the 21st of November last).

The scheme was mentioned to me at that time, and I gave Baron Blixen-Finecke, who, was returning to British East Africa, via London, a letter of introduction to an official at the Colonial Office. Baron Blixen did not, however, have time in London to present this letter, but in a letter written from the Mombasa Club, on June 15th last, he suggests that he scheme be further discussed with Mr. Ekman. That gentleman has accordingly been interviewed at this Legation and now puts forward the suggestions contained in the enclosure to his letter.

I understand that if His Majesty's Government are ready to entertain the scheme, the necessary capital would be guaranteed at once by a Swedish and a Danish Bank. I gather that the Swedish financier would be Mr. Wallenberg, while in Denmark Mr. Gluckstadt of the Landmandsbank is the most likely financier to be interested in such a scheme.

As the land would be developed by foreign capital but remain the property of British subjects, the scheme appeared to me one worthy of consideration while the fact that the settlers would be nominees of His Majesty's Government is an additional recommendation.

I may add that I gather that neither Baron Blixen nor Mr. Ekman would appear to have any direct interest in the development of the scheme as they both already have farms.

I should be grateful if I might receive your instructions as to the reply to be returned to Mr. Ekman who I gather would be willing to proceed to London to discuss details should it be desired.

I have the honour to be with the highest respect,

Sir,

Yours &amp;c.,

Sd. RALPH PAGET,

THE RIGHT HONOURABLE,

A. J. BALFOUR, M.P., &amp;c., &amp;c., &amp;c.

*Copy of a letter from Mr. Ejnar Ekman of Waiji, Sweden, to H. M.  
Legation at Copenhagen.*

Waiji,

December 6th, 1917.

RICHARD TURNER ESQ.,  
ENGLISH LEGATION,  
COPENHAGEN.

Dear Sir,

In consequence of our previous correspondence and our conference in Copenhagen concerning Baron Blixen-Finecke's scheme for concession of land in the British East African Protectorate for the purpose of making homesteads for British officers, who have taken active part in the war, I have the honour to enclose a scheme for realisation of this plan.

Sincerely Yours,

Sd. Per EJNAR EKMAN.

---

 COPY.

The British Government will give a concession for 10 years on about 60,000 acres first graded coffee land in the British East Africa Protectorate. The situation of this land should not be under 4,000 and not higher than, 6,500 feet above sea level. I suggest that Kisii land in Nyanza Province, at present not under settlement, would be very suitable for the purpose.

The British Government to give this concession without any cost for the future company and to have the right of selecting and nominating suitable settlers, it is suggested from amongst British officers, who have taken active part in the war either in Europe or elsewhere.

The company will divide this area in 150 sections of 300 acres each. On every section the company itself will plant 100 acres of coffee with necessary windbreaks, and also build roads on the made area, which will thus be about 110 acres. The remaining 200 acres to be left to the settlers' own use during the time of the company's administration. The whole section to become the settlers' own property on the terms hereinafter set forth.

The company will further erect decent bungalows and stores, sufficient for a family and a farm of 300 acres, also pulping machinery on every section and a curing factory and necessary drying machinery in the centre of the property.

Good roads would be built to the main road and curing factory.

When handing over the section to settler, the company will provide oxen, cultivators and other necessary implements.

During time of administration the company will control all sections even if the settler is living on the farm. The question whether the settler will act for the company as paid manager from the date of his settlement or after a lapse of two years as the case may be, can consequently be left until the whole scheme has in principle been approved in London.

At the end of the fourth planting year, the company will transfer the section to the settler. The coffee crop of this fourth planting year will be assessed by a specially appointed committee, and the transfer value of the section will be three times the value of this crop on the basis of the average of the current London market rates, less freight and insurance, for the previous two years.

During the time of administration all crops from the 100 acres planted by the company will be the company's property, while the settler will be at liberty to cultivate the other 200 acres on his own account and the company will take over any crop from him at current rates.

The settler can pay for his farm when taking it over either in cash or he may mortgage his farm to the company and repay in ten equal payments plus 6 per cent. of the outstanding value.

The company will be registered in London and have a working administration in British East Africa, also a special board with representatives of the Government, the settlers and the company. This board will also sit in the colony, and will receive reports from and give directions to the working administration in order to protect the Government's and the settlers' interest.

#### ANNEXURE C.

June 19th, 1918.

THE CHAIRMAN,

LAND SETTLEMENT SUB-COMMITTEE.

SIR,

In furtherance of the interview with your Committee this morning, I am prepared to recommend a scheme as follows:—namely

The promoters to plant up 100 acres either with sisal or coffee off which the promoters shall take all profits for the first five years.

During the 6th, 7th and 8th years the promoters shall share the nett profits with the settler and thereafter the entire farm becomes the settler's property.

The above is in substitution for the method of payment suggested in the previous two schemes (namely either 5 times the 5th years profits or three times the fourth years crops) other details discussed to remain as before.

Yours faithfully,

(Signed) BLIXEN.



## ANNEXURE D.

Diagram of Sisal Rotation and Tonnage.

Each Block 14 acres making a total of 98 acres.

Explanation:— P = Planted.  
G = Growing.  
F = Fallow.  
RP = Replanted.  
Figures = Tons weight of fibre.

Block No.	1.	2.	3.	4.	5.	6.	7.	Tons per annum.
1.	P. & G.							
2.	G.	P.						
3.	G.	G.	P.					
4.	14	G.	G.	P.				14
5.	14	14	G.	G.	P.			28
6.	14	14	14	G.	G.	P.		42
7.	F	14	14	14	G.	G.	P.	42
8.	RP	F.	14	14	14	G.	G.	42

NOTE :—(a) The above diagram is approximate only. In some districts sisal is cut 2½ years from planting and is cut out in a further 2½ years which would give a six years' rotation.

(b) The yield of 3 tons per acre also varies and is not equal for each of the three cuttings. Over 42 tons the cuttings would more likely give a yield approximately as follows :—  
1st cutting 14 tons. 2nd cutting 18 tons. 3rd cutting 10 tons. Total 42 tons.

DELAMERE.

## ANNEXURE "E."

## LAND SETTLEMENT SCHEME.

Report of the Committee appointed by the Commission to enquire into various Land Settlement propositions.

The Committee consisted of THE RIGHT HON. LORD DELAMERE, who was elected Chairman of the Committee,

THE HON. A. C. MACDONALD.

THE HON. P. H. CLARKE.

MR. A. C. TANNAHILL.

With MR. J. E. ALEXANDER, Secretary.

The Committee had before it schemes submitted by,

(a) MR. BROMHEAD vide Annexure "F."

(b) EARL KITCHENER vide Annexure "F."

## (A) MR. BROMHEAD'S SCHEME.

This scheme, which is very fully detailed in Mr. Bromhead's brochure, has several factors of great interest but it depends for its success on working partnerships which must necessarily last for long periods. The experience of the Committee is that such working partnerships are very rarely successful.

THE HON. MR. MACDONALD reported on a somewhat similar scheme that he had had occasion to deal with officially in Australia which had absolutely broken down after a very considerable expenditure of money.

Several details of this scheme lack the test of practical experience and the Committee most reluctantly is unanimously of opinion that it would be inadvisable to earmark any Government land for this scheme.

## (B) EARL KITCHENER'S SCHEME.

This scheme is very briefly outlined by Earl Kitchener, shortly it would appear that the Promoter is prepared to accept a grant of land, settle soldiers on one-half and finance them at 6% interest

The Committee is unanimously of opinion it would not be advisable to earmark land for soldier settlement in this way as it believes there will be sufficient applicants capable of taking up all the available land without the necessity of offering a bonus for recruiting

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**ANNEXURE "F."**


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**MR. BROMHEAD'S PAMPHLET.**

## FOREWORD.

British East Africa from the white man's point of view is a young country just entering, after twenty-one years of adolescence, the adult period of serious ideals, enterprise and development! By far the most important point it has to decide is whether it means to be a permanent "white man's country" of true British stock and traditions, taking its place ultimately as a peer with other self governing dominions, or merely a subject, ruled dependency. For countries like human beings may gain every material advantage and yet lose their own souls.

It is of advantage to any new state, even as it is to a young man, to possess an individuality or personality of its own; and a policy of racial and material progression that will at once stamp it as having risen superior to the chief defects crystallised in the character of other, older, British dominions, will give it this distinction.

In a land possessing vast hordes of coloured subject peoples, two requirements appear prominently as essentials to the permanency of the white man's rule. The first, is the necessity for creating openings that will comfortably support a sufficient number of members of the dominating race to enable it to hold its own in perfect safety, no matter what crises may arise, without recourse to outside assistance; and secondly that these overlords shall prove their superior civilisation by being a powerful brotherhood, undivided by those economic disputes and divergencies of interests that have split and shaken the solidarity of even the most progressive and democratic sections of the race in other parts of the Empire.

The old method of development, discredited because it breeds friction and bad blood between class and class without any hope of finality, is based on the simple idea that to make money it is necessary to acquire more land or assets than one can possibly hope to properly use oneself, and hold at ransom the surplus, which is really the means of existence of the poorer members of one's race and of those who will come later into the field. This is a plan which like Topsy "just growed" and on one is actually to blame for it although its incidence is often both clumsy and cruel. It has, no doubt, served a very useful purpose in our gradual evolution; especially as a rough method for financing and rewarding our pioneers. But it is defective because it carries inherent in its constitution the seeds of bitter hatred and injustice between man and man. By its agency the most united and patriotic races are divided against themselves, and great sections are goaded to a fury that sooner or later vents itself in civil revolution and sometimes even in bloodshed on the other sections. It segregates humanity into two hostile camps the "haves," who desire to squeeze the last penny out of the "have-nots" without whom they cannot utilise, materialise or even protect their possessions; and the "have-nots" who being denied tangible appurtenances of responsible citizenship try, through the medium of Unions and Societies to extract as much cash remuneration as they can from the "haves" in return for as little service as possible. It is merely a policy of "pull devil pull baker." Neither side really desires the ruin of the race or empire; nor wishes to endanger their material existing wealth. Yet the system sets them perpetually by the ears, and makes them behave as if they do. For the "haves" shew a tendency to favour the employment of aliens or subject peoples who do not possess the social consciousness of the workers of their own race—although they know they cannot compare with the latter for industry in times of peace or staunchness in times of war. While the "have nots" feel, as the greatest difficulties have been placed in their way to prevent them from acquiring a material stake in the country and its industries to which their lives are toilsomely devoted, that destruction is a good card to play.

Now if this young country can adopt a system in respect to its main industries, *i.e.*, those of the land, that will permanently amalgamate and identify the interests of its white inhabitants and make them pull cordially together, it will start ahead of all competitors in the tug-of-war for white population that must take place at the close of the war. The mere fact of the existence of such a fraternal policy will advertise itself and bring the Protectorate into the prominence it deserves.

This pamphlet aims at expounding a practical policy of this nature; fulfilling all the essential requirements for placing our white population in a kindlier relationship economically to one another than has ever happened before in any other country. It

is, neither Socialism, Capitalism, nor Trade Unionism yet possesses some of the best features of each. Tentative experiments have been made in its direction under the name of Profit sharing; but have never been radically worked out with a view to the impartially just recognition of all the sources that contribute to create material wealth. Share-farming as practiced from the time of the Pharohs to the present day operates also in a similar direction. But owing to a lack of elasticity, and of an impartial tribunal to see fair play, it has never proved itself a permanent career for men.

The principle underlying the method hereafter described is that of shifting the centre of gravity of investment from humanity's means of existence to humanity itself—the creator of all wealth and values. By backing the working settler with the means for further wealth production, the capitalist and the landowner at once bring him over to their own side, and conjointly and fraternally they are able to exploit the inanimate dormant wealth of the Protectorate. A tangible interest or stake is brought within the reach of every man willing to work on these lines so that he can see before him a full and self-respecting citizenship, an ample return for the expenditure of his life's energies, and a sure competence for his old age.

In a country so young as this and so lacking in financial facilities, there is little room or chance for the small capitalist possessing only a few hundred pounds up to £1,000. This system will attract and unite safely in small "firms" this valuable class and ensure the success of those able to finance or back themselves. But it does more. It makes an actual investment of capable, industrious man willing to become working members; for theoretically and in fact all working capital, even that generally subscribed, is used to back some man, preferably of special skill, or established reputation for industry. While it also affords careers as administrators to men possessing large capital willing to take an active part in opening up, organising and settling some special district.

The members of a movement working on the lines of my Standard Formula of Profit Participation, explained in the following pages, and united by a mutual interest with the investor and the landowner, will have no use for all the checks, safeguards, insincerities and evasions that are common between employer and employee. Each man will be placed in a responsible position, which will eventually be capable of producing an annual income equal to or exceeding that of a first class Government official; and if he does not take full advantage of it, it will be his own fault and loss. Should causes over which he has no control adversely affect his interests, however, the creation of large reserve and insurance funds will protect him and his dependents in a manner that would be impossible to a settler struggling along on his own account.

Personally I believe that when once capital, or its equivalent, and the economic value of man-power are placed on an equal sharing basis for dividend earnings, as my formula proposes, the results will be in every way extremely beneficial to our race and to the financial and political stability of our Empire. My method will also shew that there is at least an equally attractive, safe and profitable alternative to the development of new countries, such as this, to doing so by large limited companies that often prove so extravagant with their shareholder's money. Hitherto the latter has been practically the only means of investment, but it possesses the serious defect that the companies system inevitably employs as few white men as possible; while by backing individual men on areas reasonably limited to their capacity for high development, a vista of innumerable openings for further white men is opened up. For it is only logical to believe that where a white overseer can live, there also white part-owners may also manage to exist.

I ask those who have their own interests and the welfare of the Empire at heart, and who desire to see our race permanently established in its hardly won heritage to give my system their material support; and especially to assist me to operate it so that these innumerable openings may be rapidly created, many of which may then be filled by men who have loyally risked their lives for our national supremacy in the great German war. For it must be clear to the most unimaginative that whatever wealth may remain to us either nationally or individually at the close of this struggle, is entirely and primarily due to the courage and steadfastness of the fighters of our race. Both justice and an enlightened self-interest for our future safety demand that these men many of whom have borne the incredible dangers and hardships of the war for a smaller wage than a navvy would receive in times of peace, should be given as free and easy a road as possible to permanent, self-respecting, fruitful citizenship. To this end I invite both Government and private co-operation.

Sd. W. S. BROMHEAD.

## I. THE FORMULA.

The outstanding advantages of a sound closer settlement system may be briefly described as a policy of the greatest good to the greatest number. It is the royal road whereby the productivity of the state in which it is adopted can be indefinitely increased; and incidentally also the incomes of those whose wealth happens to be invested there. It affords the most rapid known means by which the corporate security of a young country is capable of being internally strengthened, *i.e.*, by the permanent addition to its population of selected adult settlers of the right race and type.

To arrive at the best results with this form of land settlement, several important points have to be constantly borne in mind. First and foremost the settler must be offered a "fair deal" It can only lead to bitter dissatisfaction should newcomers discover that the scales have been so adjusted that only by a streak of good luck is it possible for even well directed incessant industry to survive and succeed. On the contrary, if the inhabitants of a country, seeking the benefits of additional population will hold out a helping hand by facilitating the rapid acquisition of prosperous citizenship and a permanent material stake in the state to the immigrant, they will quickly reap a rich reward in meal or malt; and in all those attributes of progress and strength that make a land worth living in.

Another essential feature of a suitable system is the necessity for providing specialised guidance and training. Not on the lines of Agricultural Colleges nor the premium farm-pupil plan; but so that men of mature age, often with dependents, may make a living while learning the details and routine of their new life. For even experienced farmers, coming here from another country, have much to learn regarding local conditions; and may easily fall into serious errors or financial loss unless provided with reliable advisers and kept for a time under observation. Ex-soldiers, owing to their training and their general lack of agricultural knowledge, invariably require careful guidance and wise intermingling with experienced civilians to succeed.

It will generally be admitted that this is a country quite unsuited for the class of immigrants that counts on making its way to prosperity by working up from positions of mere farm labourers. The existence of large numbers of coloured workers renders such an avenue, followed successfully by many in the white dominions, both non-feasible and undesirable here. But this by no means implies that it is improper or degrading to men, who are owners of or partners in, a farming enterprise, to do as much as possible of the work themselves. For the sake of health and to preserve the white man's skill, strength and independence unimpaired it is indeed essential that full play be given to personal activity and zeal. It is only the idea of competition between whites and black workers at the same social level and for the same daily or monthly wage that offends one's judgment.

All these points and many others that will be referred to in due course, are met satisfactorily by the following Formula of Profit Farming.—

(a) The market value of the land to be farmed either by a single individual or preferably by a "firm" or small party of 3 to 6 men is added to the amount of working capital necessary to develop it on some agreed plan.

(b) To this sum the combined economic value of the working members, calculated on a reasonable living wage, capitalised at 5% of its annual worth, is also added.

(c) The entire total then ranks *pari passu* for dividend; and each investor, *i.e.*, of land, money or human energy gets an equal *pro rata* return upon the cash value of his contribution to the combination.

#### I. AN EXAMPLE FROM A COFFEE ESTATE.

	£	s.	d.
1. A landowner contributes :—			
500 acres, valued at £5 per acre ... ..	2,500	0	0
2. Those in the "firm" (or outside investors) provide :—			
Working capital necessary for planting 100 acres of coffee and utilizing remaining area	1,500	0	0
3. Three men undertake to work the farm; and their wage-earning value is capitalised at 5% accordingly.			
(a) Manager or senior member £100 p.a.	2,000	0	0
(b) Man with previous experience £75 p.a.	1,500	0	0
(c) Inexperienced man £50 p.a.	1,000	0	0
	<hr/>		
Total ranking for profit participation	£8,500	0	0

Each of these three working members of the "firm" should have a department of the farmwork under his special control, helping one another at busy times at the command of the senior. For instance (a) would give most attention to the main coffee crop and supervise the other operations, (b) would be in charge of general cultivation and teams; while (c) fills the position of dairy and stockman. At least one other partner could easily be added at any time for poultry, pigs, fruit growing and market growing thereby increasing the firms' working capital and revenues. For the first four years this "firm" may only just succeed, by growing maize, beans, flax, etc., and by dairying, raising pigs and other stock, in paying a 5% dividend or £425 p.a.; though it is estimated that keen, hardworking men may average 10% p.a., from end of first year, for the

personal factor counts for so much in farming. The fifth year, however, when 100 acres of coffee will be approaching maturity, should see a minimum of £2,250 set aside for dividend or a little over 25%, and from that time on a return of at least 30% ought to be assured to all concerned, the working partners making (a) 25% £600, (b) £450 and (c) £300, respectively, on personal account alone. If they own working capital equally they receive another £150 each on working capital account.

## II. AN EXAMPLE IN FLAX, CITRUS AND GENERAL FARMING.

			£	s.	d.
1,000 acres at £2	...	...	2,000	0	0
Working capital	...	...	2,000	0	0
4 men :—					
(a) Manager valued at	..	...	2,000	0	0
(b) Good transport driver	...	..	1,800	0	0
(c) Man with general knowledge	..	..	1,500	0	0
(d) Inexperienced man	...	.	1,000	0	0
Total ranking for dividend			£ 10,300	0	0
<hr/>					
<i>1st year.</i>					
Break up and crop 200 acres in the 2 seasons to flax say at £8 per acre nett or a dividend of 15%			1,600	0	0
<i>2nd year.</i>					
Flax crop	...	...	2,000	0	0
100 acres grain crop	.	..	600	0	0
Dairying and stock	..	...	300	0	0
Or 28% dividend			£2,900	0	0

From the beginning of this enterprise the members will be producing lemons from seed, budding and planting out a permanent plantation of citrus, which will eventually become their main permanent crop.

In this instance the working members make the second year (a) £560, (b) £504, (c) £420, (d) 280 on personal account. Calculated on present value of flax the return would of course be much higher.

Every suitable land industry can and will, as opportunity offers, be worked out on the same basis of profit partition; and the same returns approximately will be aimed at for the participants, no matter what class of farming be agreed upon.

For instance, with the help of co-operative factories where necessary, profit farming may be employed as a means for establishing farms and plantations alone or in combination devoted to:—Coconut, cotton, rubber, cocoa, sisal, sugar, pine-apples, etc., in the tropical belts; linseed, flax, maize, beans, dairying, fat stock, New Zealand flax, coffee, tea, fruit, poultry, etc., in the highlands.

Profit farming enterprises do not need to be segregated but may be established in and out of ordinary farms; while they will support any co-operative concerns already existing able and willing to afford them facilities.

Having given this formula, with example, as briefly and lucidly as possible separate chapters will deal in turn with its advantages to each of the three necessary contributors to success, *i.e.*, (1) landowner, (2) investor, (3) worker; whose interests it entirely identifies.

## II. LANDOWNER.

Owing to the methods adopted in opening up this country, based on well known precedent elsewhere, a number of the pioneer settlers control large areas of land, but a small portion of which they can ever hope to personally bring to their maximum productivity.

It is quite common thing to find men who have taken up 5,000 acres, farming only 200 acres or less of their large estates and perhaps running in addition, fifty to one hundred head of stock. The vast bulk of their property is lying useless. Probably in nine case out of ten it must remain so, waiting for some influx of population to create a demand that will enable the owner to cut up and sell out his surplus area.

Similarly the Government still hold large areas which it is most desirable should be developed, caused to contribute to our national wealth, and settled as closely as possible with white people; consistent with a sure and comfortable living for them.

In the meantime, however, the land remains unproductive and is, therefore, a complete loss to its owners, whether private or national.

It is small consolation to a man to know that when he is old, or say in ten or twenty years time, he may be able to dispose of his surplus estate satisfactorily. What can compensate a private owner for this loss of revenue through the best years of his life? Certainly not an income that will accrue to his heirs and successors. Even when he does eventually sell, the money received as purchase price must be re-invested in something else. In times like these even a wealthy empire cannot afford to have its potential wealth creating assets lying dormant any longer than possible.

The main object of the formula explained in the first chapter is expressly to obviate these difficulties and to enable a landowner rapidly to utilise and profitably settle his unremunerative property, increase its value, and secure a good income in proportion to its intrinsic wealth-creative capacity.

This is done by earmarking suitable areas, which he is willing to alienate at their market value, in order to participate in the operations of "Profit Farming Firms" formed and capitalised to work thereon.

Ethically and actually it is better to wear out than to rust out. So in real estate matters it is better to put one's land to as early an use as possible on lines that will quickly produce a return of 20% to 30% p.a., and possibly over, than to wait incomeless for an indefinite number of years and, when you do sell, run the risk of an unremunerative investment for your money.

To both owner and settler the important point (underlying the formula) is the fact that by putting land up as an investment in "Profit Farming Firms" the necessary minimum capital required by the working members is greatly reduced. For instance in the "Example in Coffee" already given, the settlers operating it would have to find £4,000 between them instead of £1,500, if they bought their land for cash.

The fact alone will greatly stimulate settlement and the recruiting of suitable small capitalists. For it is common knowledge that the less capital required the greater the numbers of men that are obtainable; and the better chance the organizing body will have of choosing sound, hard-working men to create and carry on profit farming enterprises, thereby bringing idle areas to their maximum wealth production with a minimum of delay.

As the results of each "firms' " operations raise the dividends on the original market value of the area contributed by the landowner from 5% to the calculated return of 20% to 30%, so the capital value of his interest will rise by hundreds per cent and should be saleable accordingly. This is fairly earned increment; and a great advance on the only system known at present *i.e.*, holding surplus land idle in large areas for a number of years until the pressure of population, greater prosperity or adjacent development create a demand for it at enhanced prices.

It is not generally realised that the higher the type of creature land will support the greater the capital value, and the larger the income accruing to those concerned in its ownership. Humanity itself is the most important and the supremest example of this axiom. In other parts of the British Empire thousands of families are living prosperously to-day on areas that only a few years ago supported large flocks and herds perhaps, but only a handful of human beings. Any antagonistic sentiment that may be felt by the enthusiastic stock farmer who is inclined to put cattle before humanity concerning this development is neutralised by the fact that it invariably happens, in spite of the influx of small settlers and their penchant for the cultivation of various crops, *the number of stock carried is nevertheless greater* than it was in the old, spacious, ranching days. While the owners have the satisfaction of obtaining a purchase price for, or deriving an annual income from, their estates, they could never have hoped for without the co-operation and industry of the new comers.

The incidence of the Formula works out so fairly to the landowner; and the whole system of partnership, with workers whose every effort to increase their own incomes also adds to his dividends, is so safe that it is believed it will be found to be more economical and profitable to place entire estates under this method of development—even including portions already in profit at their market value—and obviate risks and losses from managers or employees engaged under the old fixed wage system.

Just as it is necessary for an owner to spend money in order to hasten the productivity of his estates or to stock them up rapidly; so is it also desirable and advantageous to his interests for him to find what capital he came to back under the terms of the Formula, a good class of settlers upon areas he is prepared to provide and thereby hasten forward their profitable occupation and development.

But this subject will be dealt with in the next chapter.

All land must be put up permanently and the title deeds handed over to the Trustees. Only in special circumstances can areas be utilised under any other conditions.

## II. THE INVESTOR.

In order to carry out the financing of individuals or "firms" devoted to profit farming under takings established on the lines already dealt with two funds or classes of capital are required for the registered association, fully described later:—

1. Ordinary share capital that will be applied to pioneering suitable enterprises either by financing them temporarily or by supplementing the funds of suitable men with insufficient capital to "buy in" to these or any other undertakings or "firms"

2. Share warrants representing an investment in any one definite profit farming enterprise. These to draw their dividend entirely from the particular "firm" or enterprise the money they represent was provided to finance. Each of these warrants being endorsed with the position or name of the man it is used to back and the number and title of the "firm" from which their revenue is derived. This class of scrip is in no way liable for the doings, profits or losses of any other enterprise than that on its endorsement. The assets and title deeds these warrants represent will be placed in the hands of Trustees, and a special condition of their issue will be that in the event of liquidation of the association the said assets shall be handed over in their entirety to their rightful owners, *i.e.*, the "firm" they belong to.

All market value of land put up for development on the profit farming system will be paid for in share warrants; and it is most desirable and necessary that the landowner helps to hasten the settlement of his land by a cash investment in one or other class of these shares; thus enabling a specially practical type of settler to be chosen for the pioneer enterprises irrespective of the amount of his capital.

Every investor will possess various novel rights and powers. For instance, the investment of a sum in share warrants sufficient to finance a position (to which the association will appoint a nominee) in any profit farming enterprise secures the right for the person in whose name the scrip is issued on due notice being given, and provided he is physically capable, to step into the position temporarily occupied by that nominee, preferably an ex-military man, when the enterprise has reached a sufficiently profitable condition to warrant this step. A man may thus become a member without giving up his present occupation or employment and create a permanent position for himself in a profit farming firm which he can occupy when a sufficiently satisfactory dividend has been attained. The nominee who is holding the position will be placed elsewhere; for he will be encouraged also to secure a permanent position for himself by investment from his savings.

Some form of sliding scale payment or bonus may in some cases be necessary as compensation from investors to nominees who have "nursed" their positions for them, when they take over. In any event every member will be specially valued at his own personal economic worth when entering on active service; and may be required to put in three months before a decision is arrived at as to his valuation.

Or investors in share warrants may themselves nominate friends, relations or proteges; or create a billet for an infant son, which he may eventually occupy on reaching a suitable age, when in full profit. The scrip may then be presented to the holder of the position; or it may still be retained as an investment. In any case the money cannot be foolishly wasted; but will be wisely used and safeguarded, and parents or guardians may both set up their children or wards in permanent careers and turn them into a source of profitable investment instead of a constant expense and dead loss, as is too often the case.

The above advantages apply particularly to share warrant holders. Ordinary share capital, being specially provided and intended for generally initiating and strengthening new enterprises, cannot be earmarked in the same manner. Nevertheless any ordinary share holders falling on evil days and requiring employment as a working member or nominee will be given every consideration and preference possible, consistent with his economic powers; and a sale or exchange of ordinary shares for share warrants effected if desirable.

In order (a) to encourage parents and guardians to look to the Profit Farming Association as a career for their wards or sons (b) to attract a good class of youngsters at an age when he is capable of being taught thoroughly; and (c) to establish a precedent for providing material recognition to parents for their valuable national service in rearing useful, economically productive citizens, a special method of remuneration has been designed for those with sons under 21 years of age who become working members. This is explained later, see page 102.

## IV. THE SETTLER.

One of our most prominent Conservative Statesmen recently said that the main social problem of to-day is to find some means of obtaining a fairer distribution of wealth without drying up the springs of investment. By allowing workers to share according to their economic earning power, *pari passu* with capital and land, that problem is solved, and the road to material advancement and natural human evolution cleared of all its old artificial barriers. The problem is particularly simple under the Profit Farming Formula in the case of small capitalists able to finance themselves in a

“firm” or group of partners. To this class it is of vital importance that all their capital be used for working purposes, and is not depleted by cash payments for purchased land. All working members possess a permanency of occupation and a social status which, even for the most junior, preserves the prestige of the white man in a “coloured” country.

By the establishment of groups or “firms” agriculture is placed for the first time on a footing similar to commercial undertakings, where the members may each in turn, safely take an annual holiday; or at intervals of two or three years, a more extended vacation; knowing that their interests are safe with the remaining partners during their absence. This is very important in a country where many people consider it essential to one’s health that periodical trips to Europe be taken; for until this is clearly proved to be quite unnecessary and the climate harmless to those making a protracted sojourn here, it is as well to create provision for this pleasant custom. Under the ordinary individual system of settlement it is almost impossible for a small settler to leave his farm for a single night, without his material interests suffering.

There are all sorts of opportunities for happy social surroundings and intercourse in this method of settlement that obviate the old complaints of loneliness of country life. Yet there is no compulsion, and as each farm will be large enough for the members to live away from one another if they so desire, those who are fond of their own company may keep to themselves, only seeing their partners during their day’s work, as in ordinary business life. But it is anticipated that many of the “firms” will consist of friends and social equals or men who have been comrades in one or other arena of the big war, and will consequently take full advantage of the pleasant proximity of their partners; and every opportunity will be afforded to members to transfer or exchange into “firms” where they believe conditions will be more congenial to them.

Those who are inexperienced will be able to gain a knowledge of the work they are taking up while making a living; and owing to the well-known benefits conferred by combination higher returns and greater safety may be counted upon for their labour and working capital than they could expect working monotonously alone in solitary independence.

For those who do not possess the means to finance themselves or “buy in” to a “firm” the opportunity is created of placing a sound business proposition to friends or relatives who might be persuaded to find the capital necessary to give them a start. The bad old method of giving a young inexperienced lad a lump sum and sending him out to the Colonies to sink or swim—generally the former—is entirely done away with, and a plan initiated by which his money is safeguarded and the person it is desired to benefit provided with a position and given every chance to learn a useful business and “make good.” Should he, after every effort to utilise his services has been made, prove to be a hopeless waster the money remains a high dividend-paying investment, safe out of his reach.

While it is probable for the time being that the minimum amount necessary to secure a partnership in a profit farming firm will not be lower than £500 and may often be higher (according to the branch of farming, ranching or planting to be established) there are several ways by which men with this, and possibly a lesser capital, may find a chance to join and rapidly increase their share holding.

The ordinary share capital of the association may be used to supplement to the minimum, the capital of men who are likely—on account of their practical knowledge, previous experience, or record for industry—to be valuable members. A certain number of practical men, preferably with local knowledge, will be wanted to act as managers or as nominees in positions created by the investment of members who may wish to take their places later in the firm they are assisting to finance. For energetic men with small capital a lucrative business is likely to develop in the creation, with the consent of the association, of positions in newly established undertakings, which at the end of one, two or three years they will sell at a profit to those with sufficient means to buy into a going concern. There are many men, especially amongst the married, who would much prefer to pay an extra price for a position the preparatory years of which have passed, and thus ensure them stepping into an assured revenue equivalent to that which they are relinquishing.

The men who specialise in creating positions for sale would in a few years greatly increase their capital by doing so and eventually take up a permanent position probably as senior in a strong firm.

Any self-financed working member will have the right to sell his position and join another “firm” or exchange if a suitable opportunity arises. Many of those who occupy subordinate positions will be encouraged to do this order to obtain seniority in some newer enterprise.

The organising body shall have power to raise the wage profit participation of working members at the rate of not more than £5 p a. (capitalisation £100) up to £125 p a., or a total capitalisation of £2,500.



Lads backed by the necessary minimum capital will be taken, trained and boarded, beginning at 16 years of age with a cash wage of £10 p.a., and rising £10 each year till of age when they enter as full adult working members.

Any financed working member or nominee of a profit farming firm or party may acquire by purchase from his savings sufficient shares to give him a permanent interest therein, either; (a) by private treaty with the association or an existing shareholder; (b) by investing in share warrants attached to another profit farming enterprise and when, in the opinion of the Board, they reach a value equal to the shares backing him in his own undertaking an exchange may be effected.

Once a man takes up a position in a firm every effort will be made to keep him there so long as he desires to remain a working member. No attempt to get rid of a man will be tolerated while he conducts his department satisfactorily and conforms with ordinary business discipline. A manager or senior cannot be shifted or reduced to a subordinate unless he proves himself incapable and impossible. The only causes for interference are:—

- (i) if a man proves dishonest; or discredits his firm by earning a serious civil or criminal conviction; or by persistent disreputable conduct;
- (ii) if the revenue of any firm after once getting properly going and becoming a good dividend payer goes back below the 10% level; when an enquiry will at once be made into its affairs and the members responsible for it discovered and some alteration arranged;
- (iii) repeated petty dishonesty to or ill-treatment of one's fellow partners; refusal to carry out proper duties or glaring neglect and incompetence; incompatibility of temperaments; the development of personal characteristics of such a nature that a local unanimous vote of members asks for anyone's removal or transfer.

In the event of the necessity arising from any of the above cause the organising body may first suspend a member, then call upon the local board or committee to report—and if such report be seriously adverse, exchange the member to a more suitable opening or dismiss him if he proves hopelessly unsuited for membership.

When a man leaves either voluntarily or involuntarily his position may be sold and the profit, if any, handed to him. His capital remains at the ordinary dividend rate of the firm he belonged to until a purchaser is also found for his share warrants. The association may from its funds, as an act of grace, pay such a man out, or buy his interests.

Strong reserve funds will be accumulated with a view to tiding over bad seasons; countering individual misfortunes; providing for widows and children, etc.

The association will constantly be on the watch for ways and means to provide openings for would be members at a lower figure than the £500 minimum; and also to supply temporary employment for those who cannot be immediately absorbed.

## B. THE MACHINERY.

To carry out the profit farming system already explained it is proposed to register an association under limited liability on the following lines;

As a commencement, the registered capital of the association shall be £20,000 consisting of 19,000 ordinary shares and 1,000 founders' share all of one pound each. As soon as the association has gone to allotment on the first subscriptions, say of £5,000, an increase of capital consisting of 1,000 share warrants of £10 each will take place; to be followed by other share warrant issues as found necessary. The issue terms of the ordinary shares will be 2/6 on application, 2/6 on allotment, and 5/- every three months until fully paid, or as may be arranged.

The official income of the association, for meeting working and administrative expenses, paying dividends on shares, other than share warrants which derive their return from the special enterprise they are financing, and creating insurance and reserve funds, will be raised by means of two main charges.

1. A commission of 5% in cash or shares (as the case may be) upon all the combined assets pooled at the establishment of each new enterprise or any subsequent addition thereto. As an instance of how this source of revenue works out, the two examples given in the chapter on the formula will pay, on formula (a) of £8,500 a commission of £425, and (b) on £10,300, the sum of £515 in cash and share warrants. The valuation of the economic earning power of the working members being only theoretical, the association will create fully paid share warrants to meet the commission charge on their contribution. It is estimated that from this source of revenue alone, the formation of an average of one firm per week, involving the recruitment of 200 members per annum will annually 30% on share capital in cash or shares as the case may be, any place £10,000 to reserve after meeting all

administration expenses. All commission shares will be allotted to a nominee, probably the holder of the founder's shares, to realise or distribute on an agreed plan on behalf of the association, who will also have the right to appoint a pupil or member to represent these shares when the "firm" reaches the 20% dividend, if they do not ask for one earlier.

2. 5% on the net annual income declared for dividend, of every profit farming enterprise, to cover cost of constant supervision, auditing, etc., and to provide bonuses for the most efficient and thrifty firms and workers in each district. Other sources of income will be 5% on each transfer or exchange of members from one party to another; 5% on all sales of positions; 5% on all purchases from the commercial community of British East Africa made through the introduction of or under guarantee by the association.

In order to encourage every worker to take up shares as quickly as possible and so become a full member of the association, a deduction from his earnings on personal account is made of half his profit over and above his actual wage valuation if he has no financial interest in the association. Should he be willing to apply for ordinary shares or share warrants to the extent of £500, paying for them with a quarter of his annual profits the association will also remit one quarter of their receipts from his on this account; retaining only the remaining quarter annually until his shares are fully paid, when the member gets his entire net earnings. Thus a member personally valued for £2,000 or £100 p.a., minimum in an enterprise making 20% net earns a gross income of £400 p.a., on personal account. But as he is not a shareholder the association takes half the amount, over and above his original £100 p.a., living wage, or £150; leaving him with an income of £250 p.a., net. If he is subscribing £75 (or one quarter of his profit) towards shares the association also remits £75; leaving him with a cash income of £175 and an investment for the year of £150 to the good. When his shares are fully paid his net income will be, with capital dividend, £600 p.a. It is also likely that profit may accrue as the association becomes stronger financially, from the purchase of estates for cash and their sub-division.

It is believed expenses of administration can be kept very low, especially if an area of land be acquired near Nairobi for development, upon which the registered offices may be situated.

Certain sums will be set aside from the annual revenue of 5% in every district in order to reward the men of each branch of farming who prove themselves to be the cleverest and most successful locally at their particular work; provided they will devote one day a week to advising less experienced men in other firms and also as bonus to the firms that manage with the smallest working expenses.

After meeting official working expenses the balances of revenue from above sources will be divided into three equal portions, (1) to form reserve and insurance funds (2) to pay dividends upon ordinary shares, up to 30%; and (3) to founders' shares.

A shareholder with insufficient capital to enable him to buy into an enterprise should invest in ordinary shares. When he has enough to join, or take an interest in, a profit farming undertaking he may apply to the association to cancel or dispose of his ordinary shares against an issue of share warrants; or the association may guarantee a fixed interest, say 5% on all unattached share warrants. Once share warrants are endorsed as being attached to a particular undertaking they will derive their dividend entirely from that source and neither participate in nor contribute to any other revenues belonging to this association, except the small annual charge made for administration. Absolute independence and financial security is thus provided for each enterprise. All assets of the "firms" will be held by Trustees under agreement that in the event of extinction of the parent association they shall be handed over intact to their rightful owners.

Two or more Trustees shall be appointed.

It is hoped that the equitable and original methods of the association will result in the Governments of British East Africa and Uganda and the late German East Africa appointing one or more Trustees and entrusting areas of Crown lands to the association for settlement.

It is proposed that the Board consist of not more than six directors. Qualification £500 for an active member, or £1,000 for an investor, in cash subscription to any shares, with annual fees of £200. The organiser asks for £600 p.a., salary and the founder's shares, which he will at once place in the hands of the Trustees under certain conditions of an endowment.

Both ordinary shares and share warrants will carry one vote to every £10 invested. Working members, however, shall have one vote for every £5 invested by them, up to but not beyond their full economic valuation. The founders shares will possess one vote per share.

In the event of a "firm" not reaching 5% dividend level during the first years, the Board shall have the power to pay the working members their minimum wage (i.e., 5% of their capital valuation) either in cash or shares, provided they have worked satisfactorily. Any cash so provided shall be regarded as an addition to working capital account of the said firm and share warrants may be issued against it.

As far as possible it is proposed to extend to suitable women in suitable branches of farming, the same opportunities that are offered to men.

Young men, not of age, whose parents have invested or procured the investment of £500 to secure them a position, will be paid a fixed sum per annum of £10 at the age of 16 years, rising £10 per annum until they reach 21; and will be boarded by the firm they are attached to. But they will nevertheless be credited with a profit participation based on their annual cash wage; and when the profit participation exceeds their actual costs (*i.e.*, their annual cash wage plus their board, valued say at £25 per annum) the balance will be paid to their parents as a bonus. The object of this is to create a precedent for materially recompensing parents for rearing and placing under the care of the association, youngsters of potential economic value; and to encourage them to look to the association as a career for their children.

If the parents have secured positions for their sons to step into a few years before they reach a suitable age for active occupation, they will already be receiving on their capital 20% to 30% per annum; and an additional substantial revenue will thus accrue to them directly from their children's work.

This subsidy will especially benefit the parents who have been quite unable to save owing to the expense of their children's upbringing, and who have had to place their financing in the association as a business proposition before some friendly capitalist who gets the dividend on the cash investment.

The organiser hopes to develop this idea further in due course by means of an endowment fund formed with the help of the founder's shares. As it is, the parents of a son 18 years of age who gets a cash payment of £30 p.a., and board £25 from the firm paying a net 30% dividend will receive the difference between £55 and £180; or £125, less one quarter paid to administration and reserve accounts, because the lad does not come under the category of a self-financing member. The parents therefore receive a net return—apart from any capital investment—of £83-15s. for that year.

Every firm will have its own banking account to which the association will appoint a signatory. All books shall be open to inspection at any time to those interested in a firm's affairs.

The association will work out a business system for each firm which, in the interests of all concerned, the members will be expected to adhere to.

#### ORGANISER'S FINAL REMARKS.

It will be seen from the foregoing chapters that my plans aim at a real connected progressive closer settlement system for the small man; suitable of application to ex-soldiers; and that plain, industrious, class of fellow subject who, no matter how honest, frugal, and capable he may be—in short how real a "white man"—has hitherto been precluded from participating in the development of this country.

This does not mean that men of large means, possessing a regard for their own race, may not participate in the scheme.

A man with £100,000 or over could more usefully and profitably throw his lot in with this movement than go into any other form of enterprise or adventure. I believe he would earn at least £20,000 to £30,000 on his money as an investment and find that it permitted him as a beginning to his activities to enable 200 to 500 grateful loyal British subjects of the dominant race to quickly establish themselves and their families permanently and happily upon the empire's lands here. As it is repaid by these settlers this money will be used over and over again. There is also much interesting and self-respecting work to be done in this empire building business for those with means, ideals, and organising energy to devote to it for no finer occupation exists than the husbandry of mankind.

I have fixed on £600 per annum as the desirable income for working members of the association, believing it perfectly possible to achieve; and thereby enabling the picked specimens of humanity, who reach these figures under the aegis of the association, to become pioneers of an acclimatised white race perpetuating our finest types and traditions in the heart of Africa. That it may take two to five years for a "firm" to attain to this average return for its working members is natural; but surely the permanency and reliability of such income, once obtained, is worth the preliminary struggle. At least it promises a great improvement on the lonely uphill fight that small settlers invariably have to face, without combination, safeguards or assistance, in many of the white provinces of our Oversea Empire; when success or failure so often depend upon the constant health of one individual and the ceaseless skill of one pair of hands.

As to the capacity of the country to give the necessary high returns; there is every reason to believe that several of its choice products are sufficiently proved. Certainly they are at least as highly tested as the great staple industries of New Zealand, Australia, and Canada were when, imbued with faith in the future, they stated closer settlement on a large scale with dairying, fruit growing, mutton and wool, and wheat, all dependent on an perfectly organised export trade, as the main sources of livelihood. True progress and national organisation are always due to the demand created by pressure of an enterprising increasing population.

The actual stock and dairying possibilities of the highlands of British East Africa have not yet been arrived at. But that they are as high or higher than those of any other country in the world cannot be doubted. The more fencing and sub-division is carried on the greater increase takes place in the carrying capacity of the sweet nutritious grasses; so that it is quite probable a beast to the acre will eventually be supported and fattened almost anywhere. This augurs well for the export beef and butter trades, which our Government controlled railway can make practicable within six months by adopting Australian methods.

The cost of living in the Protectorate is higher than the above mentioned Dominions but not greatly so, and there is every reason to believe it will diminish with the development of the country. From personal experience I am satisfied that men living on their own shambas, growing their own vegetables and possibly their own meat, can live plainly but satisfactorily from £2 per month.

There are still people who object to this country attempting to give the small man an opportunity to settle here; because they believe it is only suitable for settlers of big capital and large estates. Personally I am convinced in exactly the opposite opinion; and I speak with a long practical experience of other lands. It is always the rich countries that are the most suitable for the closer settlement as they respond so readily to intensive methods.

Much of this Protectorate is as fertile as the Channel Islands with their bijou farms of 5 to 50 acres. The perennial crops grown here are remarkable for their value; while in beans alone the country possesses an annual main crop of immense value to the small man.

Only an organised export trade and the establishment of certain classes of not expensive factories are lacking to place production on a sound basis and ensure the success of the settler who relies on the steady intensive cultivation of a small area.

No better proof could be given of my contention that British East Africa is essentially a small man's country than existing facts. Although land has been alienated on a lavish scale in comparatively large areas with a view to encouraging big farming it is hard to find a man with more than 300 acres under some useful crop or more than a couple of hundred head of cattle or stock. If every settler possessed 100,000 acres and then discovered that 500 acres was as much as he could possibly use he would still be, in the proper sense of the word, a small farmer; only the diffuseness of his interests will mitigate against financial economy and personal concentration. Even the few men who are growing large acreage of maize know that their's is but a temporary phase of development. They are merely skinning the virgin richness out of the land, in true American style, heedless of the impoverishment that proper skilled cultivation, combined with stock husbandry and crop rotations on easily handled farms, would obviate.

The plan of campaign which I propose the association shall adopt is as follows:—

“Offers of land, both private and Government, suitable for high development will be sought for at reasonable market values to be settled on the profit farming lines explained in this pamphlet.”

Having found areas which the owners are willing to tie up under option for short periods of six months or a year in return for a bond capable of being converted into share warrants directly suitable settlers have been procured, the association will set to work to recruit candidates with the necessary means wherever they are most likely to be found—in British East Africa or Overseas. The association will pay the usual commissions to recognised Land Agents for introduction of small capitalists or Land Owners who are willing to put up land on these terms. The association will also from its subscribed capital, nominate and finance suitable men to positions in its profit farming enterprises; or supplement the capital of those whose means would be otherwise insufficient.

In order to get the right class of practical men to pioneer new industries and districts, to train inexperienced new-comers and give profit farming firms a sound and satisfactory start off, I am prepared to recruit experts from successful districts and industries wherever they are to be found in other British Dominions. Further, with a view to expediting farming operations, especially breaking up new land and thereby hastening revenue production, agricultural machinery firms, one for each district, will be formed, provided with teams and power driven implements, to which mechanically minded members may attach themselves. These firms will plough, cart and do other work by contract, either for cash or on sharing terms with the farming firms; or the ordinary settler.

Many ex-soldiers who have been operating traction engines, tanks, motor vehicles, etc., during the war will be particularly suited for this class of firm.

All existing settlers with more land than they are actually using are invited to place areas under offer to the association; and to work out in detail their idea based on past experience, how such may best be utilised when sub-division for profit farming enterprises.

It is extremely desirable to have the association in working order in time to deal with the disbandment of troops, first locally and later in Europe. Thousands of men, discharged as medically unfit yet capable of supervising native labour in British East Africa are already to be obtained in Britain.

In conclusion I would say that my system of land settlement is the result of many years of close observation under practical conditions in the various Dominions of the Empire, and of theoretical study at home. To arrive at it I have examined every known method proposed or employed during the past fifty years, and have myself taken part in every important migration since the beginning of this century, including the great rush to Canada.

I believe that if my plans be honestly and sympathetically applied to the Crown lands of British East Africa, Uganda and the late German East Africa they will in a few years entirely meet the interest on the East African War costs; the share warrants eventually liquidating the capital expenditure, while at the same time providing innumerable permanent openings for the men who have risked their lives to save the Empire. In the abandoned German plantations owned by German companies, there exists alone the means of probably setting up thousands of our men and producing hundreds of thousands of pounds per annum for our Government, provided these estates are not left too long derelict.

The Government possesses the power to render the efforts of the association extremely fruitful by assisting with all the facilities within its power. Even if unable to find anything considerable in the way of funds for backing ex-soldiers, it can place areas of land in the hands of Trustees which may be used for raising capital and in any case the future of closer settlement is largely bound up with the policy of the Government controlled railways. A by no means insignificant stream of capital would also accrue to the association if the Colonial Office veto against Government officials investing in local enterprises were waived in this particular instance. The methods of the association preclude the abuses that this regulation was issued to prevent; and the capital so obtained would maintain many ex-soldiers as nominees until such time as the officials retired from public service to take up their positions.

It is my aim to make the movement as self controlled and locally autonomous as possible by providing local committees or boards that will regulate or arbitrate on all difficulties that may arise, leaving the central board to carry out its own special work undisturbed unless to act merely as referee or supreme court of appeal for it is essential that the directorate retain the power to take any steps it may deem necessary to preserve discipline and ensure the smooth working of the firms the association establishes.

Sd. W. S. BROMHEAD.

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EARL KITCHENERS' SCHEME.

To,

THE COLONIAL SECRETARY,

NAIROBI.

Sir,

I have the honour to submit for approval the following :—

1. That I may be granted an area of good agricultural land with a radius of 4 miles.
2. That I may be allowed to recruit sufficient voluntary labour for the above. If above be granted I undertake to :—
  1. Settle 30 English soldiers on the land.
  2. To give them a right to purchase a half share of their holding at any time.
  3. To advance to them at 6% funds necessary for development.
  4. To build a school and provide a native teacher for the children of the labourers.
  5. To see the labourers are well fed, well paid, and well housed.
  6. To keep at least 100 of above labourers trained as askaris to the satisfaction of the nearest Police officer with one European Non-commissioned officer to every 10 men. Only expense to the Government being arms and uniform. These men only to be called out at times of national emergency.

I am,

Sir,

Your obedient servant.

Sd. KITCHENER OF KHARTOUM.

COLONY AND PROTECTORATE OF KENYA.

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**REPORT**  
OF  
**THE LABOUR BUREAU**  
**COMMISSION,**  
**1921.**

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APPOINTMENT OF COMMISSION AND TERMS OF REFERENCE

THE Commission was originally appointed under the following notice—  
GOVERNMENT NOTICE No. 67.

S 9136.

THE COMMISSION OF INQUIRY ORDINANCE, 1912.

A COMMISSION.

WHEREAS it has been represented to me that some organisation for the recruitment and regulation of labour in the Colony and Protectorate of Kenya should be established.

And whereas it appears expedient and for the common good that the investigation into the question of such an organisation be entrusted to Commissioners.

Now therefore, I, Edward Northey, Major-General of His Majesty's Forces, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Most Honourable Order of the Bath, Governor of the Colony of Kenya, do by virtue of the powers conferred upon me by the Commissions of Inquiry Ordinance, 1912, by this my Commission under my hand appoint:—

Oscar Ferris Watkins, Esq., C.B.E., D.S.O.

The Rev. Joseph Cayzac, Catholic Mission.

B. Travers Solly, Esq.

Percy Ryder Hollins, Esq.

Major Jocelyne Charles Henry Grant.

Cyril Keyworth Day Beales, Esq.

Captain Claude O'Hagan.

A. Ruffel Barlow, Esq.

William McGregor Ross, Esq.

Major Maurice Gallagher, D.S.O.

to be Commissioners to investigate and make recommendations as to:—

1. The necessity for a Labour Bureau.
2. The form such a Bureau should take.
3. The legislation necessary to create such Bureau.
4. The powers to be given to such Bureau and its duties.
5. The principles to govern the recruitment, distribution and repatriation of labour under such a Bureau.
6. The administrative measures desirable to encourage, facilitate and control the flow of labour under such a Bureau.
7. The relation of such a Bureau to the supply of labour to Government Departments.
8. All such other matters relating to a Labour Bureau as in the course of their inquiry into the foregoing particulars appear to the Commissioners to require investigation.

And I do hereby direct that Oscar Ferris Watkins, Esq., C.B.E., D.S.O., be Chairman of the Commission.

And I do hereby direct that in the absence of the Chairman a quorum may co-opt a Chairman.

And I do hereby direct that five members shall form a quorum.

And I do hereby direct that Samuel Frederick Deck, Esq., shall be Secretary to the Commission.

And I do hereby direct that the Commission shall sit at such time and in such place as the Chairman shall from time to time direct.

And I do hereby command all persons whom it may concern to take due notice hereof and to give their obedience accordingly.

Given under my hand at Nairobi this 28th day of February, 1921.

EDWARD NORTHEY,  
Governor



The Commission was subsequently amended in terms of the following two notices.—

GOVERNMENT NOTICE No 83

S 9136

COMMISSIONS OF INQUIRY ORDINANCE, 1912

A COMMISSION

I, Edward Northey, Major-General of His Majesty's Forces, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Most Honourable Order of the Bath, Governor and Commander-in-Chief of the Colony and Protectorate of Kenya, do in exercise and by virtue of the powers conferred upon me by the Commissions of Inquiry Ordinance, 1912, Section 3 by this my Commission under my hand add to the Commission issued under the aforesaid Ordinance by me dated the 28th day of February, 1921, (Government Notice No 67) by appointing Captain Kenneth Dormer, to be a Commissioner to inquire into and report on the matters the subject of inquiry of the aforesaid Commission of the 28th day of February, 1921, in addition to the Commissioners therein appointed.

Given under my hand at Nairobi this 8th day of March, 1921.

EDWARD NORTHEY,  
*Governor and Commander-in-Chief.*

COMMISSIONS OF INQUIRY ORDINANCE, 1912.

A COMMISSION

I, Edward Northey, Major-General of His Majesty's Forces, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Most Honourable Order of the Bath, Governor and Commander-in-Chief of the Colony and Protectorate of Kenya, do in exercise and by virtue of the powers conferred upon me by the Commissions of Inquiry Ordinance, 1912, Section 3 by this my Commission under my hand add to the Commission issued under the aforesaid Ordinance by me dated the 28th day of February, 1921, (Government Notice No 67) by appointing Mr. Mangal Dass and Mr Abdul Wahid, to be Commissioners to inquire into and report on the matters the subject of inquiry of the aforesaid Commission of the 28th day of February, 1921, in addition to the Commissioners therein appointed.

Given under my hand this 14th day of March, 1921

EDWARD NORTHEY,  
*Governor and Commander-in-Chief*

COLONY AND PROTECTORATE OF KENYA.

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**REPORT**

OF

**THE LABOUR BUREAU COMMISSION.**

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*Nairobi,*

*5th December, 1921.*

To His Excellency the Governor of the Colony and Protectorate of Kenya

YOUR EXCELLENCY.

1. We the undersigned Commissioners appointed under the Commission quoted on the previous pages, beg leave to report as follows:—

2. The Commission held sittings in the following localities:—

Nyeri  
Thika  
Ravine  
Eldoret  
Kitali  
Kitosh  
Kakamega  
Kisumu  
Muhoroni  
Lumbwa  
Mombasa  
Nairobi  
Nakuru  
Naivasha  
Kjambu

and have examined altogether 96 witnesses of whom 53 have expressed themselves as in favour of a Labour Bureau, while 33 have opposed its establishment. The remaining 10 expressed no definite opinion.

Of those who supported its formation, 18 have desired that it should be a Government Department, while 30 have favoured a private undertaking, the remainder giving no definite opinion either way.

3. In addition to the oral evidence memoranda have been submitted by various witnesses. The evidence and findings published by the Labour Commission 1912/13 have also been studied by the Commission.

4. At each sitting of the Commission witnesses were reminded of the circumstances which had rendered its appointment desirable, namely the expectation of the Government that the progress of large construction works, financed out of loan, coinciding with increased development by a number of new Settlers now arriving, or recently arrived, in the Colony, might lead to acute labour shortage in two or three years' time.

5. It may be pointed out that the conditions existing at the time of the Commission's sittings were far from normal. As a result of the prevailing financial depression with consequent restricted production, there was in some districts an excess of supply over demand. It cannot, however, be expected, if conditions become normal or, if large Government undertakings are initiated out of loan money, that this situation will continue.

## PRELIMINARY INVESTIGATIONS

6 The Commission has interpreted its terms of reference as including an investigation as to whether the labour supply will meet the demand without Government action, and, if not, what Government action should be taken.

7. As a preliminary, therefore, to forming any conclusion on the necessity for an organisation to recruit and control labour, the Commission felt it necessary to consider figures of demand and supply, present methods of securing labour and sources of waste.

## FIGURES OF DEMAND AND SUPPLY

8 DEMAND. With regard to demand, the Commission has experienced difficulty in obtaining complete figures, but has had access to the statistics collected by the Agricultural Department under the Statistics Ordinance, 1918, in so far as they are relevant, and to the returns, which are as yet only partially complete, rendered by employers of labour to the Chief Registrar of Natives. The forecast of development prepared by a departmental committee for an economic survey of the areas to be traversed by the proposed Uasin Gishu and West Kenya railways has also been consulted. The ordinary monthly demand for male labour for Agricultural and Pastoral purposes alone rose from 36,000 in July 1919 to 57,000 in June, 1920. This rate of increase was undoubtedly exceptional, but none the less a marked increase in demand is anticipated during the next few years for these purposes. In addition to these, provision may have to be made for new works to be executed out of loan or by private enterprise and for other services referred to in Table I, attached, in which the Commission's estimate for about 1926 is shown as approximately 146,000 employed at any given time.

9. SUPPLY. On the question of supply the Commission has had before it the figures of the administrative count of population taken for census purposes during the current year. To arrive at the proportion of males likely to be available as labour at any one time, was a more difficult problem. The South African Native Affairs Commission 1903-5 worked out that males between the ages of 15 and 40 constituted one-fifth of the population. On this basis the proportion of males in this country between 16 and 30 was assumed to be one-seventh of the population, thus giving the figure in the third column of Table II.

## ANALYSIS OF FIGURES

\* 10 The habit of work for wages has not yet been acquired by many of the tribes of the Colony, while the remoteness of some Native districts from European settlement renders it difficult to bring the inhabitants into the labour market. In order to arrive at the "probable" number (Table II) of working males from the figures so obtained, certain deductions have to be made to allow for local conditions. Thus the contribution of the Masai, being negligible, is not included. The Ukamba and Ravine supplies are practically undeveloped. The Provinces of Sevidie and Tanaland supply only a limited number, mostly domestic servants. From the "probable" supply from these areas, therefore, 90% has to be deducted. Moreover tribes such as the Embu, Meru and Kisu contribute a lower proportion than tribes which have been longer in contact with the European but as they have begun to come out to work in increasing numbers no deduction is made.

11 The physical standard of the Natives in the Reserves is very low and large numbers are rejected by Medical Officers as unfit for labour. The Commission is of opinion that it is the right policy to maintain a medical standard graduated to the work for which the Native is required, since a labourer who is physically unfit for his work is a source of expense to his employer, and after he returns to the Reserves, is apt, by his stories of the hard work and long hours to which he attributes his illness, to act as a deterrent to others. Consequently a deduction of 20% is made for medical rejections throughout the Native Reserves, though perhaps this should be even greater since it is based on medical examinations at Kisumu where the standard of physique is probably higher than among the Akikuyu.

12 In the European areas a deduction of 5% has been made for medical rejects, since the Native who has left his Reserve and become an habitual worker may be assumed to be of adequate physique. A rough deduction of 2½% is made throughout the Native Reserves for natives engaged in trading on their own account and who, therefore, do not come into the labour market.

The attached Table II shows the "probable supply" for the year 1920-21 as obtained by the above process.

13 It is, therefore, apparent that while the labour supply of the Colony should roughly equal the demand in 1922, from that year onwards, if no action is taken to improve the local supply, there will be a continuously increasing shortage which in 1926 will reach approximately 32,000.

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\* Captain O'Hagan considers that the total "probable" number of men at work at any given time (Table II) is too high as no allowance has been made for the fact that the Meru, Embu and Kisu tribes do not supply, in proportion, nearly as many labourers as the Kavirondo and Kikuyu.

PRESENT METHODS OF SECURING LABOUR.

14. A few employers, of long residence, would appear to obtain without difficulty all the labour they want. The nucleus of it is permanent, in the sense that it rarely works for any other employer but divides its time between that one plantation and the Reserve. This nucleus is supplemented, when required, by friends and relatives, and, to a lesser extent, by floating labour of the class that never remains long in any employment.

15. Other employers, particularly those on the main labour routes, seem to depend largely on Natives leaving their Reserves to look for work. This system is wasteful of labour for two reasons:—

(a) The employer is tempted to engage it some weeks before he really needs it for fear lest he may be short at harvest time.

(b) It is frequently in gangs which demand to be employed together and an employer needing perhaps only a few men is given the alternative of taking all or none. He takes all.

16. Other employers again, particularly large estates, new arrivals and those remote from either Native Reserves or the main roads to them from the European settlements, employ to a considerable extent the services of labour recruiters, of whom several firms have been established.

17. These recruiters usually have depots in the Reserves and at a base on the railway. There is a widespread opinion that the methods of some of them are open to criticism. It is argued that, owing to competition, they are inevitably tempted to offer inducements in the form of large advances of pay to the labourers and bribes to Chiefs to force out labour, both of which practices the Commission regards as reprehensible.

18. Moreover the Commission considers that, though no proof has been adduced of the facts alleged therein, the state of affairs described in the following quotation from the Labour Commission Report 1912/13 does not stand disproved at the present day.

The Report states.—

“RECRUITING. The Commission is of opinion that the present system of recruiting through Labour Agents—that is, through persons who recruit for personal gain—is bad, in that the Chiefs have every inducement to hold back labour in order to supply them

\* \* \* \* \*

The tendency of the whole system is to interfere seriously with the supply of voluntary labour, which is the best from every point of view, firstly by checking the flow, and secondly by forcing out those who have worked voluntarily and have returned to the Reserves to rest or for other reasons, to work either for employers who obtain labour through Labour Agents or for Government, before the object for which they have returned has been accomplished. Instances have occurred of Natives in permanent employment who have been given leave to go to the Reserve, being compelled by the Chief to go to work elsewhere.”

Once a labourer comes to be regarded by a Chief as a source of revenue, or even as a means of satisfying importunity, this is inevitable. Thus there results interference with the liberty of the labourer in his selection of time, locality, work and employer, and labour ceases to be really voluntary.

SOURCES OF WASTE AND SUGGESTED MEANS OF ECONOMISING LABOUR SUPPLY.

19. In addition to what has been said in Paragraph 15 in regard to waste of labour, the “Chit” system must be mentioned.

These “chits” are responsible for a certain amount of idleness and indiscipline in the Reserves. Natives who desire to avoid tribal work, e.g.—road-making or draining of swamps, confront their Chiefs with “chits” or private labour cards shewing them to be under contract with some employer. Many a young man who has no intention of doing any work makes a point of securing such a card, and, after doing a few days’ work, which are registered thereon, returns no more to complete it. One employer near the Kikuyu Reserve, told the Commission he had issued 680 of these cards in the period 1917-20, the holders of which had never returned to complete them.

The Commission considers that the present system under which an employer cannot legally give a period of leave without pay within the contract period, unless he enters an endorsement of discharge on the labourer’s certificate, leads to waste of labour. The Commission, therefore, recommends new legislation defining conditions whereby leave, up to a period of one month, may be given without endorsing the Certificate

20 The Commission also endorses the opinion of the Labour Commission 1912 13 that the low rate of wage, as compared with the high local capital and maintenance-costs of machinery leads to much waste of labour. Head portorage, the use of hand-pulled carts, the lack of mechanical appliances, the use of rickshaws and the use of human labour where agricultural machinery might be installed, are instances within universal knowledge. Low paid labour is not necessarily cheap labour and more scientific industrial methods should be encouraged throughout the country.

21 Waste of labour is particularly in evidence in Native Reserves, in which, in the opinion of the Commission, every effort should be made to introduce more up-to-date methods of cultivation as a means of increasing the efficiency and the productivity of the individual labourer on his own land.

22 Some of the waste of labour in Native Reserves is owing to the death of fire-wood and the consequent necessity of carrying fuel long distances. The Commission is of opinion, that to obviate this, systematic re-forestation in the Native Reserves should be carried out as soon as possible. At the same time natives should be taught and encouraged to build houses of more durable type and material so that the waste of labour entailed in rebuilding every few years may be avoided.

23 There is further a large number of superfluous resident Natives on alienated lands and in Forest Reserves. The Commission recommends that the Resident Natives Ordinance, 1918 should be enforced as strictly as possible on a basis of a given number of families per hundred acres of cultivation or per hundred head of stock, such allowance to be fixed by the District Committees, and that some machinery should be devised for standardising their rulings.

24 The Commission strongly supports the development of technical and general education as a means of increasing the efficiency of the individual labourer and thereby reducing the actual number of Natives employed.

25 The Commission desires to call attention to the high infant mortality and to the ignorance of the most elementary rules of child nurture in the Reserves, which not only reduces the population but renders the survivors unfit for hard work. The percentage of medical rejections among Natives recruited for the Carrier Corps during the recent war was appallingly high. The only remedy for this is to bring all the Reserves under adequate medical supervision.

#### ALTERNATIVE FORMS OF LABOUR BUREAU

26 Since, as stated in Paragraph 13, the local supply, if fully developed, at any rate for 1922, should approximate to the demand, there would appear to be no immediate necessity for an organisation to recruit labour from outside the Colony, though this may be required before very long if it proves impossible to increase the local supply.

27 In investigating the possibility of increasing the local supply four alternative systems of Labour Bureau were considered by the Commission.—

(A) A Government Department financed out of general revenue, under which all recruiting and forwarding of labour would be done by Government Officials.

(B) A private undertaking, financed by shareholders, on lines analogous to the Rhodesian Labour Bureau, and independent of Government control, except that Government as the largest employer of labour would probably be the largest shareholder and be proportionately represented on the Directorate. To ensure the success of this system the following rights and privileges appear to be necessary—

(1) A recruiting monopoly in certain areas.

(2) The power of allotment of labour so recruited to members of the Bureau on an agreed basis.

(3) The right to charge fees on all labour recruited by the Bureau for expenses in connection with recruitment, registration and forwarding, and on independent labour using the Depots of the Bureau en route to its employers.

(4) A subsidy from Government.

(C) A Board of Control containing both official and non-official representatives, administering a fund created by a special labour tax, payable quarterly on the basis of labour employed during the preceding quarter on the lines detailed in Part 6, Chapter 13 of Federated Malay States Labour Code, 1912. (A summary of these provisions is appended—Appendix "A"). The success of this system in the F.M.S. appears to depend on the following conditions.—

(1) A large and industrious population in a foreign country desirous of obtaining work and prevented from so doing by the high cost of sea passage.

(2) The existence of competent and energetic Native Recruiters, of the same nationality as the employed, who are willing to be employed by the different Estates as private recruiters.

(3) The right of the Board to levy a fee on all labour employed on the various Estates during the previous quarter, such fees to be used for the payment of free transport of the labour to the place of employment, general expenses of travelling labour at places of departure and arrival and quarantine expenses.

(4) A subsidy from Government.

(D) Various forms of Employers' Associations on the lines of the Southern Indian Labour Commission, in which the methods of recruiting appear to be similar to those of System "C." The existence of a large and industrious Native population and of an intelligent class of Native recruiters appears to be essential to the success of this system also. In addition it involves:—

(1) A Board of Control nominated by an Employers' Association.

(2) The right of the Board to levy a tax based on the acreage under cultivation of every member and capable of adjustment according to the expenditure of the Commission which covers assistance to Estate recruiters, registration, feeding, medical examination and general supervision of labour en route to its place of employment, rejection of bad characters from recruited gangs, furnishing reports on the conduct of recruiters to the Estates from which they come and on recruiting prospects and labour conditions generally

(3) A travelling staff for the labour producing areas to correlate figures of supply and demand, to furnish information of absent labourers to their families, to give such families assistance and advice in difficulties in which they may be involved owing to the absence of the working members, and to assist in tracing deserters from Estates.

(4) An obligation on employers to furnish to the Board of Control reports on housing, medical arrangements, acreage under cultivation and the number of permanently resident labourers on Estates, and, as a corollary to the foregoing, the right of the Board to check wastage of labour

The main difference between System "B" on the one hand and Systems "C" and "D" on the other lies in the fact that while "B" is an organisation paying its own recruiters to obtain labour, "C" and "D" are only concerned with rendering assistance to labour recruited by private individuals or Estates. Systems "B" and "C" are partially controlled by Government representatives on the Boards of Management, while System "D" is a purely private concern, which may or may not be supported by a Government subsidy.

#### PRINCIPLES FOR ANY FORM OF BUREAU

28. The Commission feels that it is of the first importance that the development of the Native labour supply of the Colony should be assisted to attain its maximum volume in a natural and unforced manner.

In view of the facts that the Natives of this portion of Africa began only a few years ago to come into contact with civilisation and yet are now providing a very substantial contribution (57,000 males for agricultural and pastoral purposes alone in June, 1920) to the labour needs of the White and Asiatic communities, and that the flow of voluntary labour is steadily increasing from year to year, there are good grounds for supposing that the output of labour, if directed and regulated, will gradually attain to the maximum amount which may reasonably be expected relative to the size of the Native population. The shortage indicated in Paragraph 13 in the next few years is not accounted for by a falling off in the volume of labour coming out to work, but by the fact that the normal increase will probably be insufficient to cope with the largely increased European development which is projected, unless measures are adopted to foster and economise the supply.

29. In consequence of this necessity for ensuring that the development of the labour supply shall be free and unforced, the Commission cannot recommend the establishment of any form of Bureau the methods of which may entail any degree of compulsion in the recruitment of labour or which may interfere with the freedom of the labourer to hire his services where and to whom he pleases.

30. The following are, in the opinion of the Commission, principles by which any recruiting organisation should be governed:—

(1) No Government officer to be concerned in the actual recruiting of labour, apart from action by labour-employing Departments of State in engaging labour for their own operations

(2) Non-interference with free flow of voluntary labour.

(3) Medical inspection of all recruited labour,

(4) Care and protection of labour between recruiting station and place of employment

(5) Free choice for the employee of work, district and employer.

(6) Limitation of advances of cash and of other practices involving labour in debt, as these may otherwise easily extend to the establishment of virtual slavery.

(7) Limitation of the extent to which Native Chiefs are allowed to associate themselves with recruiting activities.

## CRITICISMS OF FOREGOING SYSTEMS

31 With regard to the possibility of applying any of the above systems of Bureau to this country, the Commission considers, in view of the principles laid down in Paragraph 30 that System "A" should not be introduced.

\*32 System "B" depends on the acceptance by a large majority of employers of the principle of a recruiting monopoly with a regulated distribution of supply but without interference with labour seeking employment independently of the Bureau. This is regarded by a majority of the Commission as unlikely except in the event of a severe scarcity of labour which the suggestions in the latter part of the report have failed to remedy. System "B" must, therefore, be considered as a last resource. In any case it will probably be impracticable for the next few years owing to the financial conditions prevailing in the Colony. Should necessity arise for supplementing local by imported labour this system would be capable of adaptation to deal with the emergency.

33 With regard to System "C", the Commission considers that though the conditions which render this system necessary in the Federated Malay States, such as a long sea journey and heavy expenses at ports, are absent in this country, the general principle of assisting labour to reach its destination is sound and suggestions are made for its application. The condition essential to the success of this system of a tax on all labour employed, whether obtained through the organisation or not, is not applicable to a country where a large and increasing proportion of the labour force is unrecruited.

34 System "D" might with certain modifications be applied with advantage in this country if employers could find the necessary capital. It is however, very doubtful whether this will be the case for several years to come. A subsequent recommendation on lines analogous to this system is contained in Paragraph 44.

## OTHER MEASURES

35 In the opinion of the Commission there are certain measures which, though not constituting a Labour Bureau in the usually accepted sense of the term, would promote the free flow of voluntary labour and thereby assist it to attain more rapidly to its maximum volume. The Commission is of opinion that without some form of co-operative or Government action, even though this does not go to the length of a Bureau properly so called, it is very probable that the labour supply within the Colony will, for lack of organisation and improved facilities, prove unequal to the demand, just as in the past, with an approximately equal Native population and a smaller demand, the supply was frequently inadequate.

36 It is an admitted fact that the most valuable form of wage-labour is the voluntary labourer who has the initiative to go out to work. The Commission is of opinion that besides every such labourer, there are others who would be perfectly willing to leave their Reserves if they knew where to go to get the work they liked, and could raise the money for tram fares and otherwise overcome the initial difficulties. To remove those difficulties some kind of Labour Exchange is required.

## RECRUITING FOR GOVERNMENT DEPARTMENTS

37 A first step to this is the organisation of some method of obtaining Government labour. Evidence has shown that though Government Departments can seldom obtain all the labour they require yet they have no regular recruiting agents.

§ 38 The Commission is of opinion that there should be at least two recruiting agents for Government Departments alone. These agents should have no preference or special powers whatever. They should be under the instructions of the Chief Native Commissioner, to whom applications for labour should be sent.

\*Paragraph 32. Rev. Father Cayzac and Messrs. Barlow, Mangal Das and McGregor Ross consider that the suggestion to confer upon any organisation the monopoly of recruiting in any considerable area of Native Reserve, and still more the right of rationing the labour supply of individual employers, would meet with widespread disapproval. Furthermore, a Bureau on the lines of System "B," even if adopted as a last resource, would be unsuccessful, firstly because a recruiting monopoly would be of little value where the free movement of labour was still allowed, the natives being most likely to prefer seeking work uninterfered with by any organisation—and without a large turnover of labour passing through its hands the Bureau would be a failure financially—and secondly because the "regulated distribution of supply" which is suggested could be effected only by a process involving a greater or less degree of arbitrary allocation of the available labour, and to this the natives concerned would most probably object. Lastly they consider that the occasion of "a severe scarcity of labour" would be the time least likely to find employers willing to submit to a system of "rationing" of labour or to a curtailment of the right of the individual employer to seek for labour when and where he liked.

§ Paragraph 38. Captain C. O'Hagan and Mr. Abdul Wahid consider that the concluding words of paragraph 18 will apply to the Government recruiters as well as to the professional recruiters. Chiefs will regard their men "as a means of satisfying the importunity" of the Government recruiter and continue to interfere with the liberty of the labourer to work where and for whom he pleases. Moreover he considers that there will probably be continual friction between the Government recruiters and officers of the Administration.

## PROFESSIONAL RECRUITERS.

39. The Commission endorses the opinion of the Labour Commission 1912/13, that professional recruiters are undesirable, but considers that until some alternative organisation is established it is necessary to tolerate their existence. They should, however, be under stricter supervision than they are at present. The Commission recommends that each recruiter should deposit a bond in cash for himself, together with a smaller bond, also in cash, for each sub-recruiter employed by him; and that, in preference to employing their services, employers should send their own recruiters, possibly representing associations, who would recruit only for their own employers. Such recruiters should preferably be natives who should make a small cash deposit as security for their good behaviour.

## LABOUR CAMPS

40. The Commission further recommends the erection of Labour Camps under European control, where labour can go for information, advice and assistance.

41. In addition to these Labour Camps, rest camps should be erected between the main centres of population and the railways where Natives can buy food at rates fixed by Government, and be provided with shelter and facilities for obtaining fuel and for cooking.

## FEES.

42. The provision of these Camps will entail the payment of fees by employers whose labourers make use of the Camps. The exact amount and method of payment are details which can be more satisfactorily arranged when the Camps have been constructed and the costs of construction and up-keep have been ascertained.

## FURTHER RECOMMENDATIONS

43. All Officers of the Administration should assist the free flow of labour and overcome any attempt to obstruct or monopolise any source of supply. On general principles it is more economical that unskilled labour should work near its own Reserve. This point of view should be constantly represented without interfering with the right of labour to choose employer and district.

44. The flow of labour must be studied and reasons worked out why Natives will not go to certain areas and the causes, if possible, removed.

For these purposes, in Reserves, the Commission recommends the concentration of the labour work in a district in the hands of one Assistant District Commissioner, who should be released, as far as possible, from routine magisterial duties and be responsible to the District Commissioner for carrying out the policy of the Labour Section of the Native Affairs Department. This should mean not an increase in staff but a redistribution of the work. This Officer should be an experienced man, capable of acting as an efficient guardian of the interests of absent Natives, since it is the fear of what may be happening to their property during their absence, and the desire to go and see, that prevents so many natives from consenting to come out to work for extended periods. Officers successful at this work should not be transferred to other districts. Some form of Central Employers' Organisation, to which District Associations should be affiliated, might be formed to keep these Officers in touch with labour requirements and to assist them in the task of directing and regulating the flow of labour. Such an organisation need not be expensive and could be kept up by contributions from District Associations.

45. The Commission endorses the recommendations of the Labour Commission 1912/13 that Administrative Officers should not be moved more often than is necessary.

46. The Commission is also of opinion that the free flow of labour between Kenya and adjacent territories should not be obstructed in any way.

47. Evidence was clear that, once labour has come into the labour field its distrust of unknown conditions is removed. The Commission is confident that the measures suggested, such as the organisation of labour routes and the construction of Camps, offer the best hope of bringing remote and backward tribes such as the Giriama, into increasing contact with civilization.

48. The foregoing are, in the opinion of the Commission, the measures best adapted to extend the existing Labour supply, but in the event of their failing to attain their object, the Commission recommends the establishment of a Bureau for the purpose of recruiting labour outside the Colony only.

49. The Commission discussed proposals to increase taxation as a means of increasing the labour supply, but decided that no such increase of taxation can be recommended.

50. The Commission desires to record its indebtedness to many witnesses who came forward, at considerable personal trouble, and gave evidence which alike on local conditions and in connection with labour organisations in other parts of the world, was invaluable to the Commission.

51. The Commission also desires to express its thanks to the Secretary, Mr. S. F. Deck, for the valuable services he rendered throughout.



SUMMARY OF CONCLUSIONS.

52 The following is a summary of the conclusions reached by the Commission

(1) From the year 1922 onwards there will be a shortage of labour reaching approximately 32,000 by about 1926 unless measures are adopted to increase the supply

(2) None of the various systems of Labour Bureau considered admit of immediate application to this country.

(3) The Native population of this country should, in the opinion of the Commission, be able to meet the demand for labour if the following measures are adopted:—

(a) Abolition of the custom of allowing Natives to wander about with "chits" or uncompleted labour cards

(b) Substitution of machinery for manual labour.

(c) Introduction of improved methods of cultivation, house-building and afforestation in Native Reserves.

(d) Enforcement of the Resident Natives Ordinance

(e) Increase of technical and general education.

(f) Increase of medical supervision in Native Reserves

\* (g) Appointment of Recruiting agents for Government Departments, without preference or special powers, under the instructions of the Chief Native Commissioner

(h) Stricter supervision of professional labour recruiters and sub-recruiters, all of whom should make deposits in cash as security for good behaviour.

(i) Erection of central Labour Camps or Depots under European control with subsidiary rest camps between the main centres of population and the railways for the supply of food, shelter and cooking facilities for travelling labour

(j) The concentration of labour work in the labour-producing districts in the hands of specially appointed Assistant District Commissioners, who will be responsible to the District Commissioners for carrying out the policy of the Labour Section of the Native Affairs Department, together with the formation of a Central Employers Organisation to keep these Officers in touch with labour requirements and to enable them to direct and regulate the flow of labour

(k) Complete freedom of labour to move between Kenya and adjacent territories

§ (4) In the event of the above measures failing to produce the necessary labour, a system on the lines of "B" (Paragraph 33) might be adopted for dealing with imported African labour

(5) The labour supply must in any case be free and unforced, and no Administrative Officer should be concerned in the actual recruiting of labour. The activities of Native Chiefs in this respect should also be strictly limited

---

\* (g) Captain O'Hagan dissents

§ Rev. Father Cayzac, Messrs. McGregor Ross, Barlow and Mangal Das dissent

O F WATKINS,

*Chairman.*

F CAYZAC

J C H. GRANT

C. O'HAGAN.

C K D. BEALES

B TRAVERS SOLLY.

A RUFFELL BARLOW

W. MCGREGOR ROSS

ABDUL WAHID

MANGAL DAS

Percy Ryder Hollins, Esq., who was appointed a Commissioner under the Commission of the 28th of February, 1921, resigned on account of ill-health before the Commission began its sittings

Captain Kenneth Domer, who was appointed a Commissioner under the Commission of the 28th of March, 1921, left the Colony before the Commission completed its sittings.

Major Maurice Gallagher, D.S.O., who was appointed a Commissioner under the Commission of the 28th of February, 1921, was unable to attend any of the sittings of the Commission.

S. F. DECK,

*Secretary.*

Table I.

**Estimates of Labour required at any given time for years 1920 and 1922 and on the completion of new Railways about 1926.**

1920	1922	About 1926
Estimate of Labour employed at any given time.	Estimate of labour required at any given time.	Estimate of labour required on completion of Uasin Gishu and Thika Railways.
I GOVERNMENT DEPARTMENTS.	I. GOVERNMENT DEPARTMENTS ... .. 20,000	I GOVERNMENT DEPARTMENTS.
(Including Police but not Military) ... 18,000		(to include labour required for new Railway services) ... .. 22,000
II. PRIVATE.	II. PRIVATE.	II PRIVATE.
(a) Agriculture and Stock ... 57,000	(a) Say 10% addition to 1920 62,700	(a) (1) An additional 20% on 1922 figures say ... 75,000
(b) Domestic servants ... 12,000	(b) " " " " 13,000	(2) Estimate required for new holdings which will come into cultivation on completion of Railways 15,000
(c) Day labour at Ports, &c ... 2,000	(c) No alteration ... 2,000	(b) Say 100% addition to 1920 figures 24,000
(d) Timber Industries ... 1,000	(1) (d) ... 5,000	(c) " " " " 4,000
(e) New Railways ... —	(2) (e) Estimate .. 5,000	(3) (d) Estimate ... 6,000
(f) Harbour works ... —	(f) " ... 1,000	(e) ... —
90,000	108,900	146,000
	Say 109,000	

(1) Equator Saw Mills alone estimate they will want 3,600.

(2) Messrs Norton Griffiths estimate from 10,000 to 18,000—This is considered excessive.

(3) On the reports on the Economic Surveys for the 2 railways mentioned labour requirements on new holdings served by these railways are estimated to rise to 77,385, three years after completion of both railways, while timber production is estimated at 40,000 tons which should employ an additional 2,000 beyond the 1926 figures given above.

Table II'

## ESTIMATES OF LABOUR SUPPLY DURING THE YEAR, 1921.

## Tribes already supplying Bulk of Labour in the Country.

DISTRICTS	Administrative Count of 1921 Population.	Males Ages 16 to 30= $\frac{1}{7}$ of population.	Say Less 20% Unfit Less 2 $\frac{1}{2}$ trading, etc.	Probable supply at any given time = $\frac{1}{2}$ .
Kisumu	266,914	38,130	less 22 $\frac{1}{2}$ %	
North Kavirondo ..	289,945	41,420		
South Kavirondo ..	* 231,202	33,028		
Lumbwa ... ..	61,409	8,772		
Nandi .. .. .	31,665	4,523		
Kiambu	100,037	14,291		
Fort Hall . . .	150,486	21,498		
Nyeri . . . . .	141,178	20,168		
Voi (Teita) ...	30,991	4,427		
Embu and Chuka .	* 106,968	15,281		
Meru ... .. .	* 112,668	16,095		
		217,633		
			168,673	* 84,326
			TRIBES GRADUALLY COMING INTO LABOUR MARKET	
Machakos, Kitui and Ravine	288,034	41,147	less 90%	
Marakwet, Elgeyo and Kabarnet ..	74,788	10,684	for those not yet in the labour market	
<i>COAST AREA.</i>				
Kilifi, (Giriama, Vanga and Malindi) ...	121,337	17,333	ditto	
Tanaland ... ..	38,437	5,491		
	2,046,059	71,655	7,515	3,757
				88,083 (d. forward)

\* These tribes do not at present contribute in proportion to their population, as much labour as the other tribes under the same heading

Table II. Page 2.

## European Areas and Towns.

Districts.	Administrative count of population, 1921.	Males ages 16 to 30 = $\frac{1}{7}$ of population.	Medically unfit. 5%	Trading &c. Nil	Probable Supply at any given time. = $\frac{3}{4}$
Nakuru ...	22,266	3,180			
Naivasha ...	7,000	1,000			
Eldoret ..	3,331	475			
Trans-Nzoia ..	8,975	1,282			
Rumuruti .	856	122			
<b>Total</b> ...	<b>42,428</b>	<b>6,059</b>	<b>5,759</b>	<b>5,759</b>	<b>4,318</b>
<b>Towns</b>			20%	10%	= $\frac{1}{4}$
Mombasa ..	17,918	2,559	1,809	10%	904
Nairobi ..	12,000	(1) 7,200	6,120		= $\frac{5}{6}$ 5,100
<b>Brought forward</b> ...	<b>72,346</b> <b>2,046,059</b>	<b>15,818</b> <b>292,288</b>	<b>13,688</b> <b>176,188</b>		<b>10,322</b> <b>88,083</b>
	<b>2,118,405</b>	<b>308,106</b>	<b>189,876</b>		<b>98,405</b>

(1) 60% of Total Population as most of the natives in Nairobi are males

## Comparative Table Supply and Demand for Year, 1922 and 1926.

1922		About 1926			
SUPPLY. Say 3% increase on 1921 figures.	DEMAND See table I	SUPPLY. Say 3% increase per annum on 1922 figures		DEMAND. See table I.	
Say 101,500	Say 109,000 101,500 Shortage. 7,500 (2)	Say 114,000	Shortage.	Say 146,000 114,000 32,000	

(2) These shortages may be reduced by the gradual introduction into the Labour Market of those tribes viz Akamba, Guraama, etc, for whom a 90% deduction has been made in Table 2.

APPENDIX " A "

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ABSTRACT

OF

PART VI. CHAPTER XIII. F. M. S. LABOUR CODE,  
1912.

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INDIAN IMMIGRATION COMMITTEE

Paragraph 151 High Commissioner may define duties of Committee and appoint members

Paragraph 152—153 Employers to keep books showing names of all Indian labourers, days on which they have worked and amounts paid or payable to them and within one month of the end of each quarter to send to the Controller of Labour a return in accordance therewith

Paragraph 156 The Committee may with the consent of the High Commissioner prescribe quarterly rates to be paid for the ensuing quarter or quarters of the year or of the ensuing year as follows —

(a) A rate to be paid by every employer in respect of every Indian labourer employed or working on the place of employment during the quarter

Paragraph 158 The Assessment payable by each employer shall be collected by the Controller of Labour

Paragraph 160 The amount at which each employer shall be assessed under Paragraph 156 (a) shall be the amount obtained by multiplying the average number of Indian labourers employed or working on the place of employment during the quarter by the rate. The "average number of labourers" shall be the number obtained by adding together the total number of days work done by each Indian labourer during the quarter and dividing the total by the number of working days comprised in the quarter

The Committee may make rules determining what shall be deemed to constitute a day's work

Paragraph 161 All moneys paid to the Controller of Labour under the foregoing sections may be disbursed for the following purposes only —

(a) For and towards payment of free passages for Indian labourers and their families from the Madras Presidency to the F M S

(b) General expenses incurred in connection with recruiting of labour in Madras Presidency and with quarantine on arrival in F M S

(c) For the maintenance of a home for decrepit Indian labourers

(d) For the repayment of interest on moneys borrowed by the Committee.

(e) For the payment of recruiting allowances.

Paragraph 166 Fines imposed on employers under these Sections to be payable to the Indian Immigration Fund

LIST OF WITNESSES.

Captain J. MacDonagh, Farmer, (Rhodesia), Nyeri	..	..	10-3-21
Mr. H. R. McClure, Resident Commissioner, Nyeri		..	..
Mr. A. de V. Wade, District Commissioner, Nyeri	...	...	..
Mr. J. O. W. Hope, C.M.G., Senior Commissioner, Nyeri	..	..	..
Major F. R. Soames, Farmer, Secretary Kenya Association, Nyeri	..	..	..
Mr. H. J. Stedman, Executive Engineer, Nyeri	...	...	..
Wambugu, Paramount Chief, Nyeri	...	...	..
Wagura, Chief, Nyeri	..	...	..
Nderi, Chief, Nyeri	..	...	..
Major Sheldrick, Farmer, Nyeri	..	...	..
F. M. Lamb, District Commissioner, Thika	...	..	12-3-21
Commander S. L. K. Lawford, Farmer, Thika	..	..	..
Mr. A. R. Cunningham, Farmer, Thika	...	...	..
.. R. B. Hopkins, Farmer, Ravine	..	..	16-3-21
.. Kenyon-Slaney, District Commissioner, Ravine	..	..	..
.. L. M. Dundas, Assistant District Commissioner, Eldoret	..	..	..
.. M. Blunt, Farmer (Secretary Ravine Farmers' Association)	..	..	..
.. J. W. K. Pease, Assistant District Commissioner, Eldoret	...	...	17-3-21
.. C. H. Adams, District Commissioner, Eldoret	...	...	..
.. J. W. Newton, Farmer, Eldoret	...	...	..
Captain W. B. Hellard, Farmer, Eldoret	...	...	..
Mr. F. C. Jack, Assistant District Commissioner, Kitale	..	..	18-3-21
Murunga and 4 Native Headmen, Chiefs Kitosh	...	..	19-3-21
Mr. A. H. Frost, Labour Agent, Kakamega	..	..	20-3-21
.. H. R. Montgomery, District Commissioner, Kakamega	..	..	..
.. P. Nash, Labour Agent, Kakamega	...	..	..
Father Proctor, Missionary, Kisumu	...	..	21-3-21
Mr. G. Molyneux Molony, Labour Agent, Kisumu	..	..	..
Mulama, Chief, Kisumu	...	...	..
Daniel Odindo, Chief, Kisumu	..	...	..
Ndeda, Chief, Kisumu	..	...	..
Major H. Home Davies, Farmer (Sec. Kaimosi Farmers' Association)	..	..	..
Mr. H. R. Tate, Senior Commissioner, Kisumu	..	..	22-3-21
.. S. H. la Fontaine, District Commissioner, Kisumu	..	..	..
.. H. Deboer, Medical Officer of Health, Kisumu	..	..	..
.. C. H. Reynolds, Executive Engineer, Kisumu	..	..	..
.. T. W. Ward, Labour Agent, Kisumu	...	...	..
.. E. B. Horne, District Commissioner, Kisumu	..	..	..
.. G. Laing, Labour Agent, Kisumu	...	...	..
.. P. L. Pandya, Labour Agent, Kisumu	...	...	..
.. Charanji Lal, Railway Overseer, Kisumu	...	...	..
Captain McClelland, Labour Agent, Kisumu	...	...	..
Mr. C. G. Hervey, Farmer, Muhoroni (Sec. Songhor Farmers' Assoc.)	..	..	23-3-21
.. H. Sayer, Farmer, Muhoroni	..	...	..
.. H. Watts, Farmer, Lumbwa	...	...	24-3-21
.. H. Gordon Bennett, Farmer, Lumbwa	...	..	..
.. John Jones, Farmer, Lumbwa	...	...	..
.. C. M. Dobbs, District Commissioner, Lumbwa	...	...	..

Mr. W. H. Billington, Farmer, Lumbwa.	...	...	...	24-3-21
„ M. C. Luck, Farmer, Lumbwa	...	...	...	„
„ Colman Brown, Farmer, Lumbwa	...	...	...	„
„ T. Hilton, Auctioneer, Mombasa	..	...	...	14-4-21
„ F. W. Jenkins, Wharf Superintendent, Mombasa	...	...	...	„
„ J. W. T. McClellan, Senior Commissioner, Mombasa	...	...	...	„
„ J. W. T. McClellan, Senior Commissioner, Mombasa	...	...	...	„
„ G. Odlum, Farmer, Mombasa	...	...	...	„
„ C. H. Gedge, Farmer, Mombasa	...	...	..	„
„ J. Nicholson, Executive Engineer, Mombasa	..	...	...	„
„ K. H. Rodwell, Farmer, Mombasa	...	...	...	„
„ H. G. Montgomerie, Farmer, Mombasa	..	...	...	„
„ S. Jones, Wharfinger, Mombasa	...	..	...	„
„ G. Walker, Medical Officer of Health, Mombasa	...	...	...	„
Mbarak Ali Hinawi, Clerk, Mombasa	...	...	...	„
Mr. W. M. Lunt, Wharfinger, Mombasa	...	...	...	„
Col. S. Patterson, Farmer, Nairobi	...	..	...	10-4-21
Mr. Abdul Rehman, Contractor, Nairobi	...	...	...	„
„ L. Mooyart, Farmer, Nairobi	...	...	...	„
Lord Delamere, Farmer, Nairobi	..	...	...	20-4-21
Dr. A. C. Irvine, Missionary, Nairobi	...	..	...	„
Mr. F. W. Isaac, Senior Commissioner, Nakuru	..	..	...	21-4-21
„ A. E. Duder, Farmer, Nakuru	...	...	...	„
„ C. B. Fitzgerald, Farmer, Nakuru	...	...	...	„
„ W. Evans, Farmer, Nakuru	...	...	...	„
„ J. V. Dawson, Assistant Resident Commissioner, Nakuru	...	...	...	„
„ H. D. Stanning, Farmer, Nakuru	..	...	...	„
„ C. R. W. Lane, Senior Commissioner, Naivasha	...	...	...	22-4-21
„ A. M. Champion, Resident Commissioner, Naivasha	...	...	...	„
„ A. G. Bush, Executive Engineer, Naivasha	..	...	...	„
„ C. B. Lloyd, Farmer, Naivasha	...	...	...	„
„ R. B. Wills, Farmer, Naivasha	...	...	..	„
„ H. A. Glass, Farmer, Naivasha	..	...	...	„
„ W. F. G. Campbell, District Commissioner, Kiambu	...	...	...	17-5-21
„ J. E. Henderson, Missionary, Kiambu	...	...	...	„
„ W. P. Knapp, Missionary, Kiambu	...	..	...	„
„ F. H. Sprott, Farmer, Kiambu	...	...	...	„
„ J. P. Cook, Farmer, Kiambu	...	...	...	„
„ C. N. Day, Farmer, Kiambu	...	..	...	„
„ C. B. MacMullen, Farmer, Nairobi	...	...	...	18-5-21
„ H. Ryle Shaw, Farmer, Nairobi	...	...	...	„
„ Alex Holm, Director of Agriculture, Nairobi	..	...	...	„
„ H. Douglas Cooper, Farmer, Nairobi	...	...	...	„
„ C. C. Noronha, Municipality Overseer, Nairobi	...	...	...	„
„ C. M. Bunbury, District Engineer, Uganda Railway, Nakuru	...	...	...	„
Mrs. O. F. Watkins, Nairobi	...	...	...	19-5-21

Written statements were submitted by the following:--

- Major A. H. Sheldrick, Farmer Nyeri.
- Mr F. H. Sprott, Farmer, Nyeri.
- .. R. C. Bowring, Farmer, Thika.
- .. W. McGregor Ross, Director of Public Works, Kenya
- .. A. H. Frost, Labour Agent, Kisumu.
- .. S. O. Hemsted, Farmer, Uasin Gishu.
- .. W. F. C. Campbell, District Commissioner, Kiambu
- Revd. Father Cayzac, Missionary, Thika
- Mr. Abdul Rehman, Contractor, Limuru.
- .. H. O. Savile, Farmer, Kisumu.
- Captain K. Dormer, Farmer, Kiambu.
- Mr. C. K. D. Beales, Accountant, Nairobi.
- Revd. Father Witlox, Missionary, North Kavirondo
- Mr. B. Travers Solly, Farmer, Koru.
- .. H. Sayer, Farmer, Koru.
- .. H. R. Tate, Senior Commissioner, Kisumu.
- .. W. S. Bastard, Farmer, Nyeri.
- .. W. K. Bastard, Farmer, Nyeri.
- .. J. S. Smith, Farmer, Nyeri.
- .. R. Hook, Farmer, Nyeri.
- .. A. Paice, Farmer, Nyeri.
- .. H. R. Montgomery, District Commissioner, North Kavirondo
- .. C. G. Hervey, Farmer, Songhor.
- .. J. W. Newton, Farmer, Eldoret.
- .. H. J. Brown, Farmer, Nandi.
- .. C. H. Adams, District Commissioner, Eldoret
- Major H. Home Davies, Farmer, Nandi.
- Mr S. H. la Fontaine, District Commissioner, Kisumu.
- .. Conway Harvey, Farmer, Keru.
- Major F. E. Soames, Hon Secretary, Mt. Kenya Association, Nyeri.
- Mr. G. M. Taylor, Farmer, Nakuru.



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COLONY AND PROTECTORATE OF KENYA.

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INTERIM REPORT OF ECONOMIC AND FINANCE  
COMMITTEE ON NATIVE LABOUR.

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NAIROBI,  
PRINTED BY THE GOVT. PRINTER.

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INTERIM REPORT OF ECONOMIC AND FINANCE COMMITTEE ON  
NATIVE LABOUR.

YOUR EXCELLENCY,

The Committee was instructed on March 19th, 1924, by Your Excellency to inquire into and report on the labour position in the Colony in view of the developments in native production and railway extension. It now submits an interim report which gives a summary of the evidence already taken and of conclusions reached. The Committee feels that there are many other points still requiring full investigation, *e.g.*, the ratio of the profits earned in native production to wages on estates, the effect of increased native agricultural effort in the Reserves on the labour supply and the changes in the standard of living and the desire for town life which may influence natives in seeking employment.

The whole problem of resident natives on estates also demands further inquiry.

Evidence has also to be taken from employers of labour in districts in regard to which no detailed information has been obtained and from Government Departments, *e.g.*, Public Works Department and Railway.

2. Ten sittings have been held, namely, on April 16th, May 17th, June 25th, June 26th, July 4th, August 11th, December 2nd, December 3rd, December 31st, 1924, and on January 20th, 1925.

Twenty witnesses have been heard and sixteen written statements considered.

3. Evidence has been received from representative employers of the following districts:—Ruiru, Ngong, Kabete, Thika, Uasin Gishu, Koru, Songor, Nakuru, Machakos and the Coast,

Evidence has also been given by the Director of Agriculture, the Principal Medical Officer and three officials of the Uganda Government.

Information has also been requested from the Government of Tanganyika Territory as to the labour position there

The Report of the Labour Bureau Commission 1921 has been studied by the Committee.

4. Your Committee has directed its inquiries to the following points.—

(1) Figures of supply and demand for :

- (a) Government Departments
- (b) Non-Native Estates.
- (c) Native production in Reserves.
- (d) Railway development.

(2) The average number of months in the year during which the average native may be expected to work.

(3) The number of natives actually at work at any given time during the year 1924 and in what districts and industries.

(4) The periods of the year when demand and supply on non-native estates reach their maximum and whether any Government action can be taken to synchronise these periods.

(5) The average number of labour units required per 100 acres of cultivation in the various industries, the additional number of labour units required for the harvesting of coffee, maize and flax, and to what extent the supply of women and children may be expected to meet this demand.

(6) The possibility of applying labour-saving devices to the various agricultural industries and of economising labour by improved organisation and co-operation on the part of employers.

(7) The number of natives who will probably be affected by the development of the cotton industry and the effect such development is likely to have on the supply of labour to railways under construction, public works and non-native estates.

(8) The advisability of some form of Labour Bureau for recruiting labour and despatching it to its destination.

(9) The best method of recruiting labour for Government enterprises such as railways, roads and harbour works.

(10) The advisability of allowing the unrestricted movement of labour between the territories of Kenya Colony, Uganda and Tanganyika

(11) The extent to which the labour supply might be increased by more adequate medical service in the Native Reserves

(12) The desirability or otherwise of the present system of recruiting by professional labour agents

(13) Whether any immediate action by Government is necessary or desirable to remedy the shortage of labour

Appendix A 5 *With regard to (1)*—Attached Appendix A shows the estimates arrived at by your Committee. The working age of a native has been estimated as being from 15 to 40 years of age. The South African Native Affairs Commission 1903-5 estimated that males between these ages constitute one-fifth of the total population and your Committee has adopted this basis in estimating the number of adult males available for labour

Appendix B 6. *With regard to (2)*—The figures given in Appendix B are derived from a count made at the Registration Office of the number of months worked by 1,000 natives of each tribe since the date of their registration

Appendix C 7. *With regard to (3)*—The figures shown in Appendix C have been obtained from returns of labour sent to the Registration Office by employers and from the Agricultural Census compiled by the Department of Agriculture in 1924. Statistics of registered native labourers in employment between October, 1923, and October, 1924, and the tribes to which they belong are also shown in this Appendix

8 *With regard to (4)*—The period of the maximum demand varies in different parts of the country. In the Kiambu, Fort Hall, Thika, Nakuru and Uasin Gishu districts it occurs between October and January, and in Nyanza Province between July and October

Appendix D In both cases the demand is caused by the coffee, maize and flax harvests of which the coffee harvest is by far the most important factor. During these months the demand for labour on coffee estates rises above normal requirements from 66 per cent to 500 per cent in some areas during the height of the "flush"—a period of about fourteen days—but fortunately the nature of the work, which is not heavy permits of the employment of women and children, who, judging from the figures shown in Appendix D and Mr C. K. Archer's statement attached, at present form one-third to one-half of the total number of units required, and who, under attractive conditions, should be employed in increasing proportion

9 The evidence shows that the supply of labour reaches its maximum between May and August and the reasons given for this are —

(1) That the collection of hut tax usually begins in the Nyanza and Kikuyu Provinces, the chief labour-producing areas, about the middle of the year

(2) That during these months there is usually a shortage of grain food in the Reserves as the grain harvested during the previous August is generally exhausted while the crop planted in the previous March has not matured

After the gathering of the harvest in the Reserves in August and September until the following January more natives remain in the Reserves

10 *With regard to (5)*—These are shown in Appendix D. They vary considerably in the different districts. In Nyanza Province and in the districts of Uasin Gishu and Trans-Nzoia the requirements per 100 acres are greater owing to the heavier rainfall in those parts and the consequent rapid growth of weeds

Coffee, as stated in paragraph 8, requires anything from 66 per cent to 500 per cent. additional units, mainly women and children, at harvest time during the height of the "flush" according to the crop. The maize harvest has until this year presented no great problem. Recently, however, complaints of shortage on this account have been numerous, especially in the Trans-Nzoia. Flax is not grown to any great extent and the additional labour is usually supplied by the women and children of resident natives

Coffee picking is by far the most important problem. There were according to the Agricultural Census 52,249 acres of coffee planted in the Colony in 1923 and 60,054 acres in 1924. Thus at the present rate of development in about five years' time there may possibly be 100,000 acres under coffee. This means that to deal with the harvest approximately 200,000 units of labour will be required of whom about 60,000 might be women and children. In Kiambu district alone about 26,000 acres are already planted which will require about 50,000 units for picking. It is in the opinion of your Committee necessary to sound a note of warning to employers that development must largely depend upon labour supply. It is comparatively easy to get enough labour to break up fresh ground and plant coffee. The picking is a different matter, and employers should endeavour to anticipate their requirements in advance and consider steps to be taken to improve the existing plantations in order to obtain a larger crop from the existing acreage without requiring a larger number of pickers, as otherwise they may be faced with a position where labour will not be actually available in the country for their requirements.

11. *With regard to (6). Labour-saving devices and economy of labour.*—It appears that considerable economy in the number of labourers required for coffee may be effected by the adoption of suitable receptacles to allow of more rapid picking and by training natives to pick with two hands. Some form of small bag, basket or tin slung round the picker's neck is necessary to avoid the necessity of continually stopping to drop a handful of berries into a heavy tin placed at the foot of the tree

In the sisal industry improvements in the decorticating machinery are considered possible, but it is doubtful whether such improvements will reduce the amount of labour required. They are more likely to increase the output of the factories and increase the demand for labour for planting and cutting to keep the factories supplied.

It appears from the evidence and from returns of labour requirements and acreages received from various parts of the country that there is room for improvement in the general management of labour. Most of the witnesses agree that there is a considerable waste of labour in all industries; and one large coffee planter stated that, in his opinion increased wages would help to solve the problem by imposing better supervision not only of the labourers' welfare but also of his output of work.

Another suggestion is that groups of coffee planters should co-operate to use the same gang of pickers over several estates

It was also represented that the wide-spread system of giving indefinite leave to natives leads to waste, as the native is unable to obtain other employment without the employer's endorsement of discharge. The Courts have ruled that an employer giving a servant leave beyond the period of his contract is bound to endorse his certificate. There seems no doubt that the law in this respect, being difficult to enforce, is more honoured in the breach than in the observance and special legislation to control the position is understood to be under consideration. It has been suggested that entries with regard to leave might be made on the Registration Certificates.

Other witnesses have stressed the fact that a great waste of labour is caused by desertion and the failure of the Courts to inflict adequate punishment for the offence. The figures provided by the Registration Office do not bear out this contention as they show that the proportion of reported desertions to the number reported in employment has not been higher than 2.7 per 1,000 per month since January 1922.

Another suggestion is that a method of labour recruiting similar to that in vogue in Southern India might be adopted with advantage. This method would entail engagement of picking gangs for the different estates or groups of estates by headmen of the same tribe who would be paid, in addition to their salaries, a bonus on the output of the gang. One witness considers that, if the work were limited to picking only, labourers would be more willing to volunteer, especially Nandi, Lumbwa and other tribes which will not undertake heavy agricultural work, such as hoeing.

It is also thought that by this method one gang could pick three or four plantations, particularly in Nyanza Province where the crop ripens according to altitude, and the picking gangs could pick the lower plantations first and on completing these proceed to the higher altitudes.

One witness suggested a scheme of profit sharing, the labourers getting a bonus based on the profit produced by the crop.

Opinion was general (1) that the method of payment should be by the "debbi" or tin of coffee picked and that the amount earned should be paid to the picker in cash every day; (2) that training of pickers is necessary. Your Committee considers that the instruction of children in two-handed picking would reduce the number of units required per acre; (3) that manuring increases the crop per acre and thereby reduces the number of pickers required for any given quantity of coffee; (4) that increased use of oxen and mechanical appliances on coffee plantations would result in more labour being available for picking.

Your Committee is also of the opinion that an ample supply of firewood should be available for pickers and cooked food provided at noon on the plantations. In this connection it should be noted that a very large number of women are prevented from picking coffee by the necessity of having to travel long distances in search of firewood for their households. Employers should therefore consider the possibility of issuing firewood to the women at the end of a day's work on the plantations.

12. *Sisal*.—In the sisal industry the shortage of labour, with the exception of one or two plantations, does not appear to be acute.

The plantations are larger and better organised and the overhead charges are therefore considerably lower. The wages paid are higher than in the coffee industry and more attractive methods of payment have been devised. On most plantations meat is issued weekly to the labourers. There is no particular harvest season and the demand for labour remains constant all the year round. At the same time the plantations are almost entirely dependent on labour from Nyanza Province as the Kikuyu natives are not strong enough for the work.

On most plantations the pay varies.—

(1) *For Cutters*.—According to the number of leaves cut per diem;

(2) *For Factory Hands*.—According to the output of the factory.

A good cutter can earn Shs. 24 per month, while a factory hand at the end of a successful month will often get the same amount. On one plantation as much as Shs. 32/6 has been paid to each factory hand for 30 days' work.

It is the general opinion that improvements in the organisation of labour and increased skill on the part of the labourer have greatly reduced the number of men required for the industry. One planter showed from his records that a few years ago the average man would only cut and bundle 1,000 leaves per day, whereas now the average task is 2,000 leaves. The same planter states that in 1920, 150 boys were required to handle two tons of fibre per day in the factory, whereas now 100 boys can cope with three tons.

13. It is further the general opinion that medical services should be further increased to cope with the appalling death-rate, especially amongst children under the age of 12 in the Reserves. The death-rate in one locality has been estimated by the Principal Medical Officer at 400 to 500 per mille.

It appears from the evidence of the Principal Medical Officer that even in the most fertile parts of the Reserves the death-rate is appallingly high owing to (1) ignorance of child nurture; (2) lack of sanitation

14. Your Committee is further of opinion that encouragement should be given to labour on estates by improved housing and medical facilities and by the provision of stores at which articles in demand amongst natives can be purchased at the cheapest possible rates sufficient to cover the cost of management. The profit to the employer should be in the increased contentment of his labour and the consequent steady supply of workers.

15. *With regard to (7). Effect of the development of the cotton industry on native labour*.—Your Committee has made preliminary investigation into this question. Three witnesses from Uganda were examined, namely, Major E. I. Scott, Assistant Chief Secretary, late Chief Labour Commissioner; Mr. Harvey, Ag. Chief Labour Commissioner, and Mr. Weatherhead, District Commissioner, M'balé, Eastern Province. An abstract of their evidence will shortly be issued as an appendix to this report.

In Nyanza Province it would appear from the evidence of the Director of Agriculture that out of a total population in North, Central and South Kavirondo, of approximately 800,000, about 340,000, or nearly half, may be affected by the development of the cotton growing if soil and rainfall are suitable for the purpose.

It is doubtful whether conditions in Nyanza Province are as favourable to the growth of cotton as they are in Uganda, and it is therefore very unlikely that such a large proportion of the population will be affected.

It would, however, in the opinion of your Committee be dangerous to ignore the possibility that such development may diminish the output of labour from the districts affected. Statistics are now being obtained from districts in which cotton is now being grown as to the effect which this development is having upon the supply of labour.

It would be a matter for regret if the present prosperity of the cotton industry had the effect of discouraging what is at present an industrious population from working during the period of the year when the men are not engaged in breaking and preparing ground for cotton, as the subsequent operations are mainly performed by women and children.

16. *With regard to (8).*—As to the advisability of establishing some form of Labour Bureau, either Government or private or a combination of the two, your Committee proposes to make further recommendations as to the formation of a Bureau as a combined organisation.

Several witnesses have strongly advocated an organisation on the lines of the Southern Rhodesian Labour Bureau. This Bureau, with a nominal capital of £250,000, incurred during the year 1923 an expenditure of £47,443 15s. in the course of recruiting and despatching to their destinations 6,000 native labourers, that is, approximately £8 per labourer. The labour is engaged on contract for 12 months; but even so, and taking into consideration the fact that most of the labour is engaged in Nyasaland and Barotseland, and has therefore to be transported from 400 to 500 miles, the cost appears prohibitive and quite beyond the means of the average employer in this country. To meet this expenditure employers of labour in Southern Rhodesia contributed in 1923 :—

(1) Capitation fees (paid to Bureau)	...	£14,597
(2) Labour fees (paid to Government)	... ..	£18,975
Total	... ..	£33,572
While the Government provided a subsidy of	... ..	£12,000
Total	... ..	£45,572

Furthermore, it appears necessary, to achieve even moderate success, for the Bureau to obtain sole recruiting rights in the districts in which it operates.

It is difficult to see how an organisation on such lines could possibly function successfully in this Colony at a reasonable cost.

Its success in Rhodesia is doubtful as is evidenced by the findings of the Committee of Inquiry held in connection with the supply of labour in Southern Rhodesia in 1921, an abstract of which is attached (Appendix E). Appendix E.

17. It does, however, appear that the supply of labour might be considerably increased (1) by providing for the easy and rapid transport of labour by an agency which will provide for and cover these charges; (2) by devising improved methods of recruiting labour; (3) by the judicious application of the Native Authority Ordinance, 1922, to tribes which contribute little or nothing to the development of the Colony.

18. The bulk of the labour (see Appendix C) employed in Kenya Colony comes from two areas :—

(1) Kisumu and Lake country (including many Uganda and Tanganyika Territory natives).

(2) Kikuyu and the Mt. Kenya country.

It will be seen from Appendix C that some of the smaller tribes, *e.g.*, Nandi and Lumba are coming out in increasing numbers and that the Nandi show the highest percentage at work of any tribe.

The labour from area (1) is principally employed in Nyanza Province, Nakuru, Uasin Gishu and Trans-Nzoia districts, while that from area (2) is largely employed in Kikuyu Province, while a large number of Kikuyu natives reside as squatters on farms in Nakuru and Naivasha districts.



One difficulty which confronts the labour from area (1) is the rail fare from Kisumu to Nakuru, whilst the Embu and Meru from area (2) are confronted by a lengthy march of anything from 100 to 200 miles to the plantations of Kiambu district

At the present time many of these labourers unable to pay their own rail fares or to provide themselves with sufficient food for a journey of 200 miles are obliged to apply to professional labour agents, who will not engage them except on long contracts, at present averaging eight months, to which the labourers strongly object.

It appears therefore that a large supply of labour would be forthcoming from both areas if the labourers could be forwarded to the districts in which they desire to work without having recourse to the professional agent in the first instance. It would be possible therefore materially to assist the flow of labour by the establishment of depots at which labourers travelling *bonâ fide* in search of work would be able to obtain free rail tickets and food to take them to their destinations. The cost of the tickets and food could be defrayed by the employers who engage the labour.

19 It further appears desirable that the system of professional labour recruiting should be abolished with as little delay as possible. This system has been condemned both by the Native Labour Commission, 1912, and the Labour Bureau Commission, 1920-21, and in view of the fact that the professional recruiters are no longer supplying the needs of the country and even tend to discourage labour from coming forward by excessive competition amongst themselves your Committee considers that the time has arrived to abolish the system by a definite date.

20. *With regard to (9).*—The recruitment of labour for Government enterprises, railways, roads, and harbour works has not presented any considerable difficulty until the present year. During 1923 the labour force required by the Uasin Gishu Railway rose to 16,500, and this number was raised without the exercise of any form of official pressure. More than half the number was self-recruited while the remainder was obtained through professional agents

During the last six months, however, great difficulty has been experienced in maintaining the numbers employed on construction at half the figure reached without difficulty last year, and it appears necessary to have recourse to the Native Authority Amendment Ordinance. We are informed that the Secretary of State has approved of the compulsory recruitment of 4,000 labourers for the Thika-Nyeri and Uasin Gishu Railway extensions

21. *With regard to (10)*—The free movement of individual labourers between adjacent territories should, in the opinion of your Committee, be allowed. Hitherto, objections have been raised on the ground that natives may suffer in health through being allowed to travel without restriction into adjacent territories in search of work.

From the evidence of employers and labour inspectors it appears that, as a general rule, natives of Tanganyika Territory and Uganda do not suffer to any appreciable extent from the change of climate and food any more than Kavirondo who travel from the lake shore to the highlands of Kenya. It is true that in 1922 a heavy mortality occurred amongst a gang of Tanganyika natives employed on the Uasin Gishu Railway. But this was due to a combination of circumstances which is not likely to occur again, namely, a large number of unfit natives recruited without proper medical examination, who arrived at the place of employment during the rainy season, many of them already suffering from influenza.

The recruitment of any considerable number of natives for any special work should be a matter of arrangement between the Governments concerned.

22. *With regard to (11), vide paragraph 13 supra.*—Additional medical reserves to assist in the preservation of native child life is, in the opinion of your Committee, a crying necessity. In this connection the evidence of the Principal Medical Officer is so important that it has been printed *in extenso* at the end of this report. (Appendix F.)

23. *With regard to (12), vide paragraph 19 supra.*

24. *With regard to (13).*—In addition to the recommendations made in the body of this Report your Committee submits the following further recommendations for the consideration of Government :—

(1) A clear indication should be given to District Officers that Government favours the dual policy of encouragement of production and of the economic resources of the Colony, both within and without the Reserves, and that the whole country is directly concerned in the supply of labour for the estates and for public works being maintained at a strength which will enable their developments to be pushed on

It is felt that if this policy is clearly expressed to the natives at Barazas, which as many as possible should be invited to attend, any misunderstandings on the point may be removed. It is understood that Government is issuing a circular on this subject and that His Excellency will refer to the subject of the labour requirements of the Colony at Barazas which he intends to hold in the Reserves before he goes on leave.

(2) Government officers should encourage settlement schemes on farms in all parts of the country where labour is required and where there is no permanent resident native population. This might be done either (a) by individual farmers employing natives under the proposed Resident Native Labourers Ordinance; or (b) by farmers' organisations settling natives under the terms of the same Ordinance on land rented by them for the purpose of such settlement.

(3) The periods of collection of hut tax in certain districts should be made to synchronise as far as possible with the seasons during which the maximum demand for labour occurs.

(4) The Master and Servants Ordinances should be revised and consolidated.

We have the honour to be,

Your Excellency's most Humble and Obedient Servants,

E. B. DENHAM, *Colonial Secretary, Chairman.*

DELAMERE.

G. V. MAXWELL, *Chief Native Commissioner*

G. -D. RHODES, *Chief Engineer, Uganda Railway*

CONWAY HARVEY.

J. E. CONEY.

NAUHRIA RAM.

S. F. DECK, *Secretary,*  
January 26th, 1924.

APPENDIX A.  
ECONOMIC AND FINANCE COMMITTEE.  
LABOUR SUPPLY AND DEMAND  
SUPPLY.

Tribe	Population.	Aged between 15 years and 40 years of age Males available for labour 1/5 population
<i>Note</i> —A large number of natives over 40 years of age are registered as in employment See Appendix C.		
KAVIRONDO		
Central	266,914	
North	289,945	
South	231,202	
	788,061	157,612
LUMBWA	61,409	12,282
NANDI	31,665	6,333
MARAKWET AND ELGEYO	28,583	
SUK AND UASIN GISHU MASAI	25,140	
KAMASIA	21,065	
	74,788	14,958
KIKUYU, MERU AND EMBU :		
Fort Hall	150,486	
Nyeri	141,178	
Embu and Chuka	106,968	
Meru	112,668	
Kiambu	100,037	
	611,337	122,267
WAKAMBA	288,034	57,607
WATEITA	30,991	6,198
COASTAL		
Malindi (Giriama)	20,774	
Kilifi (Wanyika)	58,491	
Vanga (Wadigo)	42,072	
Tanaland	38,475	31,955
EUROPEAN AND TOWNSHIP AREAS :		
Mombasa	17,918	
Nairobi	12,000	
Naivasha	7,000	
Nakuru	22,266	
Eldoret	3,331	
Rumuruti	856	
Trans-Nzoia	8,975	
	72,346	14,469
Total 1921 Count of Population	2,118,405	423,681

DEMAND.

(a) GOVERNMENT DEPARTMENTS AND WORKS :	Adult males
Uganda Railway	10,200
Uganda Railway—Wood fuel	2,000
Miscellaneous Services	5,000
Public Works, Roads, etc.	1,500
Harbour Works	500
Police	1,750
Military	1,300
Warders and Convicts	2,000
Native Authority Amendment Ordinance— General	350
	24,600
(b) NON-NATIVE ESTATES AND DOMESTIC SERVICE :	
Agricultural and Pastoral	67,000
Timber	2,000
Domestic Servants	15,000
Missions	2,000
Mines	500
Townships, Port and Miscellaneous	20,000
	106,500
(c) RAILWAY DEVELOPMENT :	
Thika-Nyeri and Uasin Gishu Extensions	15,000
	146,100

## APPENDIX B.

## ECONOMIC AND FINANCE COMMITTEE.

AVERAGE NUMBER OF MONTHS WORKED BY A NATIVE  
PER ANNUM.

Tribe	No. of months worked per annum	Number per 1,000 showing employment on certificate	Average period of registration.
<b>KAVIRONDO :</b>			
North	4½	614	50
Central	6½	588	53
South	4	620	42
<b>KIKUYU :</b>			
Kiambu	7	827	51
Nyeri	3½	559	49
Fort Hall	2½	499	50
Embu	3½	682	37
MERU	2½	666	31
<b>AKAMBA :</b>			
Machakos	4	324	46
Kitui	5	181	26
WATEITA	4½	771	36½
<b>COAST :</b>			
Mombasa	6½	375	48
Malindi	3½	51	33
Kilifi	9	224	34
NANDI	2½	563	32
LUMBWA	7	694	34
RAVINE	4	610	30

## TRIBES UNCLASSIFIED.

(Natives Registered outside their Reserve).

Place of Registration	No. of months worked per annum	Number in employment per 1,000.	Period of registration.
Nairobi	6½	825	53
Mombasa	6	624	49
Nakuru	2½	835	36
Naivasha	9	950	40
Kisumu	6	722	46
Voi	7	794	34
Uasin Gishu	8	918	31
Eldama Ravine	9	796	30
Lumbwa	8	902	34
Laikipia	5½	638	27

APPENDIX C.  
TRIBAL ANALYSIS OF REGISTERED NATIVES IN EMPLOYMENT.

Year and month	Kavirondo, including South, North Kavirondo and Kisumu.	Lumbwa	Nandi.	Masai, including Marakwet and Suk	Aikuyu, including Fort Hall Embu, Meru, Nyeri and Kiambu	Akamba, including Machakos and Kitui	Wateta.	Coastal.	Buganda	Aliens	Total registered natives in employment	Total registered natives shown as alive on the book of the Registration Office.	Percentage of registered natives in employment	Percentage of Increases compared with previous months registered natives in employment	Percentage of Decreases compared with previous months registered natives
October, 1923 ..	47,243	5,167	2,343	2,213	48,577	5,889	2,560	1,774	8,081	5,449	129,296	476,393	27.14%	—	—
(Special count)															
November, 1923 ..	Tribal	particulars	not	taken.	...	...	...	...	...	...	128,465	489,434	26.24%	.06%	—
December, 1923 ...															
January, 1924 ...															
February, 1924 ...	do	do	do	do	...	...	...	...	...	...	127,032	491,988	25.82%	...	.42%
March, 1924 ...	44,633	6,572	2,418	*1,698	49,615	8,313	3,257	2,110	8,290	5,516	132,422	496,618	26.66%	.81%	—
April, 1924 ...	Statistics	not	taken.												
May, 1924 ...															
June, 1924 ...															
July, 1924 ...	48,940	6,300	2,847	2,506	57,185	7,545	2,487	1,944	6,043	5,445	141,242	512,046	27.58%	.92%	—
August, 1924 ...	45,408	6,662	2,862	2,473	56,055	7,303	2,195	2,089	7,295	4,986	137,328	518,493	26.48%	..	1.10%
September, 1924 ...	44,357	6,341	2,753	2,551	53,599	6,968	2,414	2,027	7,396	5,076	133,482	521,608	25.59%	.	.89%
October, 1924 ...	45,719	5,992	2,846	2,863	50,592	7,910	2,605	2,000	7,665	5,328	133,520	524,075	25.48%	..	.11%

Note—This figure does not tally with that given in Appendix A as the estimated male population between the ages of 15 and 40, owing (1) to the fact that a large number of men over 40 are registered as in employment, (2) the fact that deaths occurring in Native Reserves are not always ascertainable.

## APPENDIX C.—(Continued).

AVERAGE NUMBER OF NATIVES EMPLOYED ON  
AGRICULTURAL AND PASTORAL HOLDINGS.  
JULY, 1923—JUNE, 1924.

	Men.
<b>KIKUYU PROVINCE :</b>	<u>22,003</u>
Fort Hall ... ..	5,651
Kyambu ... ..	14,018
Meru and Embu ... ..	25
Nyeri ... ..	2,309
 <b>NAIVASHA PROVINCE :</b>	 <u>27,314</u>
Eldama Ravine ... ..	800
Laikipia ... ..	1,005
Naivasha ... ..	2,633
Nakuru ... ..	11,062
Trans-Nzoia ... ..	5,735
Uasin Gishu ... ..	6,079
 <b>NYANZA PROVINCE :</b>	 <u>10,697</u>
Kavirondo North ... ..	460
Kavirondo South ... ..	49
Kisumu ... ..	7,918
Lumbwa ... ..	1,877
Nandi ... ..	393
 <b>SEYIDIE PROVINCE :</b>	 <u>2,387</u>
Malindi (Kilifi) ... ..	918
Mombasa ... ..	491
Nyika (Rabai) .. ..	28
Vanga (Shimoni) ... ..	950
 <b>TANALAND PROVINCE :</b>	 <u>143</u>
Tana River and Lamu ... ..	143
 <b>UKAMBA PROVINCE :</b>	 <u>4,449</u>
Kitui ... ..	4
Machakos (Ulu) .. ..	3,204
Nairobi .. ..	442
Voi ... ..	799
Total ... ..	<u>66,993</u>

## APPENDIX D.

## ECONOMIC AND FINANCE COMMITTEE—NATIVE LABOUR.

## LABOUR REQUIRED PER 100 ACRES OF CULTIVATION IN THE VARIOUS INDUSTRIES.

	Normal demand		Total normal demand	Additional for harvest		Total demand at harvest Labour Units
	(1) Men	(2) Women and children		(1) Men	(2) Women and children.	
ISAL	33	—	33	—	—	—
COFFEE :						
(1) Ruiru (C. K. Archer)	50	7	57	50	26	133
(2) Uasin Gishu (S Hemsted)	25	25	50	25	25	100
(3) Koru (Sayer)	60	30	90	40	20	150
(4) Kabete (Taylor)	22	10	32	38	30	100 (for a crop $\frac{1}{3}$ ton per acre)
						175 (for a crop $\frac{2}{3}$ ton per acre).
(5) Thika (Lawford)	—	—	—	—	—	128
(6) Average number required on 41 coffee plantations in Kiambu district during coffee harvest	—	—	—	—	—	101

## Daily Average throughout the Year.

MAIZE :	Evans (Nakuru)	15	5	20
FLAX :	Dawson (Njoro)	50	40	90
WHEAT :	Hill (Machakos)	3	—	3
SUGAR :	Victoria Co. (Miwani)	42	6	48

## APPENDIX D.—(Continued.)

## ECONOMIC AND FINANCE COMMITTEE—NATIVE LABOUR.

	Acreage under cultivation.			Labour Requirements.		Average head for labour per acre.	
	Coffee.		Sisal.	Coffee.	Sisal.	Coffee.	Sisal.
<b>1923.</b>		<b>12,267</b>					
Jan./March	...	...	...	3,823	...	...	
April/June	6,267	...	6,000	3,514	2,000	.56	} .33 units per acre.
July/Sept.	...	...	...	4,102	2,000	.65	
Oct./Dec. in bearing	3,300	...	...	Say 4,400 picking	...	1.33 picking	
<b>1924.</b>		<b>14,010</b>					
Jan./March	...	...	...	3,432	2,000	.55	} .33 units per acre.
April/June	7,010	...	7,000	3,613	2,000	.51	
July/Sept.	...	...	...	4,492	2,000	.64	
Oct./Dec.	...	...	...	5,185	2,000	.74	
<b>1925.</b>		<b>14,746</b>					
Jan./March	...	...	...	3,589	2,000	.51	} .33 units per acre.
April/June	7,746	...	7,000	3,880	2,000	.50	
July/Sept.	...	...	...	4,559	2,000	.59	
Oct./Dec.	...	...	...	5,343	2,000	.69	
<b>1926.</b>		<b>15,806</b>					
Jan./March	...	...	...	3,600	2,000	.46	} .33 units per acre.
April/June	8,806	...	7,000	3,989	2,000	.45	
July/Sept.	...	...	...	4,887	2,000	.54	
Oct./Dec.	...	...	...	6,000	2,000	.68	
<b>1927</b>		<b>17,795</b>					
Jan./March	...	...	...	3,927	2,000	.45	} .33 units per acre.
April/June	10,795	...	7,000	4,020	2,000	.37	
July/Sept.	...	...	...	4,959	2,000	.46	
Oct./Dec.	...	...	...	6,373	2,000	.59	

## WOMEN AND CHILDREN.

			1923.		1924.	
January to March	...	...	346	9%	350	9%
April to June	...	...	350	10%	358	10%
July to September	...	...	314	7%	369	7%
October to December	...	...	806	17%	1095	22%

Only 20 planters shewed any women and children in employment on their returns.

The above totals are women and children.

(c/f. Mr. C. K. Archer, Ruiru).



## APPENDIX E.

ABSTRACT OF RECOMMENDATIONS MADE BY THE COMMITTEE  
OF INQUIRY IN CONNECTION WITH THE SUPPLY OF  
NATIVE LABOUR IN SOUTHERN RHODESIA, 1921.

1. *Labour Supply Figures, 1912-1920 = 9 years*

Bureau Supplied . . .	96,134	Average Annual	.. 10,681
Indigenous (Indep.). . .	348,941	„ „	... 38,771
Alien ( „ )	270,850	„ „	.. 30,094
		Average total	.. 79,546

2. *Number employed in 1920*

Mines . . .	. . .	37,890	
Farms, Towns, etc. . .	.. ..	57,272	
			95,162.

*Sources of supply —*

Indigenous . . .	. . .	39,868	
Alien (Indep) . . .	.. ..	38,919	
Bureau . . .	.. ..	16,375	
			95,162

3. *Tax*—Mines pay 1/- per boy per month on all labour employed.  
Amount realised in 1920, £21,386. Farmers pay nothing.

4. *Bureau Fees*—£3 per labourer supplied to Mines.  
£3 10s. per labourer supplied to Farms.  
£3 15s per labourer supplied to Railway.  
This includes cost of rail fare, return, etc.

5. Natives once introduced and repatriated by the Bureau prefer to find their way back independently.

6. Natives object to the risk of contracting for long periods with employers unknown to them.

7. Deferred pay is not liked, but the dislike is not serious.

8. Medical examination is unpopular as it leads to the rejection for unknown reasons of natives who have walked long distances to get work

9. The bulk of the alien independents travel 250 miles on foot while some travel as much as 400 miles on foot.

10. The length of time taken by the journey is a serious objection to 9, as it lessens the period of work the native puts in.

11. A dry season makes things difficult for them along the route.

12. Employers' recruiting licences lead to abuses and to the farming out of labour.

13. Only persons of known good character should be given labour agents' licences.

14. Steps should be taken to see that the terms of the attested contract are being carried out

15. *Distribution of Alien Independent Labour.*—There is a tendency for this to engage itself at low wages near the port of entry while employers further away have great difficulty in getting it although the wage is higher. *A system of distribution should be organised to spread the labour about the country.*

16. *Alien Native Tax.*—£1 per annum, payable after 12 months' residence in the country, does not act as a deterrent.

17. Alien labour should be assisted by issues of free food on the journey and information as to fields of labour. In view of the amount paid in taxation this should be done by Government.

18. If this is done the Bureau is expected to die out and an organisation for distribution and encouragement of free labour take its place. No natives should be recruited *on the indenture system* (12 months), and little or no actual recruiting should be done (*i.e., recruiting on indenture*) but in case of anticipated or actual labour shortage recruitment on indenture should be instituted by the organisation.

19. The organisation would have to arrange for *free rail tickets* to place of employment, but the natives should pay their own way back to their homes except those from distant districts who would receive half the cost.

20. There should be *no allocation of labour* to employers but full information should be given as to where work is to be found and rates of pay

21. The control of issue of free food should be by tickets and one numbered ticket should carry an individual or gang from any issuing depot to an Organisation Office.

C/f "Tin  
Ticket"  
System,  
Ceylon

22. Labour Exchanges should be established with head office where employers should register their requirements.

23. Authorised Labour Agents approved by Government might be allowed to recruit at Labour Agencies to obtain labour for definite employers. *System of native runners meeting labourers outside the Territory should be stopped and touting prohibited.*

24. There should be medical examination at ports of entry to prevent the introduction of epidemics into the country.

25. *Labour Inspection.*—The system of compound inspection on mines recently applied to railways has proved very beneficial not only in regard to the health of natives but to their general contentment and their work

26. Government inspection should be exercised over *all Industrial Native Labour* and not confined to mines and railways

27. Contract boys have little opportunity of voicing their feeling of discontent with a master they are unable to work with and whose management is not wise or sympathetic. *A few unpopular employers make a whole district unpopular.*

28. In the essential matters of housing and food on some farms Government inspection appears to be required as also the length of the working day and class of work allotted

29. A system of farm inspection is essential.

30. Regulations governing such inspections should not be of so detailed a character as on mines.

31. With few exceptions the proposal for this inspection system was recommended by farmers and other witnesses.

32. Finger Print System recommended in lieu of Pass Law.

33. The aggregate number of labourers available is sufficient for immediate requirements but distribution is uneven and we must look to the future.

34. The figures show that the supply is subject to heavy fluctuation and it is consequently advisable to cultivate and direct the labour forces in such a way as to benefit the country and the workers themselves.

35. *Unpopular Terms of Engagement.*—Should not be continued, nor the voluntary stream of independent labour left to find its way to Southern Rhodesia facing hardships without assistance.

## APPENDIX F.

ECONOMIC AND FINANCE COMMITTEE MEETING.  
AUGUST 11th, 1924.

NATIVE LABOUR.

*Evidence given by Principal Medical Officer (J. L. Gilks, Esq.).*

During a recent tour in Central Kavirondo in company with the medical officer to inspect the work being performed and to investigate the conditions with regard to the incidence of yaws and syphilis, a large number of women stated that after six or seven abortions they had produced their first healthy baby as a result of an injection with bismuth. If this is true then the work being done there is of enormous importance.

Over 300 persons were injected in one-and-a-half days in Asembo Location, Central Kavirondo.

It appears to me that syphilis is not such an acute disease amongst natives as amongst Europeans.

The one medical officer in the Central Kavirondo district can only visit each location about once in six weeks; this is not sufficient, injections should be given every week. Natives can be trained to perform injections for yaws, and this is being done. A medical officer is required for supervision, and to treat cases other than the obvious ones which alone should be undertaken by the dressers. More medical officers are urgently required both for districts where no medical attendance is available at the moment and in other areas where the staff is hopelessly inadequate. In the Kikuyu Reserve the Medical Officer, Fort Hall, has a yaws hospital, an ordinary hospital, and a series of dispensaries in charge of dressers; in addition outbreaks of plague constantly require attention. The small European staff at present employed is continually travelling. 18,500 cases of yaws were treated in the Fort Hall district alone last year. In North Kavirondo the medical officers reckon that at least 10,000 cases of ulcers have been treated. At present there is hardly more than one case of ulcer a day on the hospital registers. Ulcers are rapidly disappearing from the Kavirondo Reserve under medical treatment. Faulty feeding of infants should be corrected by education. Village schools should be used for the purpose, and "Jeanes" teachers on the lines of those in the Southern States of America might be of use.

The connection between rats and plague requires emphasising in the schools.

If only the idea of proper infant feeding could be instilled into the natives it would be a good start.

I favour the establishment of model villages in reserves, with properly made houses, corn bins, and a piped water supply. This will give the women time to look after their children. Plague, though not the most dangerous disease, is the most terrifying. When the natives realise that people living in these model villages do not die they will be inclined to adopt them throughout the reserves. The type of native hut in use at present is a death trap. Tuberculosis is the chief cause of mortality in Mombasa, and the second chief cause in Nairobi. The common type of native hut is most favourable to this disease.

With regard to clothing a primitive native clad in a piece of hide with his skin well greased is perhaps better protected against the rain than the more sophisticated native in European clothes which when wet are not changed.

A pure water supply is another important factor in preserving life.

The provision of latrine pits, decent housing and proper feeding would increase enormously the labour supply of the Colony.

At the same time the sick must be treated or the native will not realise that he is being helped.

Another point is that the owners of farms require help and advice with regard to the housing of labour and the general sanitary conditions of their estates.

With regard to hospitals, mission hospitals are of use, but their efforts are directed rather to the benefit of specific individuals than to that of the general community.

With regard to medical treatment on estates, the most prevalent disease the Medical Department has to tackle, namely, yaws, is not usually seen outside the reserves. The need, therefore, for a staff of natives trained to perform injections in white areas is not great.

Yaws, unlike leprosy, does not attract much interest in England. It is not sufficiently well known. In a few years it may be.

In Nyanza Province natives are being trained to give injections, but they can only be allowed to deal with the obvious cases—otherwise people with all sorts of complaints will be injected.

The first necessities to my mind are extra medical officers at Kisii, Kakamega, and Fort Hall. The medical officer at Kakamega has 19 dispensaries to look after as well as a hospital of one hundred beds.

A medical officer cannot run a hospital and keep touring round the reserve as well.

Sanitary overseers would help considerably and would be better than nothing.

The difficulty about European nurses is that they cannot very well travel about native reserves alone.

A step of great economic importance is to get the people in the sleeping sickness area of South Kavirondo to clear their lands of bush and plant crops. The medical officer in that district is not able to do much in this direction as he has a large hospital to supervise.

**Commission to Examine and Report upon the  
Needs of the Colony in respect of African  
Labour outside the Native Reserves.**

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**Commission to Examine and Report upon the Needs of the Colony  
in respect of African Labour outside the Native Reserves.**

GOVERNMENT NOTICE NO. 13 OF 1927.

THE COMMISSIONS OF ENQUIRY ORDINANCE.  
A COMMISSION.

I, EDWARD WILLIAM MACLEAY GRIGG, Knight Commander of the Royal Victorian Order, Companion of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Distinguished Service Order, upon whom His Majesty has conferred the decoration of the Military Cross, Lieutenant Colonel in His Majesty's Army (retired), Governor and Commander-in-Chief of the Colony and Protectorate of Kenya, do by virtue and in exercise of the powers conferred upon me by the Commissions of Enquiry Ordinance by this my Commission under my hand appoint:—

The Honourable Mr. Alex Holm, C.B.E.  
Colonel G. C. Griffiths, C.M.G.  
Commander S. L. K. Lawford, R.N.  
Captain W. Tyson, M.B.E.  
E. A. Evans, Esq.

and such other person or persons as I may from time to time nominate,

to be Commissioners :

To examine and report on the needs of the Colony in respect of African Labour outside the Native Reserves ;

and in particular to examine and report upon the following matters :—

- (i) The needs of the Colony in African labour for the coming year, with regard to its agricultural, industrial and other development ;
- (ii) The probable rate of development of the various agricultural industries in the near future and their needs in respect of African labour ;
- (iii) What measures of improvement, if any, may be adopted for the better use of the labour supply now engaged on public or private work ;
- (iv) To make any recommendations to which the inquiry under (i), (ii) and (iii) above, may lead them.

The inquiry shall be limited to areas outside the Native Reserves.

AND I DO HEREBY APPOINT the said Honourable Mr. Alex Holm, C.B.E., to be chairman of the said Commissioners .

AND I DO HEREBY DIRECT that three Commissioners shall form a quorum :

AND I DO HEREBY APPOINT D. L. Blunt, Esq., M.A., to be Secretary to the said Commissioners :

AND I DO HEREBY DIRECT that the oaths of the said Commissioners shall be made and subscribed before any Resident Magistrate of the Colony :

AND I DO HEREBY DIRECT that the Inquiry shall be held at such places in the Colony as the chairman may think fit :

AND I DO HEREBY DIRECT that the said Inquiry may be held in public or private, or partly in public and partly in private, at the discretion of the Commissioners :

AND I DO HEREBY COMMAND all persons whom it may concern to take due notice hereof and give their obedience accordingly.

Given under my hand at Nairobi, this twelfth day of January, 1927.

EDWARD GRIGG,  
Governor.

To

EDWARD BRANDIS DENHAM, ESQUIRE, Companion of the Most Distinguished Order of Saint Michael and Saint George, Acting Governor and Commander-in-Chief of the Colony and Protectorate of Kenya.

MAY IT PLEASE YOUR EXCELLENCY,

We beg to submit our Report and recommendations as to the needs of the Colony in respect of African labour outside the Native Reserves, and on relative matters referred to in the Terms of Reference

We annex to our Report summaries of Evidence, Memoranda, copies of certain Correspondence, and a number of Appendices, setting out in detail the results of our enquiry.

#### PROCEDURE.

All meetings took place at the offices of the Department of Agriculture, Nairobi. In all, seven have been held, and we sat for a total of fourteen days. Largely owing to the willing and satisfactory response of the large number of correspondents to whom enquiries of a definite kind were addressed, and by reason of the representative nature of the personnel of the Commission, it was not found necessary to visit different districts in the Colony, in order to secure the information required to enable the Terms of Reference to be fully dealt with.

2. The public were invited, by notice in the Press, to make representations falling within the Terms of Reference, or to appear before the Commission personally. That little response to this invitation was forthcoming is not adversely commented upon, as communications had been addressed direct to numerous organisations and individuals covering the requirements of the Commission. Certain individuals known to be in possession of information likely to prove useful attended by invitation and gave valuable evidence.

3 *Under Terms of Reference I and II*—The enquiries made followed a form which was calculated to furnish a basis for estimating the requirements of the Colony in respect of African labour. Information was sought and obtained from Government Departments employing labour on a considerable scale; the needs of the Railway and Port were obtained through the Kenya and Uganda Railway Administration, and the wharfage and lighterage companies, the building industry was dealt with through the Master Builders' Association; the timber industry was covered through saw millers (in collaboration with the Forest Department); urban conditions were dealt with through Chambers of Commerce and the Nairobi Municipality, while the agricultural industry was covered by numerous correspondents and some witnesses representing the chief agricultural industries in regard to whom organised bodies, like the Kenya Farmers' Association, the Wheat Growers' Association, the Coffee Planters' Union and the Sisal Growers' Association, were informed and invited to make proposals.

Enquiries were also addressed to agricultural machinery and implement agents, and to missionary bodies; and we met representatives of the Labour Committee of the Convention of Associations for the discussion of certain aspects of the matters under review.

4. Prior to the appointment of the Commission the Director of Agriculture had instituted an enquiry on an extensive scale designed to procure reliable data, and information with regard to the labour requirements of the more important agricultural industries. That enquiry partook of the form of a questionnaire, drafted as shown in Appendix II schedules (a), (b) and (c), and was addressed to 213 representative farmers and estate managers. We decided that the information disclosed as the result of this enquiry was admirably suited for the purposes of the Commission, and to make full use of it. Its timeliness has expedited our work considerably.



5. *Under Term of Reference III.*—About 90 prominent coffee planters, sisal, wheat and maize growers, were asked to submit memoranda suggesting means which might be adopted for “the better use of the labour supply,” and on special aspects of this question generally, representatives of the Railway, Public Works and Agricultural Departments gave their views and information in person.

6. *Under Term of Reference IV.*—Under this head, on information furnished through administrative and agricultural officers, we propose to deal with certain aspects of labour conditions in the native reserves in their relation to the use and employment of African labour outside the reserves.

7. In addition, returns were called for—

- (a) from the Native Registration Department, showing the available labour supplies over the past 18 months or so (*vide* Appendix IV);
- (b) from the Statistics Branch of the Agricultural Department, showing the rate of development of agricultural industries during the past five years (*vide* Appendix V).

Use has also been made of the Agricultural Census Reports.

On particular subjects the Native Affairs and the Medical Departments have been addressed.

A list of those departments, organisations and individuals with whom we have had correspondence, or who have appeared before the Commission in person, are to be found in Appendix I.

8. We found that an examination of the labour position involved a close study of a mass of figures in their application to agricultural practice, and it was arranged that members with a special knowledge of different industries should undertake that work and advise their fellow members. Upon the secretary, reliance has been placed in regard to the numerous arithmetical calculations and preparation of schedules embodied in this report. We realise that in many cases it is not possible at this stage of development of the Colony to procure reliable documentary or other evidence in regard to some matters upon which we are called upon to report, and only an elaborate and protracted investigation would furnish data possessing greater accuracy than that embodied herein. Having regard to the urgency for the presentation of our report, it appeared quite impracticable to defer its completion for a fuller investigation. Where data of a reliable kind were not available, we have endeavoured to exercise our judgment based upon experience. It should be observed that factors such as climatic conditions, market prices and progress of settlement, greatly influence the “rate of development” referred to under Term II. Therefore only a forecast of probable requirements can be furnished.

#### GENERAL.

9. Records show that over a long period of time—not less than twenty years—there has been a “labour problem” in this Colony, and employers have consistently complained of a labour shortage. At the instance of Government, Commissions were appointed in 1912 and 1920, and the Economic and Finance Committee was in 1924 charged with the duty of enquiring into certain aspects of the question; whilst at the moment a committee appointed by the Convention of Associations is investigating the question from a different standpoint.

In earlier days the position was not comparable with the conditions which exist to-day. Contact between a sparse European population and the native tribes had not been made to any appreciable extent, and the African had taken no part in labour in any form outside his own habitat. With the development of a Western civilisation and the demand created for the fulfilment of its needs in respect of production and other activities, the natives steadily responded. Passing over a period of variable conditions in regard to labour supply, there was, towards the end of 1924, and continuing through

the greater part of 1925, an acute shortage of labour to meet the requirements of the non-native population (*vide* graph—Appendix III). There is evidence in the Agricultural Census returns of 1925 to show that progress was somewhat arrested in that year, and the confidence of the farming population in particular was shaken in the adequacy of the labour supply likely to be available for purposes of development and production.

10. Factors which contributed towards that state of affairs were, upon the evidence before us, the large demand upon labourers for the construction of the Uasin Gishu Railway, in particular during 1923 and 1924, and the discharge of large numbers of labourers towards the end of 1924 and early in 1925 did not relieve the situation, for the reason that having taken with them to the reserves an accumulation of wages, they were not disposed again to seek employment until their cash resources had been expended.

It has also been suggested to the Commission that misunderstanding of Government's intentions and wishes regarding the operation of the Dual Policy of Development, and the doubt created in the mind of the native population may have been a contributory cause of the acute shortage at this time, but to what extent, if any, this opinion can be supported by facts we are unable to say.

While towards the end of 1925, and again in 1926, conditions in respect of labour supply began to improve, previous experience agitated the minds of those who had invested capital and expended effort in the development of the Colony, and they were fearful lest there might be a repetition of past experience, and doubtful whether the resources of the alienated areas could be developed without resort to the importation of labour from other countries. It was realised that there was a paucity of reliable information, and that a close study of the whole subject, particularly on the economic and industrial side, was required.

11. We have enquired into the matters referred to in the Terms of Reference, and have given them the best consideration possible in the time at our disposal, and while mindful of the limitations of this report, we hope that it may prove helpful in presenting a true picture of those aspects of the labour question submitted for our review.

12. *Situation in recent years.*—The Agricultural Census returns show an increase in the total average number of men, women and juveniles employed monthly in agriculture of from 61,949 in 1921-22, to 87,093 in 1923-24 (period ended June 30th in each year), then a drop to 78,527 in 1925 (same period) and an increase to 84,611 in 1925-26 (year ended July 31st). It has been shown that there is probably an element of error in these figures, as coffee planters in particular have not included casual labour employed in picking, in their returns, but as that error is more or less constant it is considered that it does not affect the use of the figures for the purposes of this comparison.

These figures prove an interesting study in relation to production. Taking the figures of land under cultivation by Europeans as a guide, the increase from 1921-22 to 1922-23 was 40,264 acres, or 17.2 per cent; in the succeeding year the increase was 72,669 acres, or 26.49 per cent; but in 1924-25 the rate of increase was not maintained, and dropped to 45,641, or 13.15 per cent; in 1925-26 it had risen to 71,226 acres, or 18.16 per cent. The total area under cultivation in 1921-22 was 234,055 acres. and in 1925-26 it rose to 463,854 acres, or by 98.2 per cent. During that period the increase in the number of units of labour amounted only to 36 per cent. Again, measured by the volume of agricultural exports, the increase in tonnage was 41,787 tons, or 104 per cent. During the same period there was also a substantial increase in the quantity of produce locally consumed.

Further, heavy and exceptional demands were made during the same period upon the available labour supply for railways, public works, and many activities not directly associated with agriculture. It will be seen that there is a great disparity between the amount of labour employed and its output

in different directions in the period referred to, and we are of opinion that it is to be accounted for by (a) the greater experience possessed by employers in the management and division of labour; (b) the greater capacity of labour as a whole, largely due to its improved physical condition, the result of better food rationing; (c) its greater efficiency, due to the steady increase in the number of labourers with previous experience of work; and (d) the gradual lengthening of the period of employment.

Difficulties in securing a sufficiency of labour, and its rising cost, represented not only by actual wage increase but by provision of better housing, medical and educational facilities, and sundry other amenities of life, caused employers to exercise economy and to make better use of the available supply, yet always without disadvantage to the employee.

In the records quoted above, and on other information furnished to us, there is evidence that the best use has not always been made of the labour available, and that there has been some wastage. In most agricultural countries higher labour costs tend towards the reduction of employment of labour to a minimum. The apparent cheapness of the labour in this Colony, in conjunction with the appreciable margin of profit procurable under present conditions from farming operations, has not encouraged an economic check being put on the unprofitable employment of labour; the only check being provided by the difficulty of securing labour as and when required. For similar reasons investigation into the use of labour-saving machinery and appliances has not until recently received the attention it deserved.

13. It behoves us, however, to refer to other factors having a bearing upon the employment and use of African labour in this young Colony. It has to be borne in mind that new settlers ordinarily enter upon their activities without any previous experience of native races, nor do they possess any knowledge of native languages. Often they are themselves unskilled in the performance of farming operations, and are therefore unable to teach their ignorant employees. In our opinion the success which has attended the efforts of employers is, in these circumstances, remarkable, and the good relationship which exists between them and wholly uncivilised tribes, and the confidence placed by them in their employers, stands greatly to the credit of these new settlers in a new land. Those causes which are chiefly responsible for the uneconomical use of labour will, in our opinion, steadily be reduced in their incidence as employers gain experience and as the employee becomes accustomed to manual labour and acquires some skill in performing the most ordinary tasks.

While recognizing that individual effort has greatly suffered through a periodic shortage of labour, and that schemes of development have thereby been frustrated, the figures of development and production given in this section of our report show that, viewing the position broadly, the African labour which has been forthcoming has provided ways and means for securing progress on a substantial scale.

14. *Terms of Reference I and II* :—

- I. "The needs of the Colony in African labour for the coming year, with regard to its agricultural, industrial and other development";
- II. "The probable rate of development of the various agricultural industries in the near future, and their needs in respect of African labour."

It will be convenient to take these two terms of reference together.

In order to arrive at figures representing the amount of labour required for the agricultural industry in the present year, and in 1928 and 1929, a critical examination was made of the figures given in reply to the questionnaires shown in Appendix II. Averages were worked out from estimates given of labour required, but realising that when small numbers are dealt with averages are apt to be misleading, our own judgment and that of correspondents with a special knowledge of particular crops was brought to

bear on the figures derived from such averages. Furthermore, replies were received from different districts in which conditions of rainfall and soil have a very distinct bearing on the labour requirements of the district, and it was necessary to take into account the acreage of the crop under consideration in the wetter and dryer districts, and on heavier and lighter soils. It has also been borne in mind that the acreage per farm or estate under a particular crop has a bearing on the labour requirements, and that the area varies very considerably as between farm and farm, but for ease of calculation and for other reasons, it was found convenient to take a unit figure of 100 acres as a basis for calculating the needs in respect of labour requirements.

15. It is also assumed that economic forces are having and will have their effect on the use of labour, and that the increased efficiency of labour, and the greater use of labour-saving machinery and devices, and the improved management of labour, will all influence labour requirements, and are likely to reduce the average number of employees per acre in the future. Having given due weight to all the factors mentioned above, the figures given in Appendix VI, Table 2, have been adopted.

16. A labour unit in the sense in which it is used in the following pages represents one man working for a whole year, or approximately 300 days' work. As pointed out elsewhere (paragraph 38), the average labourer does not work for this length of time, and a labour unit represents the work of more than one man. We desire, however, to observe that figures which are considered to be reasonable for the whole country may not be applicable to some districts possessing peculiar features.

In the case of coffee and maize, which have a large extra requirement of labour during the harvesting seasons, different figures are given for two six-monthly periods during the year. Between October and March inclusive a figure of 32 extra labourers per 100 acres is given to cover the labour required to pick the coffee crop, and 6 per 100 acres to harvest the maize crop; and here again the figure must be regarded from the point of view of the country rather than the individual. We do not suggest that any particular 100 acres of coffee crop will be picked by 32 labour units working for six months, but rather that the 1927-1928 crop of the Colony will be picked by an average of 20,240 labour units, working from October to March, additional to the 26,400 which we think is the present requirement.

17. In Table 1, Appendix VI, are given figures which we believe represent the acreage likely to be under each crop in the years 1927, 1928 and 1929. In arriving at these figures we have had before us the acreages under crops during the past five years, derived from the Agricultural Census reports (see Appendix V), and in addition estimates from numbers of farmers and estate managers of the developments which are anticipated in 1927, 1928 and 1929. From a consideration of such figures and assuming steady market prices for the main agricultural products and a reasonable increase in settlement, we have arrived at the figures set out. Applying the two sets of figures referred to above we estimate as follows —(Tables 1 and 2, Appendix VI).

18. *Coffee* That the area under this crop will increase from the 31st July, 1926, total of 68,950 acres, by 4,050 acres approximately to the end of 1927, and by a further 3,000 acres in 1928, and 4,000 acres in 1929. 26,400 labourers will be required, from April to September inclusive, this year, to maintain the cultivation of coffee in the bearing stage, and 4,500 to maintain the young coffee (under three years old). In addition 1,000 units of labour are calculated to be employed on clearing and preparing new land for coffee.

In the last three months of the year, and the first three months of 1928, 17,600 units of labour additional to the above would be needed to pick an average crop, but having regard to (i) the exceptionally heavy crop which is expected this year, and (ii) the fact that the economic forces mentioned above, paragraph 15, will not have come into play to such an extent as we expect them to do in succeeding years, we have added 15 per cent. to this figure, making estimated requirements for picking during the season under review 20,240 units.

In the following year, during the period April-September, we think that 30,144 units of labour will be required for the maintenance of coffee in the bearing stage, but owing to the reduced rate of planting in 1925 there will be less coffee 1-3 years old than in the previous year, and 3,300 labour units should suffice to tend this young coffee. As in the previous year, we expect that approximately 1,000 units will be needed for the clearing, preparation and planting of coffee on land previously uncultivated.

For the six months October, 1928-March, 1929, we estimate that 20,096 units of labour additional to the figures for April-September, 1928, will be needed to harvest the crop, assuming that it is an average one.

In 1929, for the period April-September, with a total coffee acreage of 80,000, we anticipate that there will be employed 32,544 units of labour on coffee over three years old, and 3,050 on young coffee with the same requirement for the clearing, preparing and planting of new land as in the previous year.

Summarising the figures, we estimate the total requirements for the crop as under—

April, 1927-September, 1927	31,900 units
October, 1927-March, 1928	52,140 ,,
April, 1928-September, 1928	34,444 ,,
October, 1928-March, 1929	54,540 ,,
April, 1929-September, 1929	36,594 ,,

In the periods April-September, we think that 40 per cent of the units employed may be women and juveniles, and all the pickers employed during the period October-March, or 64 per cent of the total in these periods, may be that class of labour.

19. *Sisal*.—The sisal industry lends itself to efficient labour organisation more easily than the coffee industry, and its requirements are constant throughout the year. The mean size of a sisal estate has been taken to be 2,000 acres under crop, of which it is assumed that one-third will be young sisal, and two-thirds sisal in the cutting stage.

The labour requirements are taken to be—

for " young " sisal	18 units per 100 acres,
for sisal in the cutting stage	34 units per 100 acres

Assuming the proportion to be one-third and two-thirds as stated above, the requirement per 100 acres for all sisal is 28. The acreage of sisal in the country is expected to increase by about 10,000 acres per annum during the next three years, over the 1926 area of 60,197 acres. The labour requirements for this industry, therefore, are calculated to be as follows—

April, 1927-March, 1928	19,880 units
April, 1928-March, 1929	22,680 ,,
April, 1928-September, 1929	25,480 ,,

20. *Maize*.—As in the case of coffee, two figures are given to represent the units of labour required per 100 acres of maize. It is estimated that 6 units per month are required for cultural operations, and an additional 6 per 100 acres during the harvest season, throughout the country. The maize area has, during the past five years, increased very rapidly, but as the areas extend it cannot be expected that the same percentage of increase will be maintained. We suggest that approximately 30,000 acres per annum will be added to the 1926 area of 193,187 acres during each of the coming three years. The probable labour requirements for April-September, 1927, will therefore be 13,200 units, with an additional 13,200 units employed during the six months October, 1927-March, 1928. In addition, we estimate that 3,000 labour units will be employed yearly in clearing new land for this crop during the whole period under review.

From April-September, 1928, the area under this crop is estimated at 250,000 acres, requiring 15,000 units for cultivation. From October, 1928-March, 1929, 15,000 units should suffice, and an additional 15,000 units to harvest the crop. From April-September, 1929, we put the area under this crop at 280,000 acres, with a probable labour requirement of 16,800 units. Summarising the labour requirements for six-monthly periods, and including the labour required for clearing new land, we arrive at :—

April, 1927-September, 1927	16,200 units
October, 1927-March, 1928	... 29,400 ,,
April, 1928-September, 1928	18,000 ,,
October, 1928-March, 1929	33,000 ,,
April, 1929-September, 1929	19,800 ,,

21. *Wheat* —Having regard to the amount of labour-saving machinery that can be, and is, employed in the wheat-growing industry, and to the fact that but little cultivation can be undertaken after the crop is sown, the labour requirement for this crop is considerably less per 100 acres than for any other under consideration. Particularly in the case of the wheat crop, the greater the area under cultivation, on an individual holding, the greater is the economy that can be exercised in respect of labour. We estimate that 5 labour units per 100 acres will suffice for all the work required on this crop.

The large increase in the acreage of wheat during the last year is noteworthy, and we anticipate further substantial extensions of the wheat area, but it has yet to be seen whether the present rate of increase will be maintained when production has reached a stage at which the requirements of East Africa in respect of wheat and wheat flour are met, and there is a surplus available for export. While lower prices may be expected for future crops, in the absence of a world shortage, that reduction will, it is hoped, be set off by heavier yields per acre through the introduction of new varieties possessing greater rust resistance than those of past years.

The wheat area in 1926 was 43,763 acres. Considering all these factors, we estimate an increase in the area to 60,000 acres in 1927; 80,000 in 1928; and 100,000 in 1929.

The number of units of labour required for the whole wheat acreage of the country are therefore taken to be :—

1927	3,000 units
1928	4,000 ,,
1929	5,000 ,,

and in addition to these figures we suggest that 500 labour units will be employed over this period in clearing new land for this crop.

22. *Tea* —In Kenya, tea is still so much in the experimental stage that estimates either of labour required, or of the acreage likely to be planted, are liable to considerable error. From the consideration of Indian labour figures, and having regard to the probable weight of crops in this country, we consider that the industry will not be workable with less than 150 labour units per 100 acres for tea in the bearing stage. During the period under review, however, a comparatively small acreage of tea will be plucked, but the probable demand in the future, if tea is extensively planted, should not be lost sight of. During the next three years a considerable proportion of the labour employed in tea culture will be for clearing, preparing and planting, and for the maintenance of young tea. The labour requirements for these processes are estimated at 35 per 100 acres for the former, and 25 per 100 acres for the latter.

There were 1,689 acres of tea planted as at July 31st, 1926. Forecasts of the expected plantings of tea this year, collected by the statistical branch of the Agricultural Department, show that there will be approximately 3,000 acres planted by the middle of 1927. Estimates have been submitted to us indicating that an additional 1,000 acres will be planted in the two following

years: 600 acres in 1928; and 400 acres in 1929. Adopting these figures, the requirements for the period April, 1927, to April, 1928, will be 1,625 units, made up of 125 units for tea in bearing, 1,050 units for maintenance of young tea, and 450 units for clearing and planting.

During the following twelve months the figure will be 1,770 units, made up of:—

450 units ... ..	bearing tea
1,120 ,, .. .	young tea
200 ,, .. .	clearing and planting

and for April, 1929-April, 1930, the number of units at work on "bearing" tea will have increased to 2,400, with 805 units maintaining young tea, and 150 units clearing and planting—giving a total for the period of 3,350.

23. *Sugar*.—The number of labourers required per 100 acres for sugar cultivation, inclusive of factory work, etc., is taken to be 23 in the case of estates of a size warranting the economical running of their own factory. The acreage under this crop on July 31st, 1926, was 6,747, and we estimate that there will be 9,000 acres a year later, and a further increase of 1,000 acres per annum in the two following years.

The labour required is approximately the same in all months of the year, so that the total requirements for this crop may be taken to be:—

In 1927 ... ..	2,070 units
1928 . . . . .	2,300 ,,
1929 .. . . .	2,530 ,,

24. *Coconuts*.—The labour for the cultivation of this crop in the bearing stage, including the production of copra, is taken to be 14 units per 100 acres. In the younger stage, before the palms come into bearing, 8 units per 100 acres are considered sufficient.

A slight decrease in the acreage shown under this crop was disclosed in the latest Agricultural Census. In 1926 the figure was 8,766 acres, and it is not considered likely that there will be any large alteration in the acreage during the periods under review.

A small alteration in the number of units required for the industry will take place as more young palms come into bearing, and the requirements are given as:—

1927	1,040 units
1928	1,100 ,,
1929	1,100 ,,

25. *Other crops*.—Under this head the main crops are wattle and barley, with smaller acreages of oats, rye, buckwheat, lucerne, green manuring, millet, market garden and root crops; potatoes, teff grass, tobacco and areas under nurseries.

With the exception of wattle and barley, most of these crops are grown on a small scale and the labour requirement is correspondingly high, especially among what may be termed the market garden crops. We have therefore adopted a figure of 10 labourers per 100 acres throughout the country. We do not consider that there is likely to be any great change in the area under these crops in the next three years, and the figure of 2,000 units is given under this head for 1927, 1928 and 1929.

26. *Stock—European-owned*.—On the basis of the area of land beneficially occupied, stock farming is most economical in the use of labour. Furthermore, in this Colony it should tend to the employment of natives of pastoral tribes, who do not otherwise add much to the available labour force of the Colony. In order to arrive at the labour needs of the stock industry we have considered: (1) dairy cattle, (2) beef cattle, (3) sheep, and (4) other stock, separately. From replies to questionnaires sent, Schedule (b), Appendix II, the labour requirement per 100 head of dairy cattle is taken to be 6 units; for 100 head of beef cattle, 1.5 units; and for sheep 3 units per 1,000 head.

We have assumed that two-fifths of the European-owned cows and heifers in the Colony are to be classed as dairy cattle, the balance being of beef type and managed accordingly. This figure was arrived at after consideration of the quantity of milk and milk products known to be produced annually. The 83,363 trained oxen have not entered into these calculations, since the labour employed in herding them is included in the figures arrived at for agricultural industries.

The number of European-owned cattle has decreased during the last period for which statistical figures are available, to 130,160 head, but we estimate that a slight increase is likely to occur in the next three years, and we suggest that the cattle population of the Colony, so owned, exclusive of trained oxen, will be approximately 132,000 in 1927, 136,000 in 1928; and 140,000 in 1929.

*Sheep*—The flocks of the Colony show a substantial increase in numbers over the last five years. There were 205,905 sheep in 1926, and we consider that the increase is likely to be more than maintained. We estimate that the numbers will be 232,000 in 1927, 262,000 in 1928, and 300,000 in 1929.

*Other stock* includes horses, mules, donkeys, pigs and goats. The labour requirement for horses is high, but no substantial increase in number is anticipated. We estimate that 1,200 labour units will satisfy the requirements in respect of "other stock" in each of the three years under review. The total labour requirements for stock are therefore taken to be.—

In 1927	5,500 labour units
1928	5,700 „ „
1929	5,950 „ „

27 The total labour requirements of the Colony in respect of agriculture, exclusive of purely domestic servants on farms (figures for which are given elsewhere), as shown in Table 5, Appendix VI, are —

April, 1927-September, 1927	83,715 units
October, 1927-March, 1928	117,155 „
April, 1928-September, 1928	92,494 „
October, 1928-March, 1929	127,590 „
April, 1929-September, 1929	99,814 „

During the April-September period at least 25 per cent of this number may be women or juveniles, and during the October-March period 33 per cent. In 1925-1926, as disclosed by the Agricultural Census, the percentage of women and juveniles varies between approximately 26 per cent. in December, and 22 per cent. in March, but it is thought that a large proportion of women and juveniles employed on daily tasks in the coffee picking season are not shown on the return to the Agricultural Department, from which these figures were compiled.

28. *Labour requirements other than for agricultural purposes.*—We have made enquiries from a large number of employers of labour representing the chief industries of the Colony, also Government Departments, and as a result have framed Appendix VI, Table 6, showing the number of units of labour which we believe will be occupied outside the reserves, otherwise than in agriculture, during 1927.

Wherever it has been possible so to do, we have secured actual figures of employment in 1926, and estimates from the most reliable available sources for 1927, and such figures may be regarded as approximately accurate. Certain other figures are unknown for 1926, and, with the present paucity of statistical information in the Colony, can only be estimated. Though we have consulted officers of the Native Registration Department and others who have had opportunities of framing close estimates, and have endeavoured to take into account all possible factors having a bearing on these figures, it is with great diffidence that we present them, and we can but hope that errors in judgment, in particular cases, will counter-balance one another. We believe that the total figures given represent approximately the position during 1927.



We have taken first such labour as is normally registered under the Native Registration Ordinance. Other workers who are occupied, but not normally registered, are mentioned later.

29. The Kenya and Uganda Railway have furnished us with a very complete set of figures, from which it appears that the total average number of Kenya natives employed during 1926 was 7,032 on construction, 9,865 on maintenance services, and 749 on marine services, to which should be added the number of units employed in providing wood fuel. This number is not accurately known, owing to its employment by various contractors, but based upon information furnished by the Railway administration it is calculated to be 1,013; or a total of 18,659 for all services, under the Railway administration

The figures for 1927 are given as 3,982 for construction, 1,307 for maintenance, 749 for marine services, and for fuel 2,293; a total of 16,331. The drop in this total is almost entirely due to a decreased programme of construction in 1927.

30. *Mines*—Under this head we have included the Magadi Soda Company, the labourers employed during 1926 were 880 approximately, and the anticipated requirements for 1927 are given as 1,467

31. *Government Departments*—The labour employing departments of Government, the requirements of which are included under this head, are Administrative, Agricultural and Veterinary, Customs, Forest, Game, K.A.R. Transport, Lands, Medical, Native Affairs, Police, Postal, Prison and Public Works. The number of labour units employed by these departments in 1928 was 12,853, and it is estimated that the requirement in 1927 will be 14,000. Included in these figures are about 2,100 tribal retainers and other employees under the Administration

32. *Domestic Servants*—No figures exist of the number of domestic servants employed in the country. Having regard to the number of European and Indian families in the Colony, and the number of agricultural holdings, we estimate that the total number employed in 1927 will be 23,000 units, as follows—

Nairobi	9,000
Mombasa and other towns	4,000
On agricultural holdings	10,000

Additional to these figures are those labourers employed as wood and water carriers, garden and orchard labourers on holdings throughout the country. This figure we take to be 5,000, and of the whole total of 28,000 we assume that 20 per cent are juveniles, leaving 22,400 adults employed in this manner.

The system whereby domestic servants are, as a rule, employed on the "one man, one job" principle, is obviously wasteful and uneconomical. It was introduced into this Colony in early days, and has remained in force. We are of opinion that herein lies an opportunity for gradually adjusting the conditions of service to one which would result in great economy of labour and lower cost of living.

33. *Timber Industry*—Returns were called for in collaboration with the Forestry Department from the main sawmills of the country, showing (i) the amount of timber felled per annum, (ii) the labour employed in felling and cutting out, in hauling in timber mills, and in transporting the milled timber, (iii) the amount of milled timber produced, and (iv) the number of units of labour required to produce 1,000 cubic feet of milled timber. From a summary of the results obtained from these returns, and from information given to us by the Acting Conservator of Forests, and the representative of one of the largest saw millers, we calculate that for 100 tons of annual output of sawn timber a daily labour staff of 23 is required.

The estimated output of sawn timber for 1926 was 27,309 tons, and for 1927, 32,700 tons. We find, however, that comparing estimates furnished by saw millers with actual output in the past, estimates of production were, on the average, about 11 per cent. higher than the reality, and we therefore have reduced these figures by 10 per cent. to 24,606 tons, and 29,430 tons, requiring a labour force of 5,658 units in 1926, and 6,769 units in 1927.

34. *Firewood Industry.*—Little accurate information is available with regard to the firewood industry, and those engaged therein have not furnished returns. The Kenya and Uganda Railway supplied information as to the amount of firewood consumed by the railway, and the number of units of labour required to cut and deliver it. From this information we calculate that 36 labour days are required to cut, haul and stack 10 tons of fuel. An estimate of the amount of wood fuel consumed in Nairobi, furnished by the Chamber of Commerce, shows the consumption as follows:—

Private consumers	14,500 tons
Industrial consumers	2,500 tons

No figures are available for the requirements of Mombasa and other towns, but having regard to the populations, it is thought that the remainder of the country may be covered by an additional 5,000 tons. No account is taken of the consumption on farms and in country districts generally, since it is thought that this labour will be covered by the special allowance for wood and water boys shown under the head of domestic servants. The estimated total requirement is therefore 22,000 tons, at 36 labour days per 10 tons, equivalent to 79,200 labour days, or the work of 278 labourers per annum.

35. *Building Industry.*—Returns were called for from the building trade, asking for the total value of buildings completed in 1926, and an estimate for subsequent years; for the average number of labourers employed per £1,000 worth of buildings, and for the average number of labour units employed in the year. The labour requirement per £1,000 worth of building varies very considerably, according to the amount of labour-saving machinery employed, and the type of building erected. For the more up-to-date type of building, using machinery, it appears that the average output per labourer per annum is approximately £200 worth; by the smaller builder probably double this labour is required.

It has not been possible to procure accurate data as to the total building programme completed in 1926, nor estimates for 1927, but apart from the needs of the Public Works Department, for which the labour is shown directly, it is thought that £120,000 worth of building will represent the annual output of this trade for 1926 and 1927. Assuming that three-quarters of this is the output of builders using machinery, and the balance is built without such aid, the average labour requirement is 6.25 units per £1,000 worth of building, or a total labour force of 750 units.

36. *Miscellaneous.*—Among miscellaneous services employing labour, we include the labour employed at the Port, and by the contractors of the Public Works Department, mission services and prisoners. Wharfage, lighterage and harbour works employed an average number of labourers in 1926 of 2,270, and the numbers for 1927 are given as 2,378. The number of labourers employed by contractors for the Public Works Department is unknown, but an estimate from that department places it at approximately 500 units on the average throughout the year. We have accepted this figure for the past and the coming year.

Prison returns show that 2,206 were incarcerated during 1926, and the same number is given for 1927.

In the absence of reliable information we have assumed the number of units of labour absorbed in mission work, schools, etc., to be 3,000.

37. *Townships.*—Careful estimates based on counts of population were made during 1925 by the Native Registration Department in Nairobi and Mombasa, but nevertheless it must be borne in mind that in the absence of accurate census returns, the figures must be taken as estimates only. To these figures we have added 10 per cent for the probable increase since that date, and the figures now read :—

Nairobi	21,500
Mombasa	8,300
Other towns are taken as	4,000
Total	33,800

From these figures must be deducted such labour as has already been accounted for, and which is living in towns, viz. :—

Domestic servants in towns	10,400
Railway	3,000
Public Works Department and other Government Departments	1,300
Port	2,368
K.A.R. Transport	223
Building Trades	750
Total	18,041

leaving a balance of 15,800 units employed part time or wholly in divers capacities in towns, as shop and office boys, municipal employees, transport workers, rickshaw boys, and the many smaller activities which absorb labour. It is probable that from this source domestic servants are ordinarily recruited to make up the constant requirements as estimated above.

38. The figures given in this section of our report for agricultural and other labour requirements are taken to show the approximate demand for 1927. The total labour requirements of the country (see Tables 5 and 6, Appendix VI) are :—

	<i>Agriculture.</i>	<i>Other.</i>	<i>Total.</i>
April, 1927-October, 1927	83,715	85,923	169,638
October, 1927-March, 1928	117,155	85,923	203,078

For the present period, April-September, 1927, the number of adult males should be at least 147,623; similarly from October, 1927, to March, 1928, 154,863 adult males are required.

These figures, with negligible exceptions, represent the average number of units of labour at work in the industries referred to during the period under consideration, as do the figures given by the Native Registration Department of labourers in employment. In order to arrive at the number of natives who come from the reserves to work at some period of the year, or who may be regarded as detribalised and live in townships or elsewhere, more or less permanently in employment, these totals must be multiplied by a factor representing a full year's work, divided by the average period actually worked. A full year's work, such as is postulated in the figures given for the labour requirements for crops, stock and industry generally, is assumed to be 300 days, or 10 thirty-day tickets. The figure is arrived at as follows :—

Days in the year	365
Deduct—Sundays	52
Holidays	13
	65
	300

In 1924 figures given in the interim Report of the Economic and Finance Committee show that the average period worked per labourer per annum was 4.57 months, equivalent to 3.6 thirty-day tickets. We have

worked out three sets of similar figures, assuming that the average number of thirty-day tickets worked during the year is 4.6, or 8; if 4 thirty-day tickets only are completed per worker, 293,155 men out of a total estimated male population between 15-40 years old—509,528—or 56 per cent, must have been at work at some period during the year.

If 6 thirty-day tickets are completed by each man, 261,437, or 51 per cent., must have been out to work. If 8 thirty-day tickets are completed by each man, the figure becomes 196,078, or 38.5 per cent., and the percentage would be reduced to 29.2 per cent. were each labourer who goes out to work to complete a full year's work of 10 thirty-day tickets.

We are of opinion that the average length of time which a labourer now works approximates to 6 thirty-day tickets per annum.

The figures given by the Native Registration Department of total male natives registered in employment during the past fourteen months are given in Appendix V. Though not accurate in themselves, these figures give an informative index of the fluctuations in the supply of labour from month to month. For the first two months of 1927 the average number employed is 186,507—or 16,869 more than is shown as the total requirement in April this year. The reasons for this discrepancy are chiefly two-fold—

1 The figures shown by the Registration Department, as explained in the foot-note—Appendix IV—by the Chief Registrar of Natives, are increased to an unknown extent by the registration of natives who have died and whose deaths have not been reported, and by omissions on the part of employers to advise the Registration Department of engagements, discharges, desertions or deaths, and by the habit of employers having a number of natives "on call"—*i.e.*, of giving them indefinite leave, also by that number of labourers who are absent from work on account of sickness and short holiday periods. The tendency of labourers to take short leave is responsible for considerable wastage, since employers, to protect themselves, are compelled to keep a much larger labour force than they should, to enable them effectively to staff their estates.

2 The figures given by us for agricultural requirements assume efficient handling of labour, the use of labour-saving appliances, and no wastage of labour. Such conditions cannot be completely fulfilled, and to some extent a measure of these factors is given by the discrepancy between the figures of estimated requirements and those of labour actually used.

Conversely the uncertainty as regards the number of squatters is to be noted. Squatter men in the Colony are estimated at approximately 20,000 in number. None of these squatters should appear in the figures of the Registration Department, but undoubtedly some of them do, and it is thought that possibly 5,000 are included. All squatters should be shown on the returns to the Agricultural Department of labour employed on farms, etc., for the period during which they are working, but probably not more than 50 per cent of them are so shown. In our figures of labour requirements for agricultural industries, it is immaterial whether the workers be casual or squatter, they are for men working only. If, as we suggest, there are 20,000 squatter men in the country, and 5,000 of these are registered, and if the balance of 15,000 work on the average 180 days in the year, they will form an additional supply equivalent to 9,474 labour units. A considerable number of these squatters, however, do little or no work, and probably 5,000 might well be cut off the balance of 15,000, reducing the equivalent in labour units to 6,316, or in round numbers 6,000.

It should be noted that the figures which we have put forward for the labour requirements of industries have been estimated without reference to the figures shown by the Registration Department, and we think that having regard to the two reasons given above for the discrepancy between

the two sets of figures, any disparities in our estimates are comparatively insignificant. Furthermore, the numbers we suggest as being required for agriculture tally very well with the average number returned as so employed during 1926.

39. The percentage of each tribe in employment is given in Table 2, Appendix IV. The potential number of labourers, as given by the Registration Department, of each tribe is also shown. The total labour force of the Colony is thus shown as 509,528—*i.e.*, males between 15 and 40 years of age. Of this number the official return suggests that 20 per cent. are unfit for hard work, leaving a balance, who might be employed, of 407,623. Of these probably 7,623 may be in employment, but not registered, *e.g.*, engaged in the fishing industry, in the King's African Rifles battalion, traders, etc., and we think that 400,000 probably represents the potential labour supply of the country. Of these, considerably less than half are at work outside the reserves at any one time. The same table gives an indication of tribes who might furnish an enhanced supply.

From North and Central Kavirondo, Lumbwa, Nandi, Teita, and the Kikuyu country as a whole, the percentage of natives who come out to work may be regarded as not unsatisfactory, varying as it does from 32 to 62 per cent. of the male native population between the ages previously stated. The return, however, shows latent sources of supply among the Meru, Embu, Akamba, South Kavirondo, Kamasia and Coastal tribes, from which the labour requirements might be largely augmented with advantage to the tribes themselves.

40. If we refer back to July, 1926, the last month for which actual figures are available, showing the number employed in agriculture, the following are the figures of supply and demand:—

*Supply—*

Registration Department figures	. . .	169,490
add Squatters (say)	. . . . .	6,000
		<hr/>
Total		175,490
		<hr/>

*Demand—*

For Agriculture (men only)	... ..	67,263
„ other agricultural pursuits	. . . . .	85,923
		<hr/>
Total	... ..	153,186
		<hr/>

the balance—22,300 in round figures—should give an indication of the number accounted for by the two factors mentioned above; in other words, about 87.5 per cent. of the units shown in the Registration Department figure are calculated to be at work, or nearly 12.5 per cent. should be deducted from the registered employed to give the number actually working. Hence it may be assumed that 163,194 of the 186,507 registered in January and February of this year were at work. To this should be added the 6,000 squatters, bringing the number almost exactly to what we estimate as the requirements at the present moment, *viz.*, 169,638. For the ensuing period—October, 1927, to March, 1928, covering coffee picking and maize harvesting, additional units, amounting to 33,440, will be required to meet the needs.

The normal average of women and juveniles in employment in agriculture only, is known to be at least 20,000, excluding the very large numbers of daily workers not returned in the agricultural census figures, and in other years this unknown number, surplus to the 20,000, has picked practically the whole coffee crop. This would wholly account for the additional requirements of 33,440 indicated above.

We are not called upon to report on the labour requirements for activities and industries other than agricultural in the years 1928 and 1929, but in order to visualise the position in those years we have perforce had to consider them broadly and have assumed an annual increase of 10 per cent. on the 1927 figures

In 1929 we anticipate the demand during the period April-September for agriculture as 102,309, and for activities other than agricultural as 103,966, or a total of 206,275 units

On the basis of registered natives the total number required to be on the register to provide the total requirements in 1929 would be about 232,000, or an increase over present registrations of approximately 46,000. That figure can be reduced by 6,000, representing "working squatters," who are not registered, and by the number of women and juveniles which may be placed at not less than 24,000 in that year, leaving a nett shortage of 16,000 units during 1929. We have indicated latent sources of supply from tribes mentioned above, and it is not unreasonable also to suppose that labourers will continue to come out of the reserves in increasing numbers, as they have done in past years, excepting in 1925. During the last five years the annual average increase in the labour supply, as shown by the Registration Department, has been approximately 16,000. It may reasonably be expected that the deficit of 16,000 would be forthcoming from the tribes mentioned above, leaving a reserve in the increased number of labourers likely to come from those tribes which are at present the largest contributors to the labour requirements of the country.

*Term of Reference III.*

"What measures of improvement, if any, may be adopted for the better use of the labour supply now engaged on public or private work."

41. We have received lengthy letters and memoranda from correspondents to whom this term of reference was referred for their advice. Not unexpectedly many of the statements made and opinions expressed did not fall within the scope of our review and report, but none the less we fully appreciate the attention which a large number of employers gave to a consideration of the subject. It is not considered necessary to present this correspondence *in extenso* with our report, but for purposes of record, and in acknowledgment, the principal proposals and recommendations falling generally within the term of reference quoted above are summarised hereunder :—

GENERAL.

(1) *Recruiting*—

(a) That the elimination of professional recruiters, allowing each estate to stand on its own merits in securing labour, is beneficial

(b) That certain reserve areas be allotted to certain settled areas for recruiting. Kavirondo to be left open

*Remarks.*—(a) It is noted that the farming community is generally strongly against the employment of "professional recruiters," and in principle we support this view.

(b) We consider these proposals to be impracticable, and in any case they would be detrimental to native interests.

(2) *Excursions.*—That the advertisement of railway excursions to agricultural centres during harvest seasons be recommended.

*Remarks.*—This recommendation is dealt with later.

(3) *Married Labourers.*—That a system of regular labourers accompanied by their wives and families, with consequent improved health and efficiency be encouraged.

*Remarks.*—We consider that such a system is beneficial both to the labourer and to the farmer, and should be encouraged as far as possible. Broader aspects of this question are dealt with later.

(4) *Training*.—That compulsory mental and industrial training of natives from the age of six upwards be recommended.

*Remarks*.—Such a training would have the most beneficial results, but it is realised that circumstances will not permit the adoption of the proposal in its application compulsorily, in any case for many years to come.

(5) *Information*.—That District Commissioners should hold meetings and inform chiefs in reserves when and where labour is most required.

*Remarks*.—The communication of such information to natives should prove of benefit to them, and to the farming community, and we recommend that action accordingly should be taken.

(6) *Registration*.—That no native should be employed, even for less than twenty-four hours, without his kipandi being signed up.

*Remarks*.—It is considered that the present provision in the law meets the needs of the country in general, if properly applied.

(7) *Thirty Working Days* —That this system of employment be adopted universally.

*Remarks*.—This suggestion is approved. It is thought that the system is universal with the exception of certain Government Departments. We are not convinced that the difficulties raised by the Public Works Department in this connection are not capable of solution.

(8) *Length of Contract*.—That the length of contract be increased to twelve months wherever possible.

*Remarks*.—The advantages of a longer period of service are apparent, and evidence shows that the length of contract is being voluntarily increased. Indeed, in the main, the growing custom of employing non-contract labour tends to produce the result desired.

(9) *Working Hours*.—Where labour is working long hours at a stretch the provision of cooked food at about mid-day is thought to increase the quantity and quality of work done.

*Remarks*.—This suggestion is recommended to the notice of employers generally, though it is known to be an increasing custom.

(10) *Machinery and Fuel Oils*.—

(a) That the increased use of machinery and mechanical power saves much labour.

(b) That the prohibitive cost of fuel oils militates against the increased use of machinery.

*Remarks*.—These matters are dealt with later.

(11) *Clearing*.—That the use of mechanical stump pullers in clearing land is of value.

*Remarks*.—This suggestion is undoubtedly of value where sufficient acreage is being cleared to make the use of mechanical stump pullers an economical proposition.

(12) *Roads*—

(a) That the increased use of road-making machinery on public roads will conserve labour.

(b) That the use of road-making machinery on estates will cause a considerable saving.

*Remarks*—

(a) This matter is dealt with later.

(b) The use of expensive machinery can be considered economical only in the case of the largest estates, but we see no prospect of its general introduction on private works.

(13) *Supervision*.—That constant personal supervision is necessary.

(14) *Efficiency* —That the reduction in the numbers of labourers needed may be attained by increased efficiency and increased pay ratio.

*Remarks* (13) and (14).—These matters are referred to elsewhere.

(15) *Convicts*.—That increased efficiency of convict labour will react on other labour.

*Remarks*.—The proportion of convicts to the total labour population is so small that it is not thought that this question can affect labour conditions and efficiency appreciably.

(16) *Responsibility of Native Labour*.—That the inculcation in the native of an increased sense of responsibility with regard to the use and care of machinery, forests, water supplies, buildings and sanitation, will tend to the conservation of labour.

*Remarks*.—We agree. This is referred to elsewhere.

(17) *Management*.—That increased skill in management of labour is necessary.

*Remarks*.—This is referred to elsewhere.

(18) *Book-keeping*.—That education of the planter in book-keeping and accountancy will react beneficially by economising labour.

*Remarks*.—A better knowledge of labour costs will doubtless tend to cause economy to be exercised.

(19) *Medical Services*.—That the provision of more efficient medical services, housing and recreation facilities, is essential.

*Remarks*.—This is referred to elsewhere.

(20) *Bonuses*.—That a bonus be given for regular attendance and good work.

*Remarks*.—This seems to be a matter for individual consideration, and is to our knowledge in operation.

(21) *Tasks*.—That piece-work tasks do not represent a fair day's work and should therefore be generally increased.

*Remarks*.—This is referred to elsewhere.

(22) *Manure*.—That transport charges on manure be reduced to a minimum. The encouragement of manuring will give larger tonnage per acre, thereby saving labour, and the railway and revenue will ultimately benefit.

*Remarks*.—It is noted that transport charges on manures are already low. Heavier yields will undoubtedly lower costs of production and some saving of labour per unit of production may be effected.

#### COFFEE INDUSTRY.

(23) *Co-operation*.—That the industry be organised to agree to the rates of payment of labour, conditions, and fixing of tasks, and loyalty of the members to such organisations be recommended.

*Remarks*.—The questions of tasks and conditions are dealt with elsewhere. While the suggestion expressed appears advisable, it is unquestionably a matter for an industry itself to organise.

(24) *Experimental League*.—That an organisation be formed to test machinery and appliances which might make for labour-saving in the industry.

*Remarks* —Work of this kind would be valuable, and should be dealt with by the organisation representing the industry



(25) *Picking*.—That an organisation on the lines of hop-picking in England to provide pickers for the crop and the use of a smaller maintenance force will materially decrease the labour required in the industry.

(26) *Labour Camps*.—That the provision of labour camps with accommodation for women and children will assist the supply of labour.

(27) *Labour Depots*.—That all labour from the reserves should pass through central depots for distribution to farms.

*Remarks* (25), (26) and (27).—These are referred to elsewhere.

(28) *Schools*.—That the main school holidays should be made to synchronise with the coffee harvest.

*Remarks*.—From information furnished it is seen that this suggestion cannot be carried out without some difficulty on the part of missions, but we recommend that wherever possible the school holidays should be made to synchronise with harvest time. It is thought that missions should welcome an opportunity for their adherents to earn sums of money for their own benefit.

(29) *Harvest Rates*.—That the regular labourers on farms be given an opportunity of earning the same high rates of pay at harvest time as the temporary pickers.

*Remarks*.—This matter is dealt with elsewhere.

(30) *Advances*.—That the system of giving large advances to labourers not at work, thereby enabling them to remain in the reserve until the giver of the advance requires their services, should be prohibited.

*Remarks*.—This is considered to be an iniquitous system and one ultimately disadvantageous to the employer and morally indefensible. Though it is realised that difficulties might arise in the administration of legislation dealing with this matter it is recommended that Government should consider whether an enactment should not be passed prohibiting this system.

(31) *Contracting*.—That a system of families contracting to perform all cultivation on a given area be encouraged.

*Remarks*.—This system might be advantageous both to employer and employees, and is recommended for consideration.

(32) *Size of Estates*.—That since larger estates are more economical, the amalgamation of small estates is suggested.

*Remarks*.—It is not admitted that large estates necessarily economise labour, and in any case this is a question which can but solve itself in due course according to economic laws.

(33) *Pruning*.—

(a) That the multiple stem system should be adopted wherever possible owing to the saving in labour both in pruning and picking.

(b) That a much lighter pruning than is usually done is just as effective.

(c) That the introduction of a strain of coffee with a naturally open growth, requiring less pruning than the usual strain, is possible.

*Remarks*.—These matters are dealt with elsewhere.

(34) *Mulch Crops*.—That the growing of a mulch crop to be ploughed or disced in, will save much of the weeding labour otherwise necessary.

*Remarks*.—Some labour in weeding may be saved. This is a matter rather of farming practice.

(35) *Picking*.—That the provision of more suitable receptacles than those generally employed, leaving both hands free for picking, will materially aid in the picking of the crop.

(36) *Transport of Cherry*.—That the carriage of cherry coffee to the factory be better organized, and that the pickers do not have to carry the cherry for long distances.

(37) *Factory*.—That coffee factories be designed with a view to reducing the labour required, and that gravity feed, mechanical separators, conveyors and elevators, and the Guatemala Grid, be employed wherever possible.

*Remarks* (35), (36) and (37).—These matters are dealt with elsewhere.

(38) *Centralisation*.—That central coffee factories to serve smaller estates will ensure more economical working.

*Remarks*—This suggestion is already accepted in principle, but it appears to be rather one of "coffee economics" than of labour.

(39) *Firewood*.—That the provision of firewood for workers, enabling them to spend longer hours in picking, will ensure a larger output per head.

*Remarks*.—We agree.

(40) *Coffee Picking Machine*—That enquiries be made as to the possibilities of such a machine.

*Remarks*.—Enquiries have been made regarding such a machine, but at present it seems to be only in the experimental stage, and it is not by any means certain that when it emerges from that stage it will be of very great benefit, as it is understood that the machine now being introduced does not pick from the trees but merely lifts coffee from off the ground.

(41) *Hut Tax*.—That the collection of Hut Tax be made to synchronise with the coffee harvest.

*Remarks*.—It is known that Government has been frequently addressed on this subject during past years, and we are informed that suitable instructions in this connection have been issued to administrative officers. It is understood, however, that there are certain practical difficulties in its application.

#### WHEAT

(42) *Machinery*.—That the use of up-to-date machinery is essential and that considerable loss and wastage occur from the use of inefficient machinery.

*Remarks*.—It is agreed that up-to-date machinery should be introduced, but this is a matter to be considered by the individual farmer. The cost of new machinery must be taken into account against the saving of labour, and its profitable use is largely governed by the extent of land under wheat on the holding.

(43) *Co-operation*.—That the use of a reaper-thresher where acreages are not sufficiently large to enable individuals to purchase their own, be undertaken by groups of small farms.

*Remarks*.—Only exceptionally has the co-operative use of machinery been found effective, owing to the fact that members co-operating are apt to require the use of the machinery at the same period, and dissatisfaction is liable to ensue. Co-operation in respect of a portable power thresher is advised, when strippers are not used in harvesting.

(44) *Bags*.—That the use of a smaller and more easily handled bag, about 65 kilos (143 lbs.), would save labour in handling the crop.

*Remarks*—The 200 lbs. bag has become standardised, and accepted in the trade, and we do not recommend the change.

(45) *Game and Birds*.—That the preservation of buck be discontinued, and the control of zebra, buck and birds be undertaken

*Remarks*.—It is realised that game and birds do considerable damage and occupy the time of an appreciable number of labourers for guarding crops. Facilities have already been given by Government for the destruction of

zebra, and the only other remedy we can suggest lies in the hands of the farmer and is that of fencing land. The destruction of birds, which eat the grain only in its soft stage, is admittedly a difficult matter, for which no solution is yet known.

#### MAIZE.

(46) *Planting*.—That wider planting between rows to enable mechanical or ox cultivators to go on for longer, and save hand weeding, is desirable.

(47) *Stooking*.—That a system whereby the period of harvesting is increased by six weeks and some handling of the crop is eliminated, should be more generally adopted.

*Remarks (47) and (48)*.—These are rather matters for the individual farmers. Apart from their effect on labour, which is probably comparatively small, they raise other important considerations.

(48) *Small Elevators*.—That these should be used for filling cribs and feeding shellers.

*Remarks*.—Such small elevators would make for a saving in labour and their introduction is recommended.

(49) *Mechanical Stackers*.—That these be used more extensively for handling grain.

*Remarks*.—It is understood that experiments are to be made with mechanical stackers, and if they are found satisfactory, doubtless they will be adopted at the larger handling stations and a saving in labour will be effected.

(50) *Elevators*.—That the provision of elevators for bulk handling of the crops is necessary.

*Remarks*.—This issue is not so much one connected with labour, but one involving heavy capital and recurrent expenditure, with attendant savings in certain directions. It is not primarily a question falling within the scope of this enquiry.

#### SISAL.

(51) *Mechanical Dryers*.—That the use of these would reduce factory labour by 50 per cent., if freight and fuel were cheaper.

(52) *Mechanical Brushers*.—That the use of mechanical brushers when they become more efficient will cause a large saving.

(53) *Conveyors*.—That conveyors for bales and fibre to and from drying grounds and the use of larger bales will economise labour.

(54) *Transport*.—That an improved type of container, to be filled and loaded in trucks and handled by cranes to the factory be introduced.

(55) *Dry Decorticators*.—That these, if and when they become efficient, will result in a large saving of labour.

*Remarks (51) to (55)*.—All these refer to machinery which is yet in the experimental stage only. It is thought that satisfactory machinery for all these processes will sooner or later be manufactured, and the labour employed in factory work in the sisal industry correspondingly reduced. We are glad to note that those engaged in the sisal industry are giving attention thereto.

(56) *Transport*.—That the use of tractors and trailers for light cuttings, instead of laying rails, be recommended.

(57) *Coal*.—That the use of coal wherever transport costs permit, instead of wood fuel, is advisable.

*Remarks (56) and (57)*.—These suggestions raise other important issues of relative costs, and we do not offer an opinion.

(58) *Specialisation*.—That labour be more highly specialised, notably in cutting. The cutter should cut only, and bundling and carrying be done by less skilled labour.

*Remarks*.—This is obviously sound labour organisation.

(59) *Catch Crops*.—That the growth of catch crops between the rows during the early stages of growth will entail a more economical use of labour.

*Remarks*.—The growth of catch crops, as suggested, may be profitable or otherwise according to local conditions, but it is not a question seriously affecting the labour position.

(60) *Unnecessary Cultivation*.—That cultivation be reduced to a minimum and no labour expended in improving the look of the plantation.

*Remarks*.—This suggestion, if applied, may reduce the number of labourers, but other important considerations are involved which do not come within our purview.

42. We have embodied all the above proposals and our remarks thereon in our report in the hope and expectation that some of them, at least, may receive the attention of private enterprise, and that by adjustments and alterations in existing practice better use may be made of available labour. It is clear to us, however, that the greatest opportunity for economising labour lies in better management of labour and farming practice. It is not within our power to show that way, rather is it a matter for individual attention, and as we have observed elsewhere in this report, the position is steadily improving as experience is gained. We support the view of several correspondents that more skilled supervision of labour will effect great economy, and labour will thereby become more efficient. The evidence forthcoming in the course of our enquiries under Term of Reference 1, has shown that in the production of similar results there is a wide disparity in the quantity of labour used on different holdings. That appears to apply particularly to the coffee industry, where large numbers of labourers are employed on a comparatively small area of land.

Additional to the comments made under "Remarks," pertaining to the several suggestions made by correspondents, and to the above general observations, we shall endeavour to elucidate the subject further, and to make recommendations under several heads, as follows:—

43. *Mechanical Power*.—In a foremost place, as a means for economising labour, we would place the substitution of hand labour and labour engaged on operations employing ox draught, by machinery and implements drawn by mechanical power, both on farms and for such operations as road-making and all works ordinarily involving manual labour. Even although in the case of certain farming operations the working costs may be higher with mechanical power than with oxen, advantages are likely to be gained through the employer being placed in a more independent position as regards labour, and he is thereby enabled to control the position and to organise the work of his holding more efficiently. During the last two years in particular a forward movement has taken place in the introduction of agricultural tractors in large numbers, but on information furnished we are of opinion that their success and permanent use is bound up in the question of costs of fuel oils, and we desire to urge the importance of cheapening the working costs of agricultural tractors by every means available to reduce the cost of these oils.

Dependence upon mechanical power may not be advisable in the case of the smaller farmers, and on many holdings the agricultural producer will probably be placed in the strongest position by a combination of mechanical power and draught oxen. A deterrent factor in the increased use of mechanical power is the cost of replacing oxen and implements of ox draught by tractors with their suitable equipment. According as the prosperity of farmers improves, so they will be in a better financial position to effect the change. That present difficulty is an additional reason why recurrent expenditure in the shape of costs of fuel oils should be as low as possible.

It is difficult to arrive at figures representing the actual saving in costs of labour effected through the use of mechanical power, but we are satisfied that it is substantial. According to the operation, the savings effected may be from three- to ten-fold in the case of work done by mechanical power.

44. *Roads.*—Enquiries from the Public Works Department elicited the information that of the total labour force of approximately 4,500 in 1927, 3,500 are employed in the construction and maintenance of roads, the balance being occupied mainly on buildings. It is understood that a large programme of road reconstruction and improvement has been sanctioned which, it is estimated, would employ 11,000 labourers within the next two years, if use be not made of mechanical road-making machinery. With mechanical aids, such as it is proposed to introduce, the road engineer estimates that the same work will be carried out with an actual reduction in the number of labourers employed on the roads from 3,500 to 3,000. On this service alone, performed with mechanical power instead of hand labour, a saving of about 11,500 units of labour is shown.

45. *Organisation of Labour Gangs.*—We have been impressed with the need for supplementing ordinary supplies of labour, especially during the coffee-picking season, and it may also exist for maize harvesting, though the need in respect of the latter industry would appear to be less pressing than coffee-picking.

While we are opposed to the professional recruiter, we consider that labour contractors of standing and good repute could render valuable service during the few months of the harvesting season. Evidence has been laid before us to show that if coffee planters and farmers were prepared to organise the effort, contractors would be forthcoming to supply labourers in considerable numbers. One contractor alone informed us that he could undertake to supply labourers to the number of one thousand, spread over say five sub-districts, for a period of a few months, as required. We suggest that agricultural producers should form themselves into an organisation consisting of a group of members living in juxtaposition to one another, and that they should enter into an undertaking with a labour contractor to supply a given number of labourers at an agreed wage for a stated period. The disposition of these labourers between the holdings of members of the group should be arranged by a committee representing the members, or say between the chairman and the contractor.

To the establishment of a central camp, of a good form of construction and provided with proper sanitation, we attach great importance. A satisfactory scale of rations should also be laid down, and an endeavour should be made to provide simple medical attention. We see no reason why such central camps should not provide for wives and families of labourers, as well as for men. The work of harvesting, both of maize and coffee, is of that light kind which is suitable for women and juveniles, and opportunities exist for good wages to be earned. Schemes of this kind might well be popularised through Government effort. Indeed it might well become an established custom, as in the case of hop-picking in England, for labourers so to engage their services for a special and short period, and they might also be transported considerable distances by rail for that purpose.

46. A variation of this proposal would be the employment of gangs of labourers, including women and juveniles, again for a similar special purpose, provided and supervised by headmen, or other responsible Africans belonging to a location. But, however it may be done, we desire to see schemes of this kind introduced, and we are of opinion that they can be made to contribute successfully to the proper completion of harvesting operations, particularly during a period of shortage of the ordinary labour supply, and in seasons like the forthcoming one when the coffee crop is likely to be above normal. We desire therefore to urge upon coffee planters in particular that they should examine this proposal in a favourable spirit, and endeavour to make provision for the work of coffee picking to be supplemented along these lines.

47. *Transportation of Labour.*—We are aware that Government has taken steps to make better provision for the accommodation and food of labourers in rest camps in the reserves, also *en route* to the place of their employment. We suggest an extension of the existing system, whereby trains are arranged for as required by forwarding agents and others, and that “labour trains” be run from populous centres on regular dates. We recommend also that proper arrangements be made for food to be supplied at a cheap rate on the journey, preferably by the Railway Department. It would be necessary to make these arrangements well known in the reserves, and it is thought that such facilities will increase the free flow of labour from the reserves, and that natives would be encouraged to exercise freedom of choice in respect of their employment, particularly those who have previously been employed outside the reserves.

As a corollary, and in order to provide properly for the greater traffic indicated above, labour camps should be established at those centres where large numbers of labourers pass through. These camps should be under proper supervision.

48. *The “Tin Ticket” System.*—Some years ago the planting community of Ceylon organised, in conjunction with the Government of the Colony, a system for the forwarding of labour from South India, referred to generally as the “Tin Ticket” system. More recently, as we are informed, Government has taken over the control of the organisation. Briefly the system is as follows —

A Ceylon Labour Commission exists, financially supported by the planters of the country on a basis of 30 cents per cultivated acre. The Commission exists “in order to facilitate in every way the recruiting of agricultural labourers for Ceylon estates. The Commission undertakes no direct recruiting, but the scope of the Commission consists in the following :—

Financing and assisting kangames who come over from Ceylon on recruiting expeditions on the orders of the estate superintendents.

Registering coolies at the various agencies and forwarding them on to Ceylon. Passing them through the depots, feeding and protecting them from molestation in every form as far as possible. Rejection of medically unfit, minors, solitary women and undesirables.

Supervision of kangames sent over to recruit and furnishing reports to the estates from which they come

*Recruiting Prospects.*—Furnishing information to the Coast Agency Committee, and estates concerned, as to labour conditions ruling in South India, and prospects of recruiting in various districts from month to month, based on camping report furnished by the controlling staff

Advertising Ceylon throughout the recruiting districts of South India. Overlooking and criticism of all recruiting carried out in South India, with the object of maintaining the good name of Ceylon, together with the enhancement of emigration to that Colony”

A form, given in Appendix VII, printed in English and Tamil, is supplied to a kangame, corresponding to a “nyampara” of this country, who is sent over to the Madras Presidency with a number of tin tickets stamped with three numbers—one referring to the district, one to the estate for which the recruit is destined to work, and the third the number of the ticket. These he hands to coolies who are prepared to go to work in Ceylon. This tin ticket entitles the coolie to conveyance by rail and boat, to necessary food, and if required, an advance of pay, not exceeding Shs 20/-. Government accepts responsibility for the safe delivery of the coolie from the main forwarding depot in South India to the station nearest to the employing estate in Ceylon, and charges all expenses to the estate to whom the recruit is sent. We are of opinion that an adaptation of this system might be of considerable assistance in facilitating the recruitment of labour in this country.

We understand that recruitment of labour done for the Chamber of Mines, Johannesburg, is organised in a manner whereby similar care is exercised in regard to the passage of the labourer from his home, not infrequently as far distant as Portuguese East Africa, to the mine for which he is destined to work.

We commend these proposals to the consideration of Government, and we would suggest that an experienced officer should be sent to Johannesburg and Ceylon to enquire into the operation of the systems in force for the recruitment of labourers, and for their care, with a view to the adoption of the principle in this Colony, with such modifications as local circumstances demand.

49. *Conditions and Period of Employment.*—The provision for better feeding, housing, educational facilities and attention to the general welfare of the native employee has so often been urged, and agreed upon, that it is not necessary to comment upon these matters further; suffice it for us to reiterate their importance. We desire further to urge the importance of providing greater facilities for skilled medical attention being given to the large number of natives now living in non-native areas, supplementary to the simple medical services now being rendered by the employer. The improvement in physical condition and general virility, together with contentment, which would be brought about by the improved conditions outlined above, would effect economy in labour inasmuch as the labourers would become more efficient and possess greater capacity. For a given amount of work an appreciably smaller number of labourers would be required. There appears to be a growing tendency for natives to attach themselves to particular farms, and to lengthen their period of employment. Every effort should be made to encourage labour to remain for longer periods in employment. In this way also greater efficiency and capacity for work is secured. With short periods of service labourers have no opportunity of acquiring skill in the performance even of ordinary manual tasks, and they are not interchangeable in different classes of work, as they should be, and wastage results.

50. Fears that they may be short of labour for specific and important work, *e.g.*, coffee-picking and maize harvesting, cause employers to hold up labour beyond their requirements during the slack season; labour which is therefore not used to the best advantage. If the employer were assured of a sufficiency when he required it, he would dispense with the services of such labourers, thus rendering a large supply available for work under other employers or in the native reserves.

Other and serious causes which shorten very considerably the available labour supply are the practice of employers giving their labourers indefinite leave without signing off their kipandis and of labourers absenting themselves without leave before the period of their engagement expires. Under existing conditions it is difficult to discover when such offences are committed, as it is not permitted to endorse leave given on the kipandi, and in cases of absence without leave the employer usually takes no action against the labourer on his return for the reasons that the employer is ordinarily in rather a dependent position, and is not prepared to spend time and money in bringing him before the District Commissioner—usually in a court far distant from his farm—with the further result that the services of the labourer are lost during the period of incarceration, if a conviction takes place.

We recommend that :—

1. Instructions be given to administrative officers that they and their staffs take every opportunity of examining the kipandis of natives in the reserves and send back to work any that appear to be absent without leave and are not discharged.

2. That it be brought prominently to the notice of chiefs and headmen in the reserves, at barazas and otherwise, that it is an offence for natives to be in the reserves with an " open " kipandi.

3. That provision be made on the back of the kipandi for entries in respect of grants of leave, and that amending legislation be introduced, making it an offence if the employer does not endorse thereon the period of leave granted.

57. *Juvenile Labour*—One of our colleagues has presented a memorandum on the subject of the employment of juvenile labour, and we regard this subject and the contribution as so important, that it has been embodied in this report (*Vide Appendix VIII.*)

Summarised briefly, it is stated that the principles of juvenile employment have been accepted by the Medical Department and the Chief Native Commissioner as in no way harmful to the juveniles. It is pointed out that employment of juveniles on estates does not subject them to the evil influences of towns, and that lack of discipline owing to loss of parental control, such as might be apprehended, is in fact not a serious factor since parental control in the reserves is little exercised. The habit of work which the juvenile will acquire in early life will be beneficial to the growing lad. The conditions of employment of juveniles are superior to the conditions under which they normally live, and the moral atmosphere on farms is fully equal to that of the reserve.

The juvenile working on a farm gets more regular and better quality food and medical attention, and as a class appears to be more happy and healthy than his brother at home. Tasks and hours are in no way beyond their strength, and there is much work on every farm which the juvenile can easily perform.

In the majority of cases educational facilities and religious instruction are provided. We concur in the views expressed, and are of the opinion that all reasonable steps possible should be taken by both Government and the private employer to encourage the use of this type of labour under proper safeguards for the benefit of the employer and employee alike.

52. Through the courtesy of the Government of Southern Rhodesia, we have obtained a copy of an Act regulating the employment of native juveniles, which has recently been promulgated in that Colony, and of which the following is a summary:—

1. Native juveniles must have a certificate from a Native Commissioner before they are allowed to seek work, and contract their services for a period exceeding one month.

2. Native Commissioners have powers—

(a) to terminate any contract between a juvenile and his employer for certain reasons—*e.g.*, undesirable character of employer, nature of employment—if dangerous, immoral or injurious; or on the reasonable request of the juvenile's parent or guardian;

(b) to inspect and enquire into conditions of employment;

(c) to hear complaints from employers against juveniles, and to inflict a fine not exceeding Shs 10/- or whipping;

(d) to take charge of juveniles, if found to be without work, and, in the absence of parent or guardian, contract the juvenile with an employer for not more than six months.

3. It is the duty of the employer to register all juveniles employed, with the Native Commissioner of the district, giving the following particulars —

Name, number and district of the juvenile.

Name and kraal of juvenile's father or guardian.

The duration and nature of the service.

The rate of wages stipulated for.

4. A saving clause is inserted to safeguard the rights of parents and guardians over juveniles.



The Act applies to juveniles entering the Colony from other territories.

The legislation in this Colony affecting the employment of juveniles allows for the apprenticeship of juveniles in certain forms of employment, but this necessitates the execution of a deed of apprenticeship, and is seldom resorted to.

53. *Task and Piece Work.*—It is frequently stated that the task set is too small, and that it is completed in, say, four to six hours or less. It has come to our knowledge that some employers have lowered the task in order to attract labour, and there is some evidence to show that the task is not infrequently the measure of the slow worker, rather than that of the labourer of average capacity, as it should be.

It is possible that in some cases employers have some difficulty in arriving at a fair task, and in the absence of that dependence of the employer upon the employee it is likely that the task set will in future be adjusted to a reasonable one. The importance of seeing that a fair day's work is demanded of each employee cannot be too strongly urged upon employers. It is demoralising to the native that he should be permitted to earn a day's pay for what amounts to one-half to two-thirds of a day's work, and moreover, here is definitely a cause which gives rise to labour wastage and shortage.

Certain industries and operations lend themselves to the adoption of a piece-work system, and we are glad to know that this practice is becoming more common. It is one which encourages the maximum output of work, and is fair both to employer and employee. Piece-work also possesses the advantage of teaching the native to quicken his present slow working speed, and will therefore increase his capacity for work, with consequent higher earning power.

Our attention has been drawn to a source of dissatisfaction among labourers engaged in the coffee industry. It appears that the regular labourers, when put to coffee-picking, are not always allowed the opportunity of earning higher wages granted to casual pickers working under the piece-work system. We think that the complaint is a just one and consider that coffee planters should reorganize their work during the coffee-picking season so that every labourer on the property be placed on an equable basis. Such difficulties as have been represented to us in the application of this practice appear to be trifling, and as in other countries so in Kenya, every "pair of hands" on a coffee estate should be encouraged to pick the maximum amount of coffee, even to the extent of working overtime.

54. *Conservation of Labour in Coffee.*—We have ascertained that there are several directions in which those engaged in the coffee industry could effect improvements which would cause a considerable saving in labour, though we are unable in all cases to assess with a reasonable degree of accuracy what that saving would amount to. Apart from the ordinary methods of good plantation management and the use of tractors in cultivation, to which reference has already been made, the main heads under which we consider that the attention of coffee planters should be directed are the following.

(a) *Factory.*—With improved lay-out of the factory and attention to well placed cherry tanks accessible to wagon traffic, automatic feed of cherry coffee, sufficient slope for gravitation feed, proper washing channels and separating facilities between pulpers and fermenting tanks, together with the introduction of modern machinery and provided always that a good "head" of water is available, great savings in labour can be effected. It has been estimated that with these facilities a factory can be run with not less than one-fifth of the number of labourers which would be employed under favourable conditions.

(b) *Pruning Systems.*—There is entire agreement among coffee planters that the introduction of the multiple-stem system of growth effects great saving in the labour of pruning. For other reasons, which do not fall

within our purview, this system is to be recommended, and we desire to urge upon coffee planters the general adoption of this method. There is evidence to show that under this system the labour requirement for pruning is about one-fourth of that needed under the ordinary single stem system.

(c) *Picking*—Considerable economy can be exercised if pickers are provided with proper receptacles into which the coffee is picked. They should be constructed in such a manner, and hung to the body of the picker in such a way, as to leave both hands free for picking.

Again, there is waste of time and effort in carrying small quantities of cherry coffee by hand through the plantation and to the factory. Whenever practicable the picked coffee should be deposited at convenient places in the plantation, and thence transported by cart or other vehicles to the factory.

(d) *Drying*.—Apart from the use of barbecues and mechanical dryers suitable for the larger estates, we are of opinion that improvements can be made in the type of tray used for drying. Types are available by which larger quantities of coffee can be handled with a smaller amount of labour. It is important that every effort should be made to reduce the number of units of labour employed in the factory and in the drying process thereby an appreciable number of labourers is relieved for picking, which generally presents the greatest labour difficulty on a coffee plantation. We are aware that these economies have already been introduced on well managed and well organised plantations, and we desire to emphasise their importance.

55. *Bonus on Re-engagement*—A system which has been recently adopted by the Kenya and Uganda Railway, of offering a bonus to labourers returning to railway employment after a period of leave, has been considered, and we think that a somewhat similar system is applicable to estates employing labour, and we suggest it for the consideration of owners and managers. The circular setting out the conditions and regulations is given in full in Appendix IX.

The principle of the system is that a labourer on the termination of his engagement is given a "re-engagement ticket" which, if he returns to offer his services to the Railway again within a given time, entitles him to a bonus or "leave payment," provided he signs on for a further period of not less than six months. Such a system, besides offering an inducement to the labourer to return to his original employer without overstaying his leave, would be of advantage to the employer in ensuring the return of the labourer to the estate on which he was previously employed, and to the particular work in which he would have previously acquired some skill. The cost to the estate would be not greater than the cost of recruiting another labourer, and the employer would directly gain in comparison with a fresh recruit from the elimination of that period of one or two months during which the fresh recruit is of small value until he has learnt his work. The arrangement has been in force in the Railway only for a short time and its efficacy has not yet been proved. It is thought that some difficulty may be experienced until the starting wage is definitely standardised, but we consider that a system based on these lines would be of value to the farming community, and we recommend it to the consideration of individual farmers

56. *Term of Reference IV.*

"To make any recommendations to which the enquiry under (I), (II) and (III) above, may lead them."

Our enquiries have led us to consider the bearing which the power of production of a native living in a reserve has upon the supply of labour outside it. We have therefore had to consider his earning capacity in both circumstances, and in that line of thought we propose to consider also what recommendations should be made to meet future requirements, and what policy should be adopted in the interests both of the native races and the employer.

From the agricultural officers of the Department of Agriculture, working in native reserves, we have obtained estimates of the area of land cultivated and its production, and from agricultural returns and estimates we have arrived at other figures included in the statements now furnished. We calculate that on an average each family (based upon one wife) cultivates per annum an area of land falling between  $1\frac{1}{2}$  to  $2\frac{1}{4}$  acres, including land which in some districts bears two crops during the year, and we have estimated that the average yield of typical native grown crops per acre does not exceed: Mtama, 1,000 lbs.; Maize, 1,000 lbs.; Wimbi (millet) 800 lbs.; Beans, 400 lbs.; Sim-sim, 200 lbs.; Ground Nuts, 400 lbs.; Sweet Potatoes, 2,000 lbs.; Seed Cotton, 275 lbs.

Taking a variety of these crops in the proportion in which they are usually grown, and placing a fair price upon their selling value, we find that each family produces crops which, in value, would amount to between Shs. 55 and 75 per annum. There has now to be added thereto the average value of live-stock and live-stock products sold. Taking the whole native population the average is Shs. 15 per annum. Of this total production of Shs. 70 to 90 per annum, it is estimated that the requirements of each family for their own consumption represents a value of Shs. 40 to Shs. 60, leaving a balance of Shs. 30 per annum, representing the average cash-earning power of each family in the reserve, divided as follows:—

Live-stock and live-stock products sold	Shs. 15/-
Crops sold for export	Shs. 10/-
Crops sold for local consumption	Shs. 5/-
	<hr/>
	Shs. 30/-

It should be noted that for purposes of these calculations we have estimated that there are approximately 600,000 families in the estimated total native population, slightly in excess of  $2\frac{1}{2}$  millions.

57. The earning capacity of a male adult native working for wages on an European holding, and completing nine thirty-day tickets per annum, is taken at Shs. 135 on an average. In addition to this his wife and family, if they so desire, have opportunities without interfering with the domestic life, to earn at least Shs. 25/- per annum at harvest time and on other special work, making a total wage-earning capacity of Shs. 160/-.

Additional to these earnings there is the value of the food, entirely sufficient for himself and in part providing for the family, which is supplied by the employer free of cost. Again, the native employee in most cases occupies land for cultivation by his wife and family, and in his own spare time, and commonly also is allowed to keep a number of live-stock on the farm. From these sources sufficient is produced to provide all the supplementary food required by the family, and often there is a surplus which is sold. On a conservative estimate, and without taking into consideration any proceeds from the surplus mentioned above, the present earning capacity of a native family living and working on an European farm amounts to Shs. 160/-, which together with the value of rations supplied, on the same basis as obtains in the reserve, amounts in all to Shs. 215/-, as against a total earning power of Shs. 75/- to Shs. 90/- under present conditions of work and production in the reserve. It should, however, be mentioned that the average cost of the rations supplied by the employer amounts to about Shs. 75/- per annum, as against Shs. 55/- allowed above for purposes of comparison.

58. In making a liberal estimate of the time occupied by the man and his wife in cultivating their holding and supervising their stock, with the assistance of their children as herds, it is seen that the man performs about 170 hours work during the year; in addition there is the time occupied in building operations for the family huts and stock kraals, which is probably covered by 70 hours; attention to requirements of the administrative officer,

markets, etc., may represent 50 days' time. Reduced to days' work of 8 hours each, it is calculated that on the average the head of the family performs about 80 days' work per annum. It is further calculated that the wife is occupied about 2 to 3 hours per diem in the work of the holding, but in addition she has the care of the household and the family, and commonly she does all the marketing, which often occupies a considerable time as the distance to be travelled is great. In this scheme of activities no work is set aside for the large number of unmarried men in the reserves. It is clear to us that the married women cannot be expected to do more work without neglect of the family, and that there is abundant opportunity for additional work to be performed both by the married and single men, either on their own holdings, or for employers outside the reserve, and in the absence of either form of occupation, idleness, to a degree which does not exist among other races throughout the world, and which is demoralising for the individual, must continue.

59. Our attention has been drawn to the circular recently issued by Government and dealing with the application of the policy of dual development, and urging upon natives their obligation to work either for themselves or for an employer. In that connection we have further estimated that without any additional work being placed upon the wife and family, and leaving ample time for the fulfilment of any demands made upon him for the performance of his share of "public works" in the reserve, the man could reasonably be expected to perform many times the work at present done by him on his holding, with results entirely beneficial to himself, to his family and to the state.

We desire here to mention that returns received from administrative officers, showing the period during which the men are employed in the reserve, are far in excess of the above figures, but on examination we have come to the conclusion that their estimates cannot be defended on the basis of the time occupied in performing the farming operations on the land under cultivation, and attention to the live-stock, while making due allowance for all other duties extraneous thereto.

60. A threefold increase in the production of crops would bring the net earning capacity of the native family in the reserve up to from Shs. 125 to Shs. 165 per annum, leaving the returns from livestock and the value of food crops grown for the family's own use as constant.

It is thus seen that the head of the family would have to work very considerably more than he does at the present to bring his earning capacity and that of his family up to that which he would enjoy by completing nine thirty-day tickets on an European holding, even at existing rates of wages, but assuming that it became the practice for him to be so employed regularly from year to year, his earning power to his employer would be greater, and his wages would correspondingly increase.

Our enquiries into those aspects of the subject, which have a distinct bearing upon the immediate and probable future supply of labour, show that under existing conditions the advantage to the native lies greatly in employment outside the reserve. As to the future, even if the native male adult became industrious in the reserve and showed equal industry under an employer, the view is expressed, on our study of the position, that with his increased skill and capacity for work he will earn higher wages than are at present the rule, and that therefore the advantage will lie in the engagement of his services to an employer.

61. We realise, however, that unsatisfactory social conditions, attended by consequences which are detrimental to family life in the reserve, are in a measure created by the repeated absences of the married male adult even for period of only a few months' duration. On the part of the employer the system, whereby he can rely upon the work of an individual for only a few months' duration, beginning with a period of a month or two during which he is not infrequently unfit for sustained effort, is equally unsatisfactory, and creates great difficulties in the organisation of farming operations. For the removal of these conditions and in the interests both of the

African and his employer, we consider that whole families should be encouraged to become permanently resident in the alienated areas, where satisfactory conditions of life, calculated to bring about contentment, should be provided for them. Every encouragement and assistance possible should be given for the exercise of their own free will if they desire to leave the reserve; no impediment should be placed in their way, and formalities in the shape of agreements, permits and completion of prescribed forms, required from employers, should be reduced to a minimum. The ordinary and simple practice applicable to service whether on weekly, monthly or longer notice in respect of termination of services, should apply equally and in like manner both to employer and employee; *e.g.*, if a labourer leaves a farm, on due notice, he should be entirely free to serve on the property of his new employer.

To some extent Africans are already becoming permanently detached from the reserves, and there is evidence to show both here and elsewhere in Africa, that it is those Africans, so detached, who become the most civilised in their habits and reach a higher standard of life. It is considered that a spirit of self reliance and the development of a sense of responsibility would thus be engendered among these Africans with entirely beneficial results, both immediately and in succeeding generations. Through the establishment of an African population away from the reserves, the children would be brought up in an atmosphere of contact with civilization and civilizing influences, also with industry, and could not fail to benefit and thereby become better citizens, removed from the temptations and bad effects of a life of indolence and ease. It is not apprehended that any difficulties will arise in the control and through the behaviour of such a population. They will be amenable to and abide by the ordinary laws.

62. While it must be admitted that a landowning class or a class which, alternatively, possesses occupier's rights permanently and without payment of rent, are rightly in quite an independent position, yet it must not be assumed that it is best for those people that they so remain upon that land, and certainly they should be expected to make proper use of their enjoyment of these rights and privileges. Given an incentive to better conditions of life, either within or without the reserve, and the creation of an atmosphere of industry and not idleness, the test would then become one of a comparison between the fruits of industry in the reserve and the reward of employment outside it, and in this the African should have entire freedom of choice.

We do not doubt but that with the establishment of Africans with their families, permanently resident outside the reserves and in regular employment in agricultural and other undertakings, the rate of wages will steadily increase beyond its present standard. It does not, however, follow that higher rates of pay would, under those changed and changing conditions, involve higher costs of production. The present wage possesses only an appearance of cheapness, but it is not really cheap because of its incapacity and inefficiency. With that greater skill and capacity for work, together with the development of a sense of self reliance and responsibility which regular employees would undoubtedly acquire in time, the increase in wages would at least be balanced by an increased output of work, more efficiently performed and with less risk to the employer.

63. *Conclusion.*—Evidence has been laid before us by the Labour Committee of the Convention of Associations (*vide* Appendix X), that in some cases development is being retarded through fears of the labour position in the future, also that agricultural producers are suffering from a labour shortage. We realise fully the importance of those representations, and are prepared to admit their accuracy with a limited application, particularly if they are based upon the events of previous years, from which recovery has not yet been made. On the other hand, much evidence has been submitted to us indicating that plans of development in the future are not now deterred—on the contrary, that large programmes of work are being arranged. Again, even if there were no labour problem there would still remain a number of individual employers and estates who, for one reason

or another, would find difficulty in securing labour. It has also come to our notice that estates which are popular among natives bring on their register of employment a number of natives very much larger than their requirements, with resultant wastage and loss to other employers.

64. From a close examination of the whole subject entrusted to us for study and enquiry, we can come to no other conclusion than that in respect of 1927 the immediate requirements are met; and also that the increased demands towards the latter end of the year, and early in 1928, are likely to be forthcoming; and that with the exercise of economy and improved organisation, such as we have suggested in this report, there is no reason to anticipate that the labour supply during that period will fall short of requirements. Again, considering the remainder of 1928 and 1929, and assuming that economies will be exercised in the use of labour, generally through better management and supervision coupled with a continuation and extension of the use of labour-saving machinery and appliances, there is reason to suppose that our estimated requirements can be met from available sources of supply.

65. Beyond that date we are not called upon to report, but we may be permitted to mention that in future years the effect of medical services now being rendered in native reserves on a substantial and increasing scale; the steady improvement in the physique of natives arising from better care and feeding during previous engagements; greater efficiency—the product of experience; and greater capacity—the product both of experience and general fitness for work; should each in their own way be productive of beneficial results, not only to the African, but in respect of the future labour supply.

Viewing the position as a whole and broadly, and in the absence of untoward circumstances and causes arising, which cannot be foreseen and are not contemplated, we are convinced that justification does not now exist for apprehension in regard to the adequacy of the labour supply for the purpose of meeting the needs of steady development, and providing for that progress to which the Colony should look forward with confidence.

#### ACKNOWLEDGMENTS.

66. We desire very gratefully to acknowledge our indebtedness to the large number of individuals, companies, departments and organisations, mentioned in Appendix I, who furnished valuable information either in the form of completed schedules or memoranda, or in other ways.

Our enquiries have been greatly facilitated by the ready response of those from whom information was sought. Their contributions towards our investigations represented, in many cases, a considerable effort and are worthy of more than ordinary notice.

We also wish to record our high appreciation of the ability and zeal shown by the Secretary (Mr. D. L. Blunt), in the discharge of his duties.

ALEX HOLM, *Chairman.*

GEO. C. GRIFFITHS.

LIONEL LAWFORD.

W. TYSON.

E. A. EVANS.

D. L. BLUNT, *Secretary*  
6th May, 1927.

We, the Members of this Commission, desire to place on record our thanks for, and our high appreciation of, the very large amount of work which the Chairman, the Honourable Mr Alex Holm, C.B.E., has done in connection with this enquiry, without which our conclusions would have been greatly protracted and the utility of this report, we believe, considerably impaired.

LIONEL LAWFORD.

GEO. C. GRIFFITHS.

W. TYSON.

E. A. EVANS.

6th May, 1927.

## APPENDICES.

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- I. List of Correspondents and Witnesses.
  - II. Questionnaires sent out :—
    - (a) Coffee.
    - (b) Stock.
    - (c) Timber.
  - III. Graph—Labour Supplies, 1922-1927.
  - IV. Registration Department Figures—14 months.
  - V. Agricultural Census.
  - VI. Labour Requirements :—
    - 1. Development of Acreage.
    - 2. Units per 100 acres.
    - 3. Livestock increase.
    - 4. Units per 100 head livestock.
    - 5. Units per anticipated crop.
    - 6. Non-agricultural requirements.
  - VII. Ceylon Labour Commission.
  - VIII. Commander Lawford—Juvenile Labour.
  - IX. Railway Leave Bonus System.
  - X. Summaries of Evidence :—
    - Convention of Associations—Labour Committee.
    - The Hon. Conway Harvey.
    - Kenya and Uganda Railway—Mr. Deck and Captain Linnell
    - Mr. McPhee.
    - Captain Moores.
    - Public Works Department—Mr. Buckley.
    - Mr. J. Riddoch.
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## APPENDIX I.

Enquiries and questionnaires were sent to, and replies received from the following persons and firms and departments —

## UNDER TERMS OF REFERENCE I AND II.

J. Abraham	E. Caswell Long
T Allen	J K. Matheson.
Captain A C Anstey	A. Mathews
C Kenneth Archer	G Maxwell
A. E. Aubrey	Colonel M Maxwell
Capt. D. Aylward	W Mayes
J H. D. Beales.	R A McCrae
H. Grahame Bell.	P McVay.
G. H Bentley.	G. L. Mohr.
B. E. A Wattle Estates	Capt H. P. Moller
Messrs Brooke, Bond & Co	B. V. Moore.
A. A Bursell	A. Morrison
J. Butterfield	S. A Mortiboys
W. H. Carne.	H. Moiton
J. D. Calnan	R. Norton
H J. Carlisle	J. A. Newitt
J. D. Chater,	G Nottidge
Coffee Planters' Union.	Capt G. C Oakes
Commander A Coke	Capt C. O'Hagen.
P J H Coldham	J Q Orchardson.
P. Collier	Major E P. H. Pardoe
M. Colonna	Capt F W. Pardoe
H D Cooper.	Major M. M. Pardoe
G Colville	H C. Potter.
J Cowling	G. W. Reynolds
W. Cromie	A O. Roberts
T. N. Derby	C A. Roberts
J. F. E Doerring	Major T D. Russell.
Major J. I Drought, D S O ,	Capt H Sayer.
M C	A. H. W Sheldrick.
A F. Duder	D. Silver
Major R. M. Dunbar.	Capt. A S. Simson
East Africa Estates Ltd	Sisal Growers' Association
Major W. G Edwards	N A. Skelton.
Estates and Investment Ltd	A B C. Smith.
N. P. Fenwick.	Major A J H Smith
R. Ferguson.	L. A Smith
D. Fife.	Capt. O Ayre Smith.
C. A. Forester	S. H Smyth
J. Freeman	G Smythies
T. R. Gibbs.	Capt. F. H. Sprott
L. Gilbert	W L. Squar
The Hon Mrs Grant	Sukari Ltd.
P. Guy	A F Summerfield
H. Haddon.	G F. Sutton
J F. H. Harper	C. G Stanning
Capt. H. D. Harries	G A Villiers Stuart
Dr. H. Hemsted.	W. B Thompson.
S O Hemsted.	W F O Trench.
Major H. D. Hill	M. D. le Poer Trench
A. C Hoey	C M Truman
Lt -Col G, Swinton Home	Victoria Nyanza Sugar Co
R Howland	E Viner.
Messrs. W C Hunter & Co	E H. de Waal.
G W K Irwin	F Watkins, Jun
P H. Irwin.	G. D. Webb
C. Jensen	R Wetherell
D. A Johnston	H D White
L. A. Johnson.	J. P Williams
Kenya Farmers' Assoc.	R B Wills
Kenya Wheat Growers' Assoc	Major F. O'Brien Wilson,
M. G. Kidston	M C
C Kirkman.	J T Wilson
Major L. Knapman, D S O	J. V Winter
W E D Knight	W P. Woodmore.
Major S C. Layzell, M C	Commander F le G. Worsley
Colonel A. I. Lean	E. H. Wright
W. A. Lee	Major C Younghusband
W. G. Lilleywhite	



## (b) INDUSTRIAL, ETC.

African Wharfage Co., Ltd.	Kenya Missionary Council.
Algao Saw Mills	Kenya & Uganda Railway.
Anglo-Baltic Timber Co.	G. J. Lang.
Association of East African Chambers of Commerce.	A. E. Linton.
Capt. G. S. Baker.	I. J. Lipscombe.
The Right Reverend the Bishops of Maronia, Mombasa and Carrhé	Lumbwa Saw Mills Co
Bone Bros.	The Magadi Soda Co., Ltd
British East African Corporation, Ltd.	Jan Mahomed
Brown & Jenkins.	C. J. McIlwain
Bullows & Roy, Ltd.	Mombasa Chamber of Commerce
Burnt Forest Saw Mills.	Municipal Engineer, Nairobi
Colonial Saw Mills.	Nairobi Chamber of Commerce.
Chas. Cottar.	G North & Son.
J. R. Cox & Co.	Resident Engineer, Kihindini Harbour Works.
Maula Dad.	The Salvation Army
East African Lighterage and Stevedore Co., Ltd.	H. W. Sear Ltd.
Equator Saw Mills	The Service Co., Ltd.
Express Transport Co., Ltd	Thos J. O'Shea & Co., Ltd
Gailey & Roberts, Ltd	J A S. Stuart.
Gilfillan & Co	The Town Clerk, Nairobi
L. L. Gordon	Varyan Das & Churanji Lal.
Colonel E. E. Homer.	West Kenya Saw Mills.
Kenya Master Builders' Association.	Major H. D. White

## (c) GOVERNMENT DEPARTMENTS AND OFFICES

Customs Department.	The Senior Commissioner :—
Education Department	Coast Province.
Game Department	Kerio "
King's African Rifles	Masai "
Land Department.	Nakuru "
Medical Department	Nyanza "
Native Affairs Department.	Ukamba "
Native Registration Office.	Eldoret "
Police	The Resident Commissioner, Mombasa.
Postmaster General.	The Statistician to the Governors' Conference.
Prisons	
Public Works Department	

## UNDER TERM OF REFERENCE III.

A E Aubrey	R V. Lane.
Agricultural Officers.—	J Mackay
P Booth	P McVay
Bukhura Station.	Colonel M. Maxwell
Coast Station.	R. Norton
Embu Station,	Capt G C. Oakes
Scott Laboratories	Major E. P. H. Pardoe.
J. D Calnan	Major E. W. Pardoe
The Senior Coffee Officer	E D Rutherford
Commander A. Coke.	Capt H Sayer
P. Collier	A H W Sheldrick.
H. Douglas Cooper.	Capt H B Simson
J Cowling	A B' C Smith
S. F. Deck.	A. J H. Smith.
E. M Gare	G Smythies
Capt. A. L. Ganniclt	Major C. M Taylor.
Capt. C. O'Hagen	C Truman
H. Hemsted.	Colonel W. K. Tucker, C B E
S. O. Hemsted.	E Viner.
L. A Johnson.	E. H. de Waal
C Kirkman	Capt E. Walker
Capt W Kirton	Capt. J. E. A. W. Whitmore,
W. E. D Knight.	W. G. Woodmore

and in addition the following gave evidence in person :—

- Mr. F. A. Buckley—Public Works Department
- The Senior Coffee Officer.
- The Convention of Associations—Labour Committee
- Mr. S F De V. and Capt Linnell—Representing the Kenya and Uganda Railway.
- Capt Moores
- Mr H A McPhee—Contractor to the Kenya and Uganda Railway.
- Mr. John Riddoch

## APPENDIX II.

The questionnaire sent out to representative coffee planters (Schedule A) is typical of those sent to sisal, maize, wheat, tea, sugar and coconut growers. Stock farmers and the timber trade were asked for information as set out in (B) and (C).

## SCHEDULE A.

## ENQUIRY INTO AFRICAN LABOUR REQUIRED FOR THE PRODUCTION OF COFFEE

*Schedule I.*

1. Province . . . . . District . .
2. Name and Address of Owner . . . . .
3. Name and Address of Manager . . . . .
4. Total area of holding (acres) . . . . .
5. Area under coffee—
  - (a) Over 3 years old (acres) . . . . .
  - (b) Under 3 years old (acres) . . . . .
  - (c) Planted during this year (acres) . . . . .

*Schedule II*

## LABOUR EMPLOYED ON HOLDING.

*To be calculated on a basis of thirty working days.*

NOTE.—Do not include those employed entirely on household duties.

Month.	No of Men	No. of Women	No. of Children	Total.
1925				
July ..				
August ..				
September ..				
October ..				
November ..				
December ..				
1926				
January ..				
February ..				
March ..				
April ..				
May ..				
June ..				
TOTAL ..				

2. Average number of squatters on holding throughout the year—

No. . . . .

2. What in your opinion is the amount of African labour required for production of coffee per 100 acres per annum.

*Note—*

To include labour employed in the upkeep and maintenance of roads, buildings, machinery, plant, etc., essential to the production of coffee.

Labour employed on any work unconnected with the production of coffee should not be included in the return

No. required.	For coffee in bearing over three years old.	For coffee up to three years old.	For clearing and preparation of land and planting
SQUATTER :—			
Men ..			
Women ..			
Children ..			
CASUAL :—			
Men ..			
Women ..			
Children ..			
TOTAL ..			

- (b) What proportion (quote per cent) is required in each month of the year?

MONTH.	For coffee in bearing over three years old.	For coffee up to three years old.	For clearing and preparation of land and planting.
1925			
July ..			
August ..			
September			
October ..			
November			
December			
1926			
January ..			
February			
March ..			
April ..			
May ..			
June ..			

*Remarks—*

*Signed*.....

## SCHEDULE B.

## ENQUIRY INTO AFRICAN LABOUR REQUIRED ON STOCK FARMS.

1. Province District  
 Name and Address of Owner .  
 Name and Address of Manager  
 Total area of Holding (acres)  
 Area of Grazing Land in Holding (acres)  
 Holding is organised mainly for the production of :—  
 (a) Milk, (b) Butter, (c) Ghee, (d) Beef, (e) Wool and Mutton.  
 Note —Strike out words above which are inapplicable

*Pure Bred Grade Native*

- 2 Cows in Milk—  
 Average No. throughout the year  
 Heifers and Heifer Calves  
 Bulls and Bull Calves  
 Other Cattle  
 Ewe Flock  
 Other Sheep

- 3 Labour employed on Holding—

To be calculated on basis of thirty working days

	No of Men	No of Women	No of Children
Squatter Labour .			
Casual Labour ..			
Total			

- 4 Average number of squatters on holding throughout year

Stock.

5. What in your opinion is the amount of African labour required —

*Men. Women. Children.*

- Per 100 head of Cattle  
 (Chiefly for Dairying)  
 Per 100 head of Cattle ... .  
 (Chiefly for beef production)  
 Per 100 Sheep

*Note* —The above figures should include labour employed on upkeep and maintenance of roads buildings, machinery, plant, etc., also any labour employed in the production of forage crops and on the carriage of products to market or rail. Labour otherwise employed should not be included

*Remarks .*

*Signed .*

## SCHEDULE C.

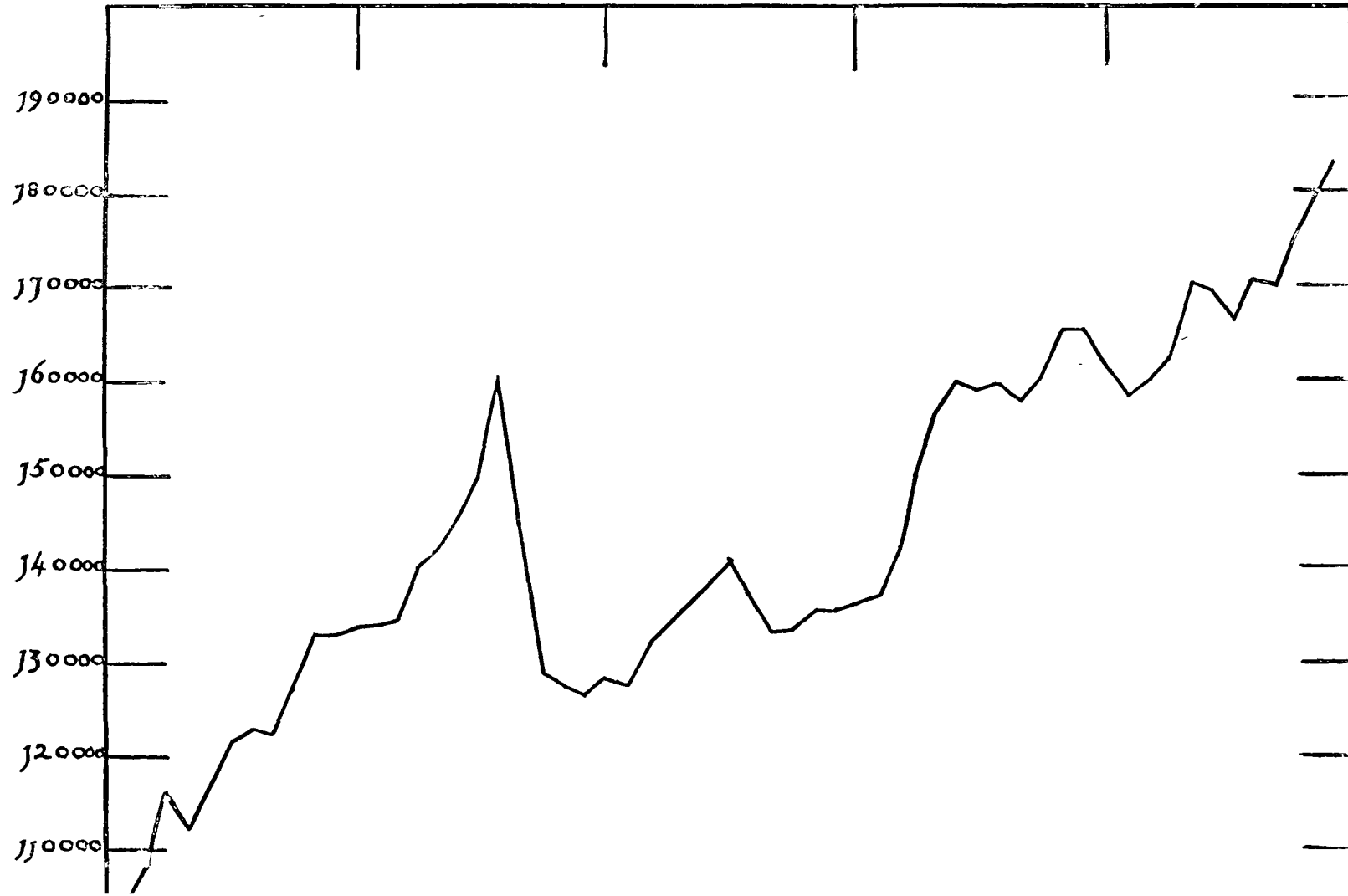
## ENQUIRY INTO AFRICAN LABOUR EMPLOYED IN THE PRODUCTION OF TIMBER.

1. Name and Address of Owner of Saw Mill . . . . .
  2. Cubic feet of Timber felled during last 12 months :—  
Cubic Feet . . . . .
  3. Number of African labourers employed in road making, tree felling, preparing logs, etc., in the forest during this period :—  
No. . . . .
  4. Number of African labourers employed hauling timber to mill :—  
No. . . . .
  5. Number of African labourers employed in saw mill :—  
No. . . . .
  6. If delivery is undertaken number of African labourers employed in transporting timber to purchasers or to railway station —  
No. . . . .
  7. Number of cubic feet converted timber produced :—  
No. . . . .
  8. What in your opinion is the amount of African labour required for the production of 1,000 cubic feet converted timber from the growing tree to the saleable product :—  
No. . . . .
  9. Period of year during which maximum amount of labour is required in the production of timber :—  
Months . . . . .
  10. Total number of African labourers actually employed in your timber business during the year :—  
No. . . . .
- Total number you would employ if an ample supply were available.  
No. . . . .

*Signature* . . . . .

APPENDIX III.

Natives registered in employment monthly from January, 1922 to December, 1926.



## APPENDIX IV.

TABLE I.

Figures from the Native Registration Department showing the numbers of Kenya and alien male natives between 15 and 40 years of age registered as in employment monthly from January, 1926, to February, 1927.

MONTH.	Kenya Natives.	Aliens.	Total Registered.
1926			
January ..	145,161	16,099	161,260
February	142,523	15,806	158,329
March ..	143,870	15,761	159,631
April ..	145,372	16,762	162,134
May ..	155,157	15,355	170,512
June ..	153,773	15,717	169,490
July ..	150,707	15,644	166,351
August ..	153,915	16,684	170,599
September	153,817	15,894	169,711
October .	157,622	17,482	175,104
November	162,777	18,905	181,682
December	163,453	19,759	183,212
Average	152,346	16,655	169,001
1927			
January ..	165,135	20,485	185,620
February	166,747	20,647	187,394

The total native population of the Colony is taken to be 2,534,962.

The total male native population of the Colony is taken to be 1,140,935.

The total male native population between 15 and 40 years of age is taken to be 20.10 per cent. of the total population, or 509,528.

TABLE II.

The average percentage of the estimated males between 15 and 40 years of age of each tribe in employment during 1926 was as follows :—

TRIBE.	Percentage.	Estimated number of males 15-40 years of age in the tribe
Central Kavirondo ..	32.3	67,769
South Kavirondo ...	17.4	55,323
North Kavirondo .	42.0	65,047
Lumbwa Kericho ..	62.3	12,689
Nandi .. .. .	51.9	7,806
North and South Nyeri	42.5	42,566
Fort Hall .. ..	46.5	32,590
Kyambu Nairobi ..	62.5	26,001
Meru .. .. .	20.8	27,215
Embu Chuka .. ..	30.0	17,170
Machakos Akamba ..	20.0	40,297
Kitui .. .. .	15.4	22,910
Teita .. .. .	40.9	7,023
Coast .. .. .	5.7	36,930
Kerio Province .. ..	13.5	26,338
Masai .. .. .	10.4	9,332
Northern Frontier District	0	12,522
Average for the whole Colony ..	29.2	509,528

## NOTES.

(1) In order to obtain the able-bodied male population an unascertained percentage must be deducted from these figures on account of physical disability. This percentage is probably as high as 20 per cent. if, by able-bodied is meant those who are capable of doing a full day's heavy work such as general navvying; this would give an able-bodied male population of approximately 407,622, which figure includes, however, men of tribes such as Masai, Turkana and those of the Northern Frontier Province who provide, at present, little or no labour.

(2) In theory these figures include only those natives reported in employment under the Employment of Natives Ordinance, in practice they probably include considerable numbers of resident native labourers (squatters).

(3) These figures include all registrations which have been effected since the inception of native registration and which have not been cancelled by deaths or otherwise. It must inevitably include a large number of persons who have died and whose deaths have not been reported and whose registrations must therefore be considered as active on the information at present available. The figures showing the total number of natives in employment are derived from the information supplied by employers upon the monthly labour returns. Any omission to advise an engagement, discharge, desertion or death reflects itself upon these figures and vitiates their accuracy to the extent in which the practice is indulged in. Furthermore many employers are still in the habit of having a number of natives on call, *i.e.*, of giving them indefinite leave, without signing them off or reporting them as discharged or deserted (of their possible death in the reserves they would probably not know); by this practice it is obvious that the accuracy of the above figures of employment must be affected by it, but it is not possible to ascertain to what extent.

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## APPENDIX V.

Figures from the Agricultural Census Returns,  
1922-1926, to show development.

	YEAR.	Acres.	Increased acreage.	Percentage increase.
Acreage under Occupation.	1926	4,587,817	167,244	3.78
	1925	4,420,573	227,842	5.43
	1924	4,192,731	207,360	5.20
	1923	3,985,371	181,213	4.75
	1922	3,804,158	—	—
	YEAR.	No. of occupiers	Increase.	Percentage increase.
Occupation.	1926	1,809	114	6.73
	1925	1,695	77	4.76
	1924	1,618	152	10.37
	1923	1,466	80	6.77
	1922	1,386	—	—
	YEAR	Acres	Increased Acreage	Percentage Increase.
Cultivation.	1926	463,854	71,226	18.14
	1925	392,628	45,640	13.15
	1924	346,988	72,669	26.49
	1923	274,319	40,264	17.20
	1922	234,055	—	—
Maize.	1926	193,187	37,271	23.9
	1925	155,916	14,769	9.4
	1924	141,147	41,383	41.5
	1923	99,764	24,320	22.2
	1922	75,444	—	—
Wheat.	1926	43,763	22,678	107.5
	1925	21,085	175	0.8
	1924	20,910	5,481	35.5
	1923	15,429	1,733	12.6
	1922	13,696	—	—
Coffee.	1926	86,950	3,810	5.85
	1925	65,140	5,086	8.47
	1924	60,054	8,805	14.94
	1923	52,249	8,890	20.50
	1922	43,359	—	—
Sisal.	1926	60,196	7,325	13.85
	1925	52,872	7,549	16.66
	1924	45,323	6,297	16.13
	1923	39,026	1,908	5.14
	1922	37,118	—	—

	YEAR	Acres	Increased Acreage	Percentage Increased.
Coconuts.	1926	8,766	205 decrease	1.2 decrease
	1925	8,971	47 increase	5 increase
	1924	8,924	106 increase	1.3 increase
	1923	8,818	560 decrease	5.0
	1922	9,378	—	—
All other crops.	1926	26,561	1,498	5.9 increase
	1925	25,463	1,233	4.6 decrease
	1924	26,696	4,389	14.1 "
	1923	31,085	3,697	10.6 "
	1922	34,782	—	—
Labour —	YEAR.	Average monthly units of labour employed.	Increase or decrease	Percentage increase or decrease
	1926	84,611	6,084 increase	7.75 increase
	1925	78,527	8,566 decrease	9.8 decrease
	1924	87,093	6,136 increase	8.6 increase
	1923	70,957	9,008 increase	14.5 increase
	1922	61,949	—	—

## APPENDIX VI.

TABLE I.

## CROPS.

The following figures show the anticipated development of acreage of the principal crops in the next three years.—

	Actual acreage 1925.	Probable acreage.		
		1927.	1928.	1929.
Coffee . . . . .	68,950	73,000	76,000	80,000
Sisal .. .. .	60,197	71,000	81,000	91,000
Maize .. .. .	193,187	220,000	250,000	280,000
Wheat . . . . .	43,763	60,000	80,000	100,000
Tea .. .. .	1,689	3,000	3,600	4,000
Sugar .. .. .	6,747	9,000	10,000	11,000
Coconuts .. .. .	8,766	8,750	8,750	8,750
Other Crops .. .. .	21,169	20,000	20,000	20,000

TABLE 2.

## CROPS.

The following figures have been adopted as representing the numbers of labourers required per 100 acres for the cultivation and harvesting of the following crops :—

	April—Sept.		Oct—March.	
	No. of labourers per 100 acres.	Percentage of women and juveniles	No. of labourers per 100 acres.	Percentage of women and juvenile
Coffee—3 years old and over ..	45	40	80	64
„ 1—3 years old ..	25	40	25	40
Sisal .. .. .	28	30*	28	30*
Maize .. .. .	6	10	12	20
Wheat .. .. .	5	10	5	10
Tea in bearing .. .. .	150	75	150	75
„ clearing and planting ..	35	20	35	20
„ 1—3 years old .. .. .	25	40	25	40
Sugar .. .. .	23	15	23	15
Coconuts, bearing .. .. .	14	20	14	20
„ young .. .. .	8	20	8	20
Other crops .. .. .	10	20	10	20

\* Juveniles only.

In addition to the labour shown in Table II above, the following figures must be included to represent the labour force necessary to clear and break and plant new land. These figures are given below in a lump sum for each main crop :—

Coffee ..	1,000 labourers continuously.
Maize ...	3,000 „ „
Wheat ...	500 „ „

In the case of other crops it is anticipated that the normal staff employed on maintenance will do all the clearing, preparation and planting during slack periods.

## APPENDIX VI—(Contd)

TABLE 3.  
LIVESTOCK.

The following figures show the anticipated increase in numbers of livestock during the next three years :—

	Actual numbers 1926	Estimated 1927	Estimated 1928	Estimated 1929
Cattle (less trained oxen) ..	130,160	132,000	136,000	140,000
Sheep ..	205,905	232,000	262,000	300,000
Other Stock ..	17,134	17,000	17,000	17,000

TABLE 4.  
LIVESTOCK.

The number of units of labour required to tend livestock, and the percentage of juveniles who may be employed, are taken to be :—

	Percentage of juveniles.
Dairy Stock .. 6 labourers per 100 head .. ..	10
Beef Cattle .. 1.5 „ 100 „ .. ..	10
Sheep .. 3 „ 1,000 „ .. ..	10
Other stock .. 1,200 labourers for all other stock .. ..	10

APPENDIX VI.—(Continued).

TABLE 5.

Estimated number of units of labour required for Agricultural and Pastoral Industries during 1927, 1928 and 1929 (Columns I). Minimum number of men required (Columns II). Numbers women and/or juveniles that may be employed (Columns III).

	April-Sept, 1927.			Oct, 1927—March, 1928.			April—Sept., 1928.		
	I. Units.	II. Men	III. Women and Juveniles.	I. Units.	II. Men	III. Women and Juveniles	I. Units.	II. Men	III. Women and Juveniles.
Coffee in bearing .. ..	26,400	15,840	10,560	46,640	15,840	30,800	80,144	18,088	12,058
Coffee, 1-3 years old .. ..	4,500	2,700	1,800	4,500	2,700	1,800	3,300	1,980	1,320
Coffee clearing and planting	1,000	1,000	—	1,000	1,000	—	1,000	1,000	—
Sisal .. .. .	19,880	13,916	*5,964	19,880	13,916	*5,964	22,680	15,876	*6,804
Maize .. .. .	13,200	11,880	1,320	26,400	21,120	5,280	15,000	13,500	1,500
Maize, clearing and preparation	3,000	3,000	—	3,000	3,000	—	3,000	3,000	—
Wheat .. .. .	3,000	2,700	300	3,000	2,700	300	4,000	3,600	400
Wheat, clearing and preparation	500	500	—	500	500	—	500	500	—
Tea in bearing .. ..	125	32	93	125	32	93	450	112	338
Tea up to 3 years old .. ..	1,050	630	420	1,050	630	420	1,120	672	448
Tea, clearing and planting ..	450	360	90	450	360	90	200	160	40
Sugar .. .. .	2,070	1,760	310	2,070	1,760	310	2,300	1,955	345
Coconuts over 6 years.. ..	800	640	160	800	640	160	900	720	180
Coconuts under 6 years .. ..	240	192	48	240	192	48	200	160	40
Other crops .. .. .	2,000	1,600	400	2,000	1,600	400	2,000	1,600	400
Livestock .. .. .	5,500	4,950	550	5,500	4,950	550	5,700	5,130	570
Total Agriculture .. .. .	83,715	61,700	22,015	117,155	70,940	46,215	92,494	68,051	24,443

\* Juveniles only.

APPENDIX VI.—(Contd.)

TABLE 5—(continued).

	Oct, 1928—March, 1929.			April-Sept, 1929		
	I. Units.	II Men	III. Women and Juveniles.	I Units	II Men	III. Women and Juveniles.
Coffee in bearing .. .. .	50,240	18,086	32,154	32,544	19,526	13,018
Coffee 1-3 years old .. .. .	3,300	1,980	1,320	3,050	1,830	1,220
Coffee clearing and planting .. .. .	1,000	1,000	—	1,000	1,000	—
Sisal .. .. .	22,680	15,876	*6,804	25,480	17,836	*7,644
Maize .. .. .	30,000	24,000	6,000	18,800	15,120	1,680
Maize clearing and preparation .. .. .	3,000	3,000	—	3,000	3,000	—
Wheat .. .. .	4,000	3,600	400	5,000	4,500	500
Wheat, clearing and preparation .. .. .	500	500	—	500	500	—
Tea in bearing .. .. .	450	112	338	2,400	600	1,800
Tea up to 3 years old .. .. .	1,120	672	448	805	484	321
Tea clearing and planting .. .. .	200	160	40	150	120	30
Sugar .. .. .	2,300	1,950	345	2,530	2,150	380
Coconuts up to 6 years old .. .. .	900	720	180	950	760	190
Coconuts under 6 years .. .. .	200	160	40	150	120	30
Other crops .. .. .	2,000	1,600	400	2,000	1,600	400
Livestock .. .. .	5,700	5,130	570	5,950	5,355	595
<b>Total Agriculture .. .. .</b>	<b>127,590</b>	<b>78,541</b>	<b>49,049</b>	<b>102,309</b>	<b>74,501</b>	<b>27,808</b>

\* Juveniles only.

## APPENDIX VI—(Continued).

TABLE 6  
Industrial and other development  
Numbers of labourers employed.

	1926	1927
Kenya and Uganda Railway Construction ..	7,032	3,982
Maintenance .	9,865	9,307
Marine .. ..	749	749
Fuel .. ..	1,013	2,293
Mines .. .. .	880	1,467
Government Departments .. .. .	12,890	14,000
Domestic Servants .. .. .	22,400	22,400
Timber Industry .. .. .	5,658	6,769
Firewood Industry .. .. .	278	278
Building Trade .. .. .	750	750
Wharfage, Lighterage and Harbour Works .	2,270	2,378
Public Works Department Contractors .. ..	500	500
Prisoners .. .. .	2,206	2,200
Missions .. .. .	3,000	3,000
Townships, less labour already accounted for ..	15,800	15,800
Total ..	85,291	85,923

NOTE :—The number of women and juveniles that may take the place of men in the above figures is negligible.

**APPENDIX VII.**

**CEYLON LABOUR COMMISSION, TRICHONOPOLY.**

Recruiting for ..... Estate .....  
 Post Office, Ceylon.

Rs. As. Ps.

1. Tea or Rubber Estates :—

- Wages paid to men per diem ..
- Wages paid to women per diem .. ..
- Wages paid to boys and girls per diem ..
- Tea or Rubber Factory Coolies :—
- Wages paid to men per diem

(N B.—Wages should be entered in annas and pies and not in cents.)

2. Extra money can be earned in addition to above rates of pay. This extra money is usually in the form of “ Kai Kasu ” and can very often be earned by any good hard-working cooly without it being necessary to work any overtime in addition to usual hours of work.
3. A good family (a man, woman and working child) can earn easily  
 Rs.                      to Rs.                      per mensem .
4. Wages are paid monthly direct into the coolies' hands by the estate superintendent.
5. Coolies' accounts are generally maintained by the estate superintendent.
6. All grievances are immediately enquired into and redressed by the estate superintendent. He is always accessible to coolies and understands the vernacular
7. Coolies wishing to write or send money to their villages will be assisted by the estate superintendent.
8. Free quarters, medical aid, firewood and vegetable garden are provided.
9. The climate is good and good drinking water is available.
10. Coolies can have their own form of worship and celebrate their festivals in their usual way.
11. Working tools, baskets and implements are supplied free of charge.
12. Good rice is supplied to coolies at low rates. Curry stuff, etc., are always purchasable close at hand.
13. All coolies are properly registered at the Ceylon Labour Commission Agencies, and their relatives can always obtain information about them on application.
14. Recruiting for Ceylon is free and unconditional, and there is no indenture
15. The Ceylon Labour Commission takes every care from the time of registration until the time of embarkation and protects the coolies as far as possible from all extortion and maltreatment. Every facility is offered by the estate superintendent to kangames and coolies to proceed to their villages to see their relatives and recruit coolies.
16. Concession, passage, etc . . . . .
- . . . . .
- . . . . .
17. Bearer .. . . . kangany is recruiting coolies for this estate.  
 . . . . . Estate.  
 . . . . . 19 .. . . .  
 . . . . . Superintendent.

(This form is printed in English and Tamil.)



**APPENDIX VIII.**

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EMPLOYMENT OF JUVENILE LABOUR—  
COMMANDER LAWFORD.

THE CHAIRMAN,  
GOVERNMENT LABOUR COMMISSION,  
c/o THE DIRECTOR OF AGRICULTURE.

SIR,

I have the honour to respond to the request made to me by your Committee that I should make some remarks before your Commission on the subject of the employment of juvenile native labour on the farms and estates of Kenya Colony.

In connection with my work with the Sisal Growers' Association during the past year it has been my business to associate myself very closely with the senior Government officials of this country on this subject, and I am happy to say that our arguments in favour of the employment of this form of labour have been accepted largely by such prominent officers as the Chief Native Commissioner and Director of Medical Services

It has naturally been an apprehension of Government that employment of juvenile native labour tends to disintegrate the youth from parental control, and that one of its consequences is to bring him in touch with crimes in towns, etc., but our principal arguments against this are that parental control in the reserves is very, very slight, and that in so far as employment with the white settler of the Colony is concerned, the youth has little or no contact with townships.

It has been our expressed opinion to Government that they alone are responsible that youths are not subjected to vicious and idle contact in towns, and that this is no affair of the average settler employer of the country, in that the estates are not situated within the jurisdiction of towns.

There appears to be no doubt that the labour habit acquired in the early years of the native's life will tend to make him a better and more skilled asset in the labour market when he grows up, and that greater skill from early learning will tend to reduce the number of unskilled labourers required and thus lead to some solution of the problem of labour shortage, which is the subject matter of your Labour Commission enquiry.

It would perhaps be wise at this point to put down for your information the general conditions under which juvenile labour is employed, certainly in so far as the larger estates are concerned in this Colony.

The almost invariable rule is that the juveniles attach themselves to a gang of their elder relatives proceeding to work. These relatives on arrival at the estate act as the juveniles' guardians; look after their housing, feeding, etc., and for the most part take care of their wages until such time as the gang returns to the reserve.

The juveniles appear to be a happy and healthy class and I have not heard in my many years of experience any serious complaints of vice or oppression used upon them.

I consider that the tone of the average labour camp is quite equal to the moral and physical atmosphere of their own reserves.

In submitting our arguments in favour of this class of labour to Government we put forth the following points:—

- (1) *The regularity and good quality of the food now supplied on all estates.*

The average ration issued to juveniles is 2 lbs. of meal per day. Gruel is cooked at mid-day in addition to this. He is also supplied with the weekly ration of meat, salt, and, in dry weather, sugar cane or vegetables.

Where his elder brothers get tobacco or snuff, the juvenile is issued a sugar ration as a luxury, and it has been proved before the Government by the writer's own statistics, that 100 per cent. of these gain weight steadily under the influence of regular work and good food. Sickness amongst them appears to be of very small percentage, and there is on every estate an hospital dresser to attend to them.

(2) *That tasks are consistent with their juvenile strength. This was a point which Government again expressed apprehension that heavy loads and tasks were thrust upon immature labourers.*

I am happy to say that one of the largest associations employing this class of labour has satisfied the Government that their tasks and hours are adequate to juvenile strength, and I assure your Commission that juveniles are not sweated labour within this Colony.

(3) *That they receive education, both secular and religious, at the expense of the estate in which they are employed*

There is no doubt that there is a growing tendency amongst the natives of this Colony to acquire education and religion. It must be so, for the European having created a void in their minds by the abolition of many of their superstitious beliefs renders it necessary that the native should acquire some new belief.

I am not aware of any large estate employing juveniles which has not ample facilities for labourers to attend night school, etc.

(4) *That they learn the habit of work.*

I have already touched on this subject and I can only say that it must be the opinion of every right-thinking man that the native of East Africa Colony should acquire an independence by his energy and skill rather than that he should idle his life away in drink and slothfulness in his own reserves.

(5) *That they materially assist in the alleviation of the labour question, in preventing the wasteful employment of grown labour in small tasks*

This is a matter of pure economics. It is surely uneconomical to employ sixteen full grown-up men on such light tasks as rope-making, when sixteen juveniles can perform exactly the same task as their elders without any undue strain on their physical energies. Neither, for instance, is it economical either in labour or money to employ adults on such tasks as planting suckers, sweeping camps, dressing fibre, etc., when their younger brothers can do it equally well as themselves.

In short, one does not harness a 40-h.p. tractor to an ox cultivator to do one ox's work.

Finally there is no doubt that the question of the conditions of the employment of juvenile labour is one that is likely to prove a considerable alleviation of the labour situation of this country.

The strictest scrutiny of these conditions should be exercised by Government, and the greatest care taken by the employers to observe an absolute justice and equity in the employment of so valuable an asset to their needs.

I have the honour to be, Sir,

Your most obedient Servant,

(Signed) LEN LAWFORD,  
Manager.

## APPENDIX IX.

## RAILWAY LEAVE BONUS SYSTEM

Chief Engineer's General Circular No. 2 of 1927.

## Recruiting Arrangements.

The following arrangement has been sanctioned by the General Manager (in his wire S.M. 145 of 6/12/26 to Superintendent, Native Labour), to encourage the supply particularly of local labour, and so to avoid recourse to professional agents.

2. The following amounts may be paid to labourers who have worked on the line for at least six consecutive months provided that (1) they agree to work for a further minimum period of six months and (2) they do not overstay the period of leave allowed :—

<i>Period worked.</i>	<i>Leave allowed.</i>	<i>Payment due on return to work.</i>
6 to 8 months . . . . .	3 months	Shs. 5/-
9 to 11 „ „ . . . . .	4½ „	„ 7/50
12 months and over	6 „	„ 10/-

3. The maximum leave allowed is six months and the maximum leave payment is Shs. 10/-.

4. This scheme does not apply to natives whose pay is Shs. 20/- per month or over. (See Weekly Notice 860 of 14/8/26.)

5. The period of leave allowed and the payment due on return should be entered on the re-engagement ticket, together with the wage at which the boy will be re-engaged.

6. A boy should be allowed ten days' grace at the end of his leave period without penalty. If he overstays the ten days Shs. 1/- should be deducted from his leave pay for every month or part thereof by which he overstays his leave.

7. The leave payment should be made by first pay train after the boy's re-engagement. If a boy prefers to draw his leave payment without going on leave he can do so.

8. To facilitate accounting, the re-engagement ticket of any boy re-engaged under this system should be endorsed with the date on which he returns and the amount of leave pay due. The ticket should then be attached to the muster roll for the month so that leave pay and wages can be drawn at the same time.

9. As the leave pay is conditional on the completing six months' work after re-engagement, it should be shown in the first instance as an advance of pay to be recovered by charging it to recruiting expenses when the boy has completed his six months.

10. Certificates of boys going on leave and entitled to leave pay should be signed off.

11. It should be explained to boys that the re-engagement ticket does not compel them to return to the Railway if they want to go elsewhere. Otherwise they may be suspicious of the tickets and refuse to take them.

(Signed) G. D. RHODES,  
Chief Engineer, Kenya and Uganda Railway.

SUMMARY of the conclusions arrived at by Committee of the Convention of Associations as the result of an enquiry conducted by them in accordance with the appended questionnaire.

1. (a) In the older and more closely settled areas, such as Kyambu, Ruiru, Thika and Nakuru, the present supply of labour is barely sufficient to maintain the areas under crops and is insufficient to ensure their harvesting. This is especially true with regard to coffee and to a lesser extent to grain crops and sisal.

In these areas the holdings are more highly developed and, therefore, fears of inadequate labour supply are not holding up further development to any great extent.

(b) In the less closely settled areas, such as Kericho, Sotik and Turbo, the present supply of labour appears on the whole to be adequate for the present area under cultivation and for the harvesting of the crops; but fears of a labour shortage are seriously curtailing further development of considerable areas.

(c) In what may be styled the intermediate areas, such as Molo, Sabukia, Solai, etc., conditions vary considerably. Some farms appear to have difficulty in keeping the present areas under cultivation; others have sufficient labour for present acreage but fear to develop further; others again have all the labour they require and are steadily developing.

2. While the labour position at present is an improvement on that of 1926 there is a wide-spread uneasiness as to the prospects of the additional supply necessary for the harvest of 1927. This is especially manifest in the older coffee areas and, to a lesser extent in the older established grain and sisal areas.

The use of machinery has improved and will continue to improve the labour position with regard to the harvesting of grain crops and, to a lesser extent, of sisal, but very little can be done in this respect with regard to the harvesting of coffee. Improvements in system or pruning and cultivation are stultified if there is no adequate supply of labour to pick the crop.

3. In conclusion. It appears that the available labour supply of this Colony is barely sufficient for the present requirements unless it is co-ordinated and regulated in a manner hitherto unknown.

If it is so co-ordinated and regulated, time alone can show how far it will be sufficient to permit of closer settlement and development and on what lines such settlement and development can best be encouraged.

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## CONVENTION OF ASSOCIATIONS LABOUR SUPPLY COMMITTEE.

### QUESTIONNAIRE.

1. What, if any, is your present shortage of labour?
2. What are your labour requirements to keep your present acreage served?
3. What will be your special requirements for harvesting your next crop?
4. What would be your probable requirements if development could be undertaken without fear of a labour shortage.

### EVIDENCE given by the Hon. Conway Harvey, M.L.C.

MR. CONWAY HARVEY suggested that in many cases tasks were smaller than they should be. The reason for this being that large numbers of farmers are more or less amateurs and have not the requisite experience and knowledge to enable them to set tasks correctly and the fact that certain individuals on farms, unpopular with labour for one reason or another, have reduced the task set in order to procure the labour they required.

He pointed out that there had been a marked feeling of insecurity among farmers recently but that the position had now changed considerably for the better.

He suggested that farmers should take more care in observing the capacity of the labourers for work and so set a reasonable day's task, and pointed out that setting too large a task defeats its own ends since the labourer will not attempt to do it.

On the subject of organisation of labour the witness suggested that the period of leave given to labourers should bear a proportion to the length of time worked. He was opposed to the employment of professional recruiters and pointed out the danger attending any sort of permanent organisation of labour camps supplying labour to groups of farms, in that if such organisations increased in number to any great extent there would arise competition between them for labour, thereby increasing wages and reducing tasks. He was not opposed to such organisations as temporary measures to provide labourers for coffee harvesting and maize picking.

Mr. Conway Harvey was of the opinion that wages generally had reached an uneconomic level in that the present prices realised for produce did not warrant the payment of wages on the present scale having regard to the value of work done by the average labourer of the country.

The witness concluded by pointing out the evils of giving large advances which he considered were the cause of many minor troubles in dealing with labour and were demoralising to the labourer, though he was not averse to the labourer receiving a small advance before leaving the reserves.

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EVIDENCE given by Mr. S. F. Deck and Captain Linnell, of the Kenya and Uganda Railway.

THE CHAIRMAN asked whether, from the point of view of the Railway Department, the position was the same as in the Public Works Department (Mr. Deck having heard the evidence of Mr. Buckley, of that Department).

MR. DECK.—We are in a better position than the Public Works Department because the labourers are on the railway line and it makes it easier for us to pay them.

*Question.*—To what extent does the thirty-day ticket system apply to the Railway?

MR. DECK.—It applies to the construction people, but not to the maintenance gang, nor the shops.

*Question.*—Why does it not apply to those two classes?

CAPT. LINNELL.—No effort has been made to change the workshops from the old system. Regarding the maintenance gangs on the line, the question of the difficulty of payment arises.

*Question.*—Do you think it impracticable to adopt the thirty-day system?

CAPT. LINNELL.—No. I don't think a solution to the question is impossible.

*Question.*—Do you think it would make additional accounting, and that checks would be required?

CAPT. LINNELL.—Yes, it might.

*Question.*—So many of your labourers are at present on a monthly basis. Do you think you could get labourers if you adopted a thirty-day ticket?

CAPT. LINNELL.—It would cause an upheaval. I tried it, and it was a failure. The men went away and I could not get enough labour and so had to revert to the monthly system again.

*Question.*—If you had offered another 2/- a month would they have stayed?

CAPT LINNELL.—Yes, probably, but 16/- for twenty-six working days is about equivalent to 18/- for thirty working days, so that the cost of work would not be cheapened.

*Question.*—Do you consider that railway work is more unpopular than estate work?

CAPT. LINNELL —Yes, I do At least construction work is.

*Question.*—Is ordinary maintenance work the same as farm work?

CAPT. LINNELL —Generally speaking it is not Between Nairobi and Limuru it is very unpopular We give task work as far as possible, in order to get work done.

*Question* —Do you think that under the present system, whereby you pay on the monthly basis, there is much more likelihood of paying for days not worked than if you had the ticket system in operation?

CAPT. LINNELL —I cannot see that there would be much difference. The permanent way inspectors and sub-permanent way inspectors cannot visit each gang every day and therefore have to take the word of the headman for the days they do not actually see the gangs.

*Question* —Are you of the opinion that it is a good system for Government to pay on a different basis to the commercial community of the country?

MR DECK and CAPT LINNELL —No, I am not

*Question* —Some years ago it was the system to pay on Sundays for work not done You remember the time when the financial crisis overtook the country We knocked this off and there was no falling off in the labour supply Do you think if the same should happen on the Railway there would be a falling-off of labour?

MR DECK.—Yes, I think the dislocation would be temporary

CAPT LINNELL · There would be unless the wages were put up 2/-

*Question.*—It would be fair to give them another 2/-. If you did not you could not expect them to remain If the 2/- was given it might be possible to reduce it afterwards if there was sufficient labour to go round

MR DECK.—My experience of the two systems is this Under the monthly system the labourer knows how long he has to work, and at the end of six months he can go, but if he is on the ticket system he is doubtful as to when his contract will terminate and it is this uncertainty of how long he is going to take to fill up his tickets which makes him object to the ticket system. I have no doubt which is the best for getting work out of the boys. If the ticket system were adopted there would be a temporary shortage of labour.

CAPT. LINNELL —A uniform system already exists in the country whereby the majority of labourers work on the thirty-day ticket and I consider that Government should set an example

*Question.*—What is the rate of pay?

CAPT LINNELL.—The starting rate is 16/-. It used to be 14/-. This is taken as the standard wage.

*Question.*—I gather that your opinion is this :—

- i. You agree with the principle of the thirty-day ticket system.
- ii. You somewhat contemplate there may be a dislocation.
- iii. That it should be the business of the accounts section of your department to devise proper ways and means to apply this principle.

CAPT. LINNELL.—Yes, I agree, and it should be applied universally.

*Question.*—What measures of improvement, if any, may be adopted for the better use of the labour supply now engaged? (Term of Reference III.)

MR. DECK.—The thirty-day ticket system is the suggestion I should make.

*Question.*—It is not an easy thing I should imagine to set tasks?

MR. DECK and CAPT. LINNELL.—As far as possible they are set.

*Question.*—How long on an average does it take to complete a task?

CAPT. LINNELL.—It varies according to the work they are on.

*Question.*—To what extent, if any, did you have to lower your task work at the time when we were very dependent upon the African?

CAPTAIN LINNELL.—It was not lowered at all.

MR. DECK.—One of the reasons why the Public Works Department and the Railway have always had to pay more than the shamba people is that the shamba boy may have the chance of doing two tasks a day, whereas the boy in the Public Works Department or Railway cannot earn any more.

*Question.*—It has been suggested by the Commission that part of the shortage of labour in 1924 and 1925 was due to the amount of work available on railways, and the natives returning to the reserves with plenty of money and not needing to come out to work again for some time. Are you of opinion that railway construction affects the agricultural labour?

CAPT. LINNELL.—Yes, I am of the opinion that a large construction programme must to some extent affect the supply of agricultural labour.

Mr. Deck and Capt. Linnell agreed that the large numbers employed on railway construction were partly the cause of the labour shortage in 1924-1925.

*Question.*—How do you account for the improvement in the labour position during the last few months?

MR. DECK.—One of the reasons is that the recruiting in the Kavirondo country has been more efficient.

*Question.*—To what extent has the improvement of conditions on the Railway respecting housing, feeding, etc., increased the popularity of the labour?

CAPT. LINNELL.—I think there has been a general improvement on account of improved conditions.

*Question.*—Would you think I was optimistic when I say that I think improved conditions of work, housing, better wages, medical attention, general uniformity of tasks and things like that, is making the labour come out?

MR. DECK.—The personal attention is necessary. If you show some interest in the boy he will realize it and if he does not get personal attention he will not stop.

*Question.*—Would you suggest that this country is very inefficient in this respect?

MR. DECK.—Yes, in the past, but it is improving.

*Question.*—If labour trains were run from certain points so that not only employers of labour but individual natives would know when to get on at a given time and that the thing would be run on properly organised lines, would you think that might attract labour?

MR. DECK.—There is a labour train twice a week from Kisumu at the present time. I should think it would help from the Sagana end.

*Question*—You have some conditions whereby the labourer is enticed back to work? You give them a certain amount of leave pay.

MR. DECK—The man gets a printed re-engagement ticket which states the rate of wage at which he will be re-engaged when he returns. He takes the ticket with him.

*Question*.—Is there any limit to his leave?

MR. DECK—Yes. A bonus is paid to the man if he returns to work during a given period. He is signed off but if he likes to take advantage of the ticket he gets a bonus. The limit of period of absence is six months for a boy who has done a year. If he works six or eight months he is allowed three months leave and a bonus of Shs. 5/-; twelve months work, six months leave and a bonus of Shs. 10/- when he returns

*Question*.—Do you consider that the possession of that ticket in any way relieves him from his obligations in the reserves, would he use it as a lever to say he is still in your employ?

MR. DECK—It is up to the District Commissioners to find that out

*Question*.—Is this system satisfactory?

MR. DECK.—It has only been in force four months, it is impossible to say whether it will be successful or not.

*Question*.—Do you think it would be a good thing for some other employers?

MR. DECK.—I understand they do it.

Questions were asked *re* the ticket system in Ceylon and the F.M.S. and Mr. Deck agreed it might help in obtaining labour, in Kikuyu.

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EVIDENCE given by Mr. H. H. MCPHEE.

In answer to the Chairman, MR. MCPHEE said that he was a railway contractor

A brief summary of the terms of reference of the Commission, and a statement of some of the problems to be considered was made by the Chairman, and in reply the witness said that he was afraid the question of the organisation of bodies of planters, who would engage the services of labour contractors in order to procure extra labour at the picking seasons, was altogether outside his scope, as he knew nothing whatever of coffee picking and plantation work.

THE CHAIRMAN remarked that that was not quite the point. The Commissioners knew of the witness's great experience in the handling of labour, and they wished to hear his views on that subject. The actual supervision of the labour on the shambas would remain the province of the planters.

MR. MCPHEE replied that in his opinion able-bodied men should not be employed at all on that kind of work. A labour camp should be formed, under Government supervision, say at Kisumu or some other centre, where boys should be detained for at least a month under medical observation before they were engaged to do hard manual labour. For coffee picking he would employ only women and small totos. In South Africa no able-bodied men were employed for the maize harvest.

COMMANDER LAWFORD said that the Commissioners were considering whether the building of the two new branch railway lines, one to Uganda and the other opening up the district round Mount Kenya, might not be of assistance in drawing on the services of the tribes in those districts—perhaps somewhat on the lines of the organisation of hop pickers in England.



The witness said that he thought that that might be done. He had worked for five years in the Congo, where whole families were working together on the railway works, and did not see why the same thing should not be done on estates in Kenya, more particularly at the picking seasons.

He also thought that one way out of the difficulty was to prevent able-bodied men from being employed on such work as was done by them in offices at the present time; work which could be better done by totos. There was also a great wastage of labour in house boys, that work should be done by native women, who were trained to do it in every other part of the world.

He himself would not be prepared to undertake the work of organising labour gangs, but did not see why it should not be carried out by other contractors. He thought it would be worth the expense involved in forming labour camps if the work were done on a large enough scale. There might be rivalry among different farmers to secure such labour, and there might be some attempt to obtain it by offering better terms, but that difficulty would be met if the contractor were engaged for a stated period for a particular group of farms.

In reply to Captain Tyson, the witness said that it was wrong to think that boys would only undertake one particular kind of work, and refused to change. The work of stone quarrying and stone breaking for which he engaged labour was very unpopular, and what he did was to go to the reserve and offer the boys the same wages as he paid in Mombasa. The natives from the KISU district were no good for work on the Coast, though they might be suitable up-country.

In his experience it was not the case that boys were prepared to work for longer periods than formerly. On an average boys signed on for three or four months. He himself employed Kavirondo chiefly, and they never stayed more than three months. A number of boys now returning to him had been away for four years, and had worked for perhaps one other contractor during that period.

Some of the Kavirondo boys had improved physically during the past five years, but out of 160 Kisii boys at present working for him, 38 were in hospital. He was undoubtedly of opinion that the percentage of improvement was higher among boys who had been out to work.

The Chairman referred to the "tin ticket" system of recruiting labour which was in force in Ceylon and Southern India, and Mr. McPhee said that something of that kind was what he meant by the organisation of labour camps. He thought it might perhaps be done at Kisumu with a system of medical examination to eliminate the unfit.

Although a certain percentage of the less hardy boys could always be absorbed for lighter tasks, he was of opinion that a medical examination was most advisable.

He did not think there was much danger that a boy who had been given a "tin ticket" and looked after on the journey would go to some other estate when he reached the end of his journey. It was usually the case that the boys made up their minds to work for a certain master, and then nothing would turn them.

In South Africa all recruiting of labour for the mines was done through the Chamber of Mines, and recruiters worked as agents of that Chamber.

From his experience of five years in the Colony he was of opinion that the absence of facilities for obtaining food and rest on the journey was actually a handicap in procuring labour. As soon as it became known in the reserves that food and other amenities could be obtained on the journey he thought that many more boys would be prepared to come out.

At the present time he had boys working for him who came a journey of nine weeks from Southern Rhodesia on their own account. They were satisfied with the conditions of work, and had written to their friends asking them to come as well.

He thought that the new railway lines would only be of use if better accommodation were provided. The idea was sound, but it was essential to provide facilities for obtaining food, water, and rest camps. As soon as it was known in the reserves that boys were provided for on the journey, they would be willing to come out to work.

He thought that boys were gradually acquiring the habit of work, and also that the adornment of the women folk would prove a great incentive. The women were beginning to realise that if the men came out to earn money they would have greater opportunities of trading with the dukas, and of vying with each other in dress.

The medical examination and attention in labour camps he thought should be a charge on the state in the case of boys who were rejected as unfit. He had recently had a case of a boy who died of phthisis two days after his arrival. Such a thing should be made impossible. It was better to have a few labourers performing a full day's work, than to bring boys who were more or less unfit for long distances.

Finally, he did not agree that there was a shortage of labour. If it were handled properly there would be no lack. Each boy should be made to do a full day's work for a fair day's pay.

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EVIDENCE given by CAPTAIN MOORES.

I have been asked to supply 200 labourers to a group of estates in the Kyambu district in October for the coffee picking season, and have agreed to do so.

*Question.*—Will you please tell the Commission how you propose to organise

*Answer.*—This particular group have arranged to have a central depot in a central position amongst themselves. I am to supply the boys and they will be apportioned to each member of the group according to needs. They will be charged for by the group leader. They pay me so much a head per day either on a six-day week or thirty-day month basis. It is my "shauri" if the boys do not go out to work. I put them out to the shamba.

*Question.*—Who pays you? Do you get one payment from the leader of the section?

*Answer.*—I get paid by the group.

*Question.*—How is it proposed to bear the cost of the central camp?

*Answer.*—They feed all the boys. The members will subscribe to the cost of the camp. It will be financed by the sinking fund.

*Question.*—Is this labour camp to be designed to the approval of the Medical Department, and is there any proposal to provide for the medical attention of the boys?

*Answer.*—If it is big enough I shall be on the camp myself and be prepared to attend to the sickness of any member of the gang.

*Question.*—Who sets the tasks of the boys?

*Answer.*—That is left to the discretion of whoever they go to. The members of this group are going to pay a smaller amount for recruiting than previously, as they have approached us in time. The boys we are providing have been employed on making railways and roads and the work in the shambas will be quite easy to them.

*Question.*—What effect would it have on the natives bringing their families to work.

*Answer.*—Our source of labour is Kavirondo and they are too comfortable to bring their wives and families down. If I bring them down I am going to charge the same as for a man.

*Question.*—How long do you consider this coffee work would be carried on?

*Answer.*—It is guaranteed for two months. There is no difficulty with gangs of boys like we have. When we are not present the section leader sends a nyapara to take a certain amount of boys out. They are certain to be able to employ boys all the time. The 1st October is the date we are starting this scheme.

*Question.*—Is part of your scheme to serve more than one group of members?

*Answer.*—We can put a thousand boys down if they will tell us beforehand.

*Question.*—Do you pay the boys, or the employer?

*Answer.*—I do.

*Question.*—In cases of any orders not being carried out complaint is made to you?

*Answer.*—I deal with the nyapara and cut his pay down if he doesn't see that the work is done.

*Question.*—Taking Kyambu and Ruru, what do you think would be the effect of the supply and the efficiency of the Kikuyus by the introduction of large numbers of Kavirondo?

*Answer.*—It would stimulate them in a way. At the present time the Kikuyu women do all the work. I think the reason I have been approached is that the Kikuyu demand more pay. The "bibis" will go through the first picking and pull off the berries galore with a heavy crop, whilst my boys would go carefully through a light crop and possibly pick only one debbie a day.

*Question.*—Do you think it will be advisable in the labour gangs for task work to be set?

*Answer.*—Yes, wherever possible. The task work varies. We always adhere to task work if we are doing a contract job.

*Question.*—Was this method employed in this part of the country for the first time last year?

*Answer.*—I know of nothing prior to last year. It was the first time I have brought boys down country.

*Question.*—The numbers of labourers required during the season of picking of coffee is very largely to supplement the ordinary labour. Do you think from a business point of view, and from a labour contractor's, a number of contractors would go in to carry out the service on a large scale.

*Answer.*—Yes, if notified in time.

*Question.*—Do you think there is the number of contractors who would be prepared to do the same as you are doing?

*Answer.*—A big man would not touch this, a smaller man would. The big man might do so if he was having a slack time. Black and myself can get more labour than any two men in the country.

*Question.*—What is the maximum number of labourers you could handle?

*Answer.*—Thousands of boys. One of us would have to go round if there was a big number.

*Question* —What is the number that ought to be kept in one central camp?

*Answer.*—Two hundred.

*Question.*—What are the chances of new men taking this sort of job on?

*Answer.*—Boys will not come out for new men.

*Question.*—What is the actual cost of transportation and feeding of boys from Kisumu to Kyambu?

*Answer.*—Shs. 10/-, including food, excluding blankets

*Question.*—What is your experience—does the Kavirondo tend to work for longer periods?

*Answer.*—Yes, particularly if the work is favourable. My boys are three-month boys but they sometimes stay five months.

*Question.*—Is there any standard ration laid down?

*Answer.*—No, but I find that some people do them quite well—better than I do. These boys are well rationed by the employers

*Question.*—How many camps could be controlled by you?

*Answer.*—I could control a dozen.

*Question.*—Can you work a service of twenty-five miles?

*Answer.*—Yes, and could bring in sub-contractors and accept responsibility. If you wanted 5,000 I could do it and give satisfactory results.

*Question* —There may be snags. What, if any, are there from the point of view of the native, the employer and the contractor. What are the difficulties that may have to be overcome?

*Answer.*—You may get one member of the group who is not fair to the boys. I don't anticipate it.

*Question* —Do you contemplate giving entire satisfaction to every member?

*Answer.*—I do. It is congenial work for the native, that is the reason I can put 2,000 up.

*Question.*—Have you experienced any difficulties in moving labour from one point to another, do they go short of food?

*Answer.*—We make a point of seeing them on the train and the other being at the other end, and we give each one Sh. 1/- to provide food.

*Question.*—Should an endeavour be made to organise a service of labour trains at specified times, say once a week?

*Answer.*—I think that is an extraordinary good scheme. That is one of the difficulties.

*Question* —You think a number of labour trains would justify itself?

*Answer.*—Yes, I do.

*Question.*—The question of responsibility. People will rely upon you, and if from some cause or other you are unable to carry out the work, what happens?

*Answer.*—I think you will have to take that more or less the same as other contracts, we are not under legal responsibility.

*Question.*—If you do not enter into a proper agreement with the members of this group, something went wrong, and the contractor withdrew the whole of the labourers in the middle of the harvest, what redress would the employer have?

*Answer.*—The contractor would lose his reputation.

*Question.*—Thinking of the new railways that are being opened out. Can you, in your mind, imagine the situation in the near future, would labour take advantage of the system whereby regular labour trains would pass through the reserves and would the labourers adopt the "hop picking" system as in England?

*Answer.*—I think it is very likely that they would.

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EVIDENCE given by Mr. F. A. BUCKLEY on behalf of the  
Public Works Department.

In reply to the question as to why the Public Works Department do not pay on a thirty-day ticket, Mr. BUCKLEY said there are certain objections to this system as far as the P.W.D. are concerned. Gangs worked at a distance from headquarters and it was impossible to pay the boys when pay fell due. He went out once a month to pay all labourers.

From the accountancy point of view difficulties would arise. Posho statements had to be made out before the end of the month and if the thirty-day system were adopted cards would have to be sent in to the accountant before they were completed. The card was the only evidence of payment the accountant had and it was not reasonable that this should go out of his possession to the labourer.

At the present time instructions were that all labourers' cards be signed by the Executive Engineer of the section. Presumably under the thirty-day ticket system they would still have to sign all cards and this would take up a considerable time.

In comparison with Railway labour their boys were much more scattered and it was quite impossible to go out and pay labour when pay was due.

It would not be possible to work a dual system, having labour in Nairobi on a thirty-day ticket and labour outside on a monthly ticket, since frequent transfers were made from one district to another.

*Question.*—Do you think that labourers can get full pay if they have not done a complete month's work?

*Answer.*—The gangs are checked three or four times a week by the foreman. The instructions are that gangs be checked every day.

*Question.*—Are each of the road gangs visited every day by the foreman?

*Answer.*—Not all of them.

*Question.*—What evidence is there that labourers have actually worked a full month?

*Answer.*—The man in charge of the gangs is responsible for this. He holds subordinate rank.

*Question.*—What happens if a labourer does not work a full month?

*Answer.*—If a boy works 15 days he is paid 15/31 of a month's pay in a 31-day month.

*Question.*—You are satisfied that there is a fair check?

*Answer.*—Yes.

*Question.*—You stated that you might have a thousand labourers at a monthly wage of Shs. 16/-. That would represent a considerable sum paid for Sundays.

*Answer.*—We pay so much a month and do not worry about the days.

*Question.*—You really pay Shs. 16/- for 24 days' work. We wish to persuade you if possible to reduce this to the standard of the country. I calculate that your department pays Shs. 960 each month for work not done, above the ordinary average, assuming that you have 1,000 labourers.

*Answer.*—I have about 950 labourers at the present time.

*Question.*—Would it not be an economy to employ an extra European to go round and sign these tickets?

*Answer.*—It is not a question of signing cards but of making payment when due.

*Question.*—Don't you think it would be a more business-like proposition to pay in the standard method of the country, the thirty-day ticket, and use the savings that would accrue to pay someone to go round and make the payments.

*Answer.*—I do not think we should make any savings. Work in the P.W.D. is not as popular as that on shambas. We have to pay high wages now and if we reduced the pay the labour would leave. If we adopted the thirty-day ticket system, wages would have to go up in proportion, probably Shs. 2/- to Shs. 4/- a month extra.

*Question.*—Why is the work less popular than shamba work?

*Answer.*—The P.W.D. labourer has more hardships, the work is harder and accommodation not so good as on shambas.

*Question.*—How far would accounting and auditing be affected if the thirty-day ticket were introduced?

*Answer.*—The system would entail the Executive Engineer working out on the road the sum due to each boy and paying him. When large numbers have to be paid and external conditions are unfavourable mistakes would be bound to occur. Payments would be checked at head office.

*Question.*—Are not labourers on engagement often under the impression that they are to work on a thirty-day ticket?

*Answer.*—No, they have the conditions of service, pay, feeding, housing, etc., explained to them on engagement and they fully realise that they are on the monthly system and not the thirty-day ticket.

*Question.*—Would it be very inadvisable to have the two systems?

*Answer.*—Yes.

*Question.*—It is still not quite clear in my mind how the monthly system benefits. If you arrive once a month all the boys cannot complete a month when you arrive. You would not pay them a full month?

*Answer.*—He would be paid for the days he had done.

*Question.*—I cannot see why it is not the same with the thirty-day ticket.

*Answer.*—Your system is that we go out with a bag of money and pay them. The boy has his ticket, which is the only record in existence, this may be spoiled by the weather and the calculations of several hundred payments on the road would be extremely difficult.

*Question.*—I agree with the Executive Engineer that there may be difficulties in the way of the P.W.D. adopting this system.

*Answer.*—Yes. I agree that the principle of the thirty-day ticket system is very good, but from the P.W.D. point of view it would be difficult to work.

*Question.*—What is the saving of labour by the introduction of mechanical power plant?

*Answer.*—We have just got two graders and scarifiers, so far we have very little experience of them. They will certainly make a large saving of labour.

*Question.*—Is it the intention of the Department by the use of mechanical power, to reduce to a minimum labour, and also to increase efficiency?

*Answer.*—Yes, we hope to reduce labour and get better work.

*Question.*—Is there a standard rate of pay for all tribes?

*Answer.*—Yes, all the same in this Division.

*Question.*—Is there any difference in the capacity of the working power of the various tribes?

*Answer.*—Yes, the Kavirondo have greater capacity than the Kikuyu or Meru tribes.

*Question.*—Does the labour work longer periods now than two years ago?

*Answer.*—No, I do not think so.

*Question.*—What is the average a year?

*Answer.*—I think about four to six months.

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EVIDENCE given by Mr. JOHN RIDDOCH.

MR. RIDDOCH stated that he was acting chiefly as a forwarding agent for labour from Kavirondo at the present time.

Questioned on the suggested "tin ticket" system the witness stated that the method now employed by him of providing labour for work in the settled areas was somewhat on the lines suggested. He considered it essential that some kind of forwarding agency should be in existence to assist the labourer on his journey from the reserve to his work in the settled areas.

He said that at the present time travelling facilities for labour from Kavirondo had improved considerably but that in the past there had been many difficulties which had to a certain extent deterred labour from going out to work.

MR. RIDDOCH expressed the view that it was not feasible for the Government to organise the provision of labour and that the farming community had not yet arrived at sufficient unanimity of purpose to set up any such organisation themselves applicable to the whole country, and he was not in favour of particular industries setting up their own smaller organisations.

He was of opinion that the recruiting and forwarding of labour was improving and that a satisfactory system was being evolved, which in the course of time would provide all the labour required.

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## COLONY AND PROTECTORATE OF KENYA.

### LAND TENURE COMMISSION.

Report of the Commission appointed to enquire into the laws relating to the Crown Lands in East Africa.

#### PRELIMINARY.

1 The Commission was appointed by His Excellency, Sir Edward Northey, Major General of His Majesty's forces, K C M.G., C B., Governor of the Colony and Protectorate of Kenya, on the 6th day of August 1920 under the Commissions of Enquiry Ordinance 1912

The following were the Commissioners appointed —

- (1) Hon. H. T. Martin, M L C, Commissioner of Lands, Chairman.  
Hon. A. Holm, M L C, Director of Agriculture
- (2) (4) Hon. A. C. Hoey, M L C, Farmer, Eldoret
- (2) (3) Hon. Brig. General S. H. Charrington, C M G, D S O., M L C, Farmer Koru.  
B. G. Allen Esq., Solicitor, Nairobi  
Hon. R. B. Cole, M. L C, Farmer, Nyeri  
W. MacLellan Wilson Esq., Farmer, Kyambu.  
J. C. Coverdale Esq., Surveyor and Land Agent, Nairobi.  
Capt. F. O. B. Wilson, D. S O., Farmer, Ulu
- (2) Hon. V. V. Phadke, M L C., Advocate, Nairobi.  
Hon. I. L. O. Gower, M L C, Solicitor General.  
Hon. Col. O. F. Watkins, C B E., D S O., M L C., Dy. Chief Native Commissioner.  
Mr. H. J. Snelgar, Land Assistant, Land Department, was appointed Secretary to the Commission

2. On the 22nd September 1920 Mr. Conway Harvey (5) was appointed an additional Commissioner.

3. On the 25th October 1920 Mr. Cowasjee Maneckji Dalal (6) was appointed an additional Commissioner

4. It is with the greatest regret that we have to record the death on the 29th of December 1920 of Mr. B. G. Allen, one of the Commissioners

5 The terms of reference to the Commission were —

To investigate and make recommendations as to —

- 1 The principles to govern the delimitation of Native, Forest, and other Government reservations of Crown Lands
  - 2 The method of alienation of Crown Lands.
  3. The conversion of titles
  4. The Governor's right of veto
  - 5 The powers of officers administering the laws in relation to Crown Lands and the delegation of such powers.
  - 6 Development conditions in leases or on alienation of Crown Lands.
  7. Classification of rents.
  - 8 The declaration of stock routes and outspans.
  9. The acquisition of land for public purposes.
  - 10 All such other matters relating to the tenure of Crown Lands as in the course of their investigation for the foregoing particulars to require revision or amendment.
- 6 The Commission met on twenty four occasions and examined sixty-six witnesses.  
7. Eighty two people wrote letters to the Commission setting forth their views and making suggestions.

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- (1) M.L.C. means Member of the Legislative Council.
  - (2) No longer M L C. at time of report
  - (3) Now Lieutenant Colonel.
  - (4) Resigned on 12th. January, 1922.
  - (5) Now M.L C
  - (6) Resigned 3rd November 1920.



8 In the Appendices (1) excisions have been made of matters which were not relevant to the terms of reference to the Commission

9. It is apparent from our report that we have considered principles within the limits of our terms of reference, and that we have not dealt with nor have we been influenced by extraneous matters such as racial distinctions or political controversies of any kind.

10 It will be observed that while we have in certain matters made detailed recommendations we have frequently only laid down general principles. Particularly in matters which we think should be dealt with either by or in definite co-operation with local bodies, we have considered it inadvisable to lay down hard and fast rules. Present conditions in this country are not stable and are liable to rapid change and in the administration of laws, particularly land laws, wide discretionary powers should be given to meet this variety and flux.

11 The Commissioners take this opportunity of thanking witnesses and others who furnished information or made suggestions during their enquiry

12 We desire to place on record our appreciation of the highly satisfactory manner in which our Secretary, Mr H J Snelgar, has performed his duties.

### TERM NO. 1.

#### (a) THE PRINCIPLES TO GOVERN THE DELIMITATION OF NATIVE RESERVES.

It is not apparent what has been the principle in the past of determining the actual alignment of the boundaries of Native Reserves. Possibly it has been a mixture of administrative convenience at a time when white settlement was embryonic, and of actual native occupation whether nomadic or permanent.

It is clear, however, that the boundaries of native reserves should be clearly defined and adhered to on a just principle, and by our term of reference we are concerned with this principle of delimitation and the method of settlement. Briefly, we state this principle to be one which should be based on beneficial occupation and the needs of each tribe as they at present exist together with a sufficiency for the estimated increase in the next generation, and the method to be the appointment of a temporary Boundaries Commission, whose primary duty should be to clear up finally the allocation of a number of doubtful areas, some of which have been surveyed into farms and then handed back to the reserves, and some of which are subject to opposite opinions as to their proper disposal. This body should be of an independent composition, and should be presided over by a judicial officer.

In considering the present needs of each tribe, we are faced with the problems of the increase of population, the waste of land owing to primitive methods of cultivation, large tracts of agricultural land being used for pastoral purposes, and the existence of large waterless areas. In view of the fact that the Reserves are limited, we consider that Government is committed to a policy of ensuring a better use of the land within the boundaries, and this policy we think should take the form of educating the natives to improved methods of intensive cultivation, by which means expansion can be provided for within the Reserves for many generations, once the boundaries have been established on the principle already referred to.

With regard to agricultural land being used for grazing, we think that it would be impossible to convert the tribe from pastoral habits to agricultural in a short space of time, so that it becomes necessary to allow them to continue in occupation of the land, although it might be found possible to introduce agricultural instruction and encouragement, and if that is done it will ease the position in many years to come when the tribe concerned would be looking out for expansion owing to an increase in their stock.

To consider the more effective use of land, to improve the capabilities of land by providing or increasing a water supply, and, to define the present needs of the natives, would probably be functions of a Native Trust.

We consider, therefore, that a Native Land Trust should be established. This Trust should have considerable powers, and should administer the trust funds derived from the Reserves. The composition of this body is not a matter on which we consider we are called upon to recommend. The Trust should have power to grant leases for land in Reserves to non-natives, without reference to the Secretary of State, the governing principle of such alienation being direct benefit to the native and the treatment of native produce, being designed to cover such purposes as posho mills and sugar factories.

#### (b) THE PRINCIPLES TO GOVERN THE DELIMITATION OF FOREST RESERVES.

We find that there are areas, probably considerable areas, of open land in the present Forest Reserves, which are neither immediately, nor in any certain future likely to be, required for such forest purposes as the planting of fuel trees or the grazing of departmental or concessionaires' cattle. Those areas are therefore lying idle and are likely to remain so indefinitely. We believe that the forest boundaries unavoidably, in the circumstances of the original surveys, were taken out somewhat roughly, and without any close examination of the ground. Thus we are told that on one hand there is included agricultural or pastoral land which might reasonably have been excised, and on the other hand there is timber or alienated land which should have been reserved.

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(1) Not reproduced. These may be seen on personal application at the Land Dept.

In our opinion, the time has now come when every scrap of land to which the agricultural development of the country could be extended, should be earmarked and made available for future alienation. For this purpose a re-survey in doubtful areas should be undertaken as need arises and as circumstances permit, but separately from any protracted and expensive survey which may be instituted for the primary purpose of timber classification.

Inevitably, in our enquiries into the land requirements of the Forest Department, we have enquired into matters not immediately within our terms of reference; such matters for instance as the relation of the Department's staff, actual or probable, to the area it does or could effectively administer; or again, the possibility of planting up areas in native reserves with fuel trees to relieve the conserved supply, or the possibly different effects of the continuity to forests of white settlement and native reserves respectively, and in fact the whole question of whether the existing system is likely to ensure reasonably full use being made of these very extensive forests.

From the evidence before us, and particularly that of Professor Troup, we must accept the assumption that the Forest Department gradually strengthening itself as it gathers revenue from private enterprise, should be able in time to cover its whole field of work; and we therefore come to the conclusion that only such areas as are not required now or in the near future, for fuel-planting or grazing, should be excised from the Forest Reserves.

(c) THE PRINCIPLES TO GOVERN THE DELIMITATION OF GAME RESERVES.

So long as it can be demonstrated that no area under crops or grazing is in any danger from the presence of a game reserve, and that the land so reserved is not required for any economic purpose incompatible with the preservation of Game, we consider that, if only from the point of view of science, the maintenance of such reserves is desirable in East Africa.

Where however there is any conflict of interest, the interest of agriculture (in the wider sense of the term) must prevail. We have two particular recommendations to make: (1) When Government is able to undertake wholesale measures in tackling the problem of disease among native cattle, it will be necessary to re-consider the continuance of game preservation in those areas which are reserved to natives and game in common. (2) That portion of southern game reserve which lies between Nairobi and the end of the Farm area down the Railway line, should be abandoned and any area given in exchange should be in a locality far removed from economic settlements.

The seven year time limit recommended under the head of " Other Government Reserves " in this term of reference, should also be applied to Game Reserves

(d) THE PRINCIPLES TO GOVERN THE DELIMITATION OF OTHER GOVERNMENT RESERVES.

We consider that the system whereby Departmental Reserves take on the character of alienation in perpetuity, is uneconomical and should be discontinued. For example, though there is no difficulty—in theory—in cancelling any such reserve, in practice, once the reserve is made, the Department concerned is permanently endowed with nine points of the law and may stand a protracted siege before being dislodged from some plot which is urgently required for a more important purpose.

Again, under the present system, it is possible for the object of the reservation to become non-existent, and the Land Office to be ignorant of the fact until chance reveals it. We are therefore of the opinion that Departments should, except in a few obvious cases, be called upon to show cause why their reserves should be renewed. Thus a reserve should not be made for more than, say, seven years, and when it is made, the reasons for it and a description of it, should be notified by gazette. At the end of the period, the reserve would lapse and the onus of the proof of the need for renewal would be on the Department.

**TERM NO. 2.**

**THE METHOD OF ALIENATION OF CROWN LANDS**

" The turning aside of capital from the cultivation of the land to its purchase is one of the chief vices of our French rural economy " (De Laverque).

Our problem here is not a simple one; we have to consider the need for fair dealing without favour, the desirability of obtaining a hardworking and husbandlike type of settler at the initial stage of transfer from the Crown and the undesirability of setting up too cumbrous a machinery. But fair-dealing without any special safeguards is more to be expected than favouritism; the tendency, we believe, is for the genuine farmer to possess the land; and the cumbrousness of the machine does not so much matter, once its task is done.

For the unbusinesslike realisation of the country's greatest asset, the remedy is, slow, however, unjust to individuals and ruinously expensive; and any too hard and fast insistence on any one method of the disposal by Government of land, is apt to entail a dead loss to the community which the future will find hard to make good, even if it should rightly be called upon to do so

We will cite two examples, one in Australia and the other in East Africa.

In Australia the expenditure of millions on the compulsory repurchase by the State of land for closer settlement, which has been going on now for some twenty years, is directly the result of the undue prolongation of a system of direct free grants on demand.

In Nairobi and Mombasa at the present moment, the prevalent inflation of rents is undoubtedly the result of a continued adherence to a system of occasionally selling small parcels of town plots to the highest bidder. Let it be admitted that in Australia the pioneer had to be rewarded, and that in East Africa revenue is hard to come by; but in the one case a prudent reservation of land for auctioning in small lots might have resulted in both revenue and development, while in our case here a direct distribution of town plots to a degree commensurate with the demand and at a moderate fixed price, if carried out a few years ago before the segregation of races controversy had made any distribution impossible, might have produced a higher state of urban development and a lower rate of rentals than we see in Kenya to-day.

There is a further consideration. Not only do circumstances vary in time; they vary also in place. In other words, not only may one method of alienation not be suitable equally at two different periods, but it may not even be suitable in the same period to all cases. Thus whereas the auction system may operate well enough where a large new settlement is being opened up remote from any existing interests, it may operate very harshly in the case of the disposal of some small block, the acquisition of which may be of vital importance to an adjoining land-holder and merely an opportunity of squeezing to anybody else. It is true that a recent investigation of claims made on this count did not reveal many which came to be substantiated; but we think the present process of clear settlement will produce a gradually increasing number, particularly in some of the purely grazing areas where the size of the farms appears to be on the small side.

At present, under our principal land law, the auction system prevails and any departure from it is clearly only contemplated in the case of "Special Purposes" leases. How far this idea has been found a sound basis for present day needs is best discovered by an examination of the objects, and their fulfilment to date, of the Soldier Settlement allotment.

This allotment was by far the most extensive undertaken in the country; whereas previous allotments as for instance the 1913 one, resulted in the alienation of sixty or seventy farms, the 1919-20 scheme comprised some fifteen hundred farms, its early history is therefore of interest.

Early in 1917 a Land Settlement Commission was appointed which eventually recommended the direct alienation to ex-Soldiers of all available land, free from premium. Applicants were to be selected by a Board whose powers were not apparently to include the power to allot a particular farm to one particular applicant in preference to another. In 1919 a definite scheme was launched; it provided for direct alienation, but by lottery, and to applicants selected by a Board; and further it was not considered possible in the financial circumstances of the country to give the land out free, but only on a more extended system of payments than that allowed under the principal law to previous settlers.

How different however was the problem in 1919 from what it was in 1913, the date of the last allotment, can be best seen by a comparison of the prices obtained in the pre-war auctions and those imposed under the Ex-Soldier scheme, taking into account that fact that in the latter case prices were so carefully and conservatively fixed that when the final adjustments had been made, complaints were practically eliminated. Such a comparison shows that land for instance, in the Trans Nzoia of the type which only fetched 60 to 75 cents an acre in 1913 was gladly taken up in 1919 for five rupees and more, while it was clear that an auction would have produced an even higher rate.

This is only an example for what had happened all over the country. Now in the pre-war days the auction system on the whole meant that though a part of a farmer's capital went at once towards purchase, it was only a very small part.

The auction system would not entail a very considerable amount of capital being involved in purchase. It is true that long terms assist, but there still remains a heavy charge with prior rights, when the question of mortgage arises.

The problem of development conditions forms a separate term of reference and will be dealt with later, it is at any rate obvious that if the State is not going to realise part of the value of its land in immediate cash it must provide for a return in the future.

The question of the consideration we will leave for the present, and deal merely with the machinery of alienation. We believe that we have now come to a time when the greatest care must be exercised in the disposal of the large number of scattered parcels of land still undisposed of; in some cases the mode of alienation adopted by the Land Office under General Notice No. 79, 1920 for the Coastal Area appears to be a sound one; in different circumstances special claims might be, as indeed they have been recently, adjudicated on in a manner to exclude parties not interested in some special manner; as regards town-plots we think that auction should be the rule except in such special circumstances as have already been referred to.

The point is that for agricultural land also, auction is, by law, the rule, while for such land we think it should now be the exception. We think that the method of alienation, i.e., either direct, or by auction, or direct but on special claims, or by any other method which may appear more convenient, should not be particularised by law but should be left to the discretion of an authority, the creation of which we shall deal with under another head.

**TERM NO. 3.****CONVERSION OF TITLES.**

We have included under this head not only the more obvious forms of conversion, such as from agricultural to township title, but also changes of user within the operation of separate parts of a single ordinance, as for instance, the change from a Special Purpose to an Open Lease under the Crown Lands Ordinance 1915.

In fact we have practically included in our consideration the general question of covenants in titles.

We believe that under the conditions at present obtaining in this country, it is impossible to lay down very hard and fast rules within the rigid limits of legal definition, as the law now stands, the Government has general powers of exemption, and we consider it would serve a useful purpose to indicate what we think are the principles to govern the exercise of these powers.

The case frequently arises of the holder of a Special Purpose Lease asking for conversion to an Open Lease, on the ground of requiring increased facilities for increasing capital; the strictly logical answer to such an application is to the effect that more general privileges of user entitle the State to an increased consideration for the land. There have been, we find, cases where the special object of the restricted lease has been fulfilled in so far that on the land has been erected permanent factory buildings of an efficient and expensive type, and for a considerable period genuine work of public utility has been carried on. In other words sufficient commitment to a special purpose has been undertaken by the lessees to justify the Government taking a risk of the grant of an open lease, opening the door to a defeating of the purpose of the original lease in result.

We think that in justice to genuine cases submitted, it is necessary for Government to take on the responsibility of discriminating between deserving and undeserving cases, since the only general rule possible might, as indeed it does in fact, operate harshly in cases fully deserving every possible kind of assistance. Land administration cannot be carried on by rule of thumb.

As regards such restricted titles of the future, we think that the alternative of definitely endorsing them with a clause freeing them from the restriction when so much development is completed, might be adopted as a separate form of title specifically mentioned in the law.

The question of allowing, as a right, conversion from agricultural to township title is a somewhat thorny subject in a young but growing country; we think however, that Kenya is sufficiently aged for the law to declare some definite policy in this respect. The Crown Lands Ordinance 1915 ignores the very existence of such a problem.

We are of the very carefully considered opinion, taking into account the reasonable rewards of the pioneer, that the time has now come when the conversion of such titles should be allowed as a right but subject to the unconditional surrender of the agricultural title prior to the issue of township leases which would be subject to the charges provided for such leases under the existing law. Provided however that it shall be competent for the authority to take into account, by the way of reduction of premium, how far the applicant is deserving of rebate in proportion to the amount of the development which he has carried out, and which has contributed to the creation of the township in question. We think that the assessment of such rebates would be one of the most important duties of the future land authority, we think too that the purpose of such a provision would be largely defeated unless supplemented by the strict enforcement of the right of re-entry in the cases of leases which are subject to development conditions, and taxation in the case of land which cannot be brought into use by any other means. We recognise, however, that the holder of an agricultural lease should have a definite right of conversion into township titles, provided that he complies with the Public Health Ordinance or any other relevant laws or policy dictated by the Government.

The case of conversion from agricultural to mining title should be sufficiently dealt with under the Mining Laws which are under revision at the present moment; the case of conversion from mining to agricultural title is hardly likely to arise in the immediate future; but if it does we have only to point out that the two forms of title are two different contracts and should be treated as such, the terms of the one in no way implying rights under the other. In other words we consider that what we understand to be British Columbian practice in this respect is a bad precedent and should not be followed.

Our guiding principle under this head is that where there has been honest development, a change of contract would be an opportunity for rendering assistance; where on the other hand there has been no such development, there should be no such assistance proffered, but non-development under the old contract should be paid for under the terms of the new contract.

**TERM NO. 4.**

**THE GOVERNOR'S POWER OF VETO.**

The object of the provision made for this power is the prevention of the transfer of land for the use of one race to another race which the policy is to segregate in another area.

It is not within our reference to comment on that policy, but we are properly concerned with the method of its execution as embodied in the law. If the present policy of segregation of race is to be continued, we consider that the only proper method is the drawing of definite territorial boundaries between the land-holdings of each race and referring to such in the law itself, to insert a provision prohibiting the transfer of land within them to a race other than that for which the land is reserved, the Governor-in-Council having powers of exemption.

The Governor's power of veto to enforce a policy of segregation then becomes unnecessary, and a straightforward declaration of that policy is to be found, plain to see, in the body of the law.

**TERM NO. 5.**

**DELEGATION OF POWERS.**

Without of course diminishing the Governor's privilege of considering all matters in Executive Council, it appears to us that it should not be definitely incumbent on that body, as it is now, to have to advise His Excellency on so large a number of problems arising out of the administration of the land laws, as is at present the case. We recommend the creation of a Land Board as advisory in certain cases to the Governor, and in others to the Commissioner of Lands. We consider that certain matters which are required to be referred to the Governor should be so referred with the advice of a Board, that in certain other cases the Commissioner of Lands should in exercising his own powers of decision have the same Board to refer to.

The constitution of the Board is naturally a matter for His Excellency to decide, although we think that a suitable composition would be:—

- 1 Commissioner of Lands (Chairman).
- 2 Director of Agriculture
3. A member for highlands } According to the matter involved.  
A member for the Coast }

The Board should have power to co-opt for special questions.

The Board would have no domestic control of the Land Department, and would sit and consider matters as submitted by the Chairman, who would have the right to convene. The unofficial members of the Board would be unpaid, although travelling expenses on duty would be paid.

In any township to which the Municipal Corporation Ordinance applies, the Municipality would work in substitution for the Land Board.

The effect of these recommendations on the Crown Lands Ordinance, 1915, is as follows —

- (a) For "Governor" or "Governor-in-Council" read "Governor with the advice of the Land Board" in the following sections:—6 (II) to (V), 39, part V (I), 87 to 92
- (b) For "Governor-in-Council" or "Land Officer" read "Land Board" in the following sections —25, 26, 27, 42, 43, 44.

Section 156 might remain unaltered, although it is a proper function of the Land Board to make an initial valuation.

It is evident that the creation of a Land Board will relieve the Executive Council to a great extent, and will ensure that land matters secure an intensive consideration which is only possible by a body specialised in its subject and strengthened in its advice by exhaustive enquiries into the minutest detail.

Under this term of reference comes the signing of Crown Grants, which we consider might properly be done by the Commissioner of Lands, the necessary alterations being made in the Order in Council. Also the Commissioner of Lands should have power to delegate his existing authority to sign Temporary Occupation Licences, as in practice there is usually no reason why a District Commissioner should not make the grant direct to the licensee without reference to the Land Officer.

**TERM NO. 6.**

**DEVELOPMENT CONDITIONS IN LEASES OR ON ALIENATION OF CROWN LANDS.**

The present development conditions in the Crown Lands Ordinance 1915 are wholly unsuited to the country, for it must be borne in mind that in laying down development conditions the type and capabilities of the land should be considered, as well as accessibility of markets. It is obviously unfair to stipulate development on a pecuniary basis per acre to meet

all classes of farms, from coffee estates to ranches, for farms adjoining the railway as well as for farms fifty miles from the line. And it is as unwise as it is unfair, for by the present law a lessee may comply with the development conditions in erecting an elaborate house and neglecting *bona fide* improvements, thereby vitiating the purpose for which the land was leased. In effect this means a Government subsidy to a lessee at the expense of the country; moreover this subsidy is granted to the lessee of a farm which is suitable for intensive agriculture, and who merely keeps within the four corners of the law by an expenditure of the bare essential amount prescribed.

In general we consider that the present development conditions err on the side of leniency. In particular we disagree with section 43 (2) of the Crown Lands Ordinance 1915 which allows a lessee, merely on payment of the purchase price, to secure a lease over a large portion of his holding entirely free from development conditions, and that without his having done any development whatsoever on his farm.

A hypothetical case will make our point clearer, and will expose the grave danger which exists under the law as it stands. A lessee of 2000 acres subdivides his farm into ten small holdings of 200 acres each. He applies, with plausible argument, to concentrate his development on one portion of 200 acres. Having obtained nine leases free from development conditions (practically a freehold title) he allows the tenth area to be confiscated by Government. The disadvantage to the country is so apparent as to require no further elucidation. All subdivisions should bear development conditions *pro rata* to area.

In times of stress, alleviation of development conditions can be granted only by His Excellency. This, we consider, is likely to cause wholly unnecessary reference to His Excellency, which could very probably be obviated by constituting the Land Board the executive authority to deal with all matters appertaining to development.

The weight of evidence before us postulates stringent development conditions. While we decidedly agree with this principle, at any rate during the initial stages in the life of a farm, we are emphatically of the opinion that present pecuniary basis should be abolished, and that land should be classified according to the capabilities of the soil and the distance from the railway, ever bearing in mind the accessibility and availability of markets. Legislation is therefore only possible on the principle of development, and the conditions should be prescribed by the Land Board, whose duty it should be to consult local bodies and to dictate conditions for each type of farm as alienated. We do not desire to lay down terms of reference to the Land Board, but we suggest as a suitable basis for development conditions productive improvements of stock or cultivation proportionate to the area of each farm on the lines mentioned above, and also that elasticity should be provided for in the event of a change in the market conditions, or accessibility to lines of communication. Development should be maintained during the term of a lease.

The Land Board should co-operate with the District Authorities to the fullest extent, and should have power to devolve certain functions on the local authority, particularly with regard to inspecting improvements and securing maintenance. We feel that it is unfortunate that so many areas exist in the country undeveloped owing to laxity in early grants, but it is doubtful if retrospective legislation could be introduced legally on those cases, apart from an undeveloped land tax.

The consideration of development conditions has *per se* led us to deliberate at some length on the question of freehold tenure. Our enquiries have not elicited the *true* value of freehold to the farmer, but the *sentimental* value cannot be denied. The sentimental value is especially in evidence as being of greater security in raising loans. Freehold tenure is undoubtedly in popular demand, and we consider that the demand should be met, as being of advantage to Government and ultimately to the community. The theory of the case is that when all land is freehold there will be no necessity for a land division of the Land Department, inasmuch as there would be no rents to collect, no development conditions to govern, and all disputes would be taken to a court of law. Thus the overhead charges of Government are to some extent reduced.

We consider without hesitation that a freehold title should be granted only after a number of years of development of the property. This, combined with the purchase price of the freehold, is a safeguard against the land being allowed to go back to prairie and to remain undeveloped. No grantee could afford to allow his asset to depreciate, or to allow his money to lie idle without an effort to obtain a return. The payment of a capital sum per acre effectively disposes of the doubt in the advisability of allowing freehold over large stock areas.

Existing leasehold titles should be convertible into freehold, but as a *quid pro quo* the lessee would be obliged to comply with fresh development conditions stipulated in each case by the Land Board.

Our concrete recommendation, therefore, is that all lessees should have the right, after say five years, of applying to the Land Board for a freehold title. If the development effected on the property were in conformity with the requirements of the Board, freehold would be allowed on the payment of a sum equivalent to the capitalisation of the rent at five per cent; that is to say a sum would have to be paid to Government which if invested at five per cent would bring in the same amount as was being paid as rent. Where the purchase price of the lease had not been fully paid, this would have to be settled in full at the same time.

We can express no opinion as to the amount of money likely to be received in this connection during the next few years, but we believe that the scheme would be acceptable to the public. In the event of our recommendations being adopted, however, we consider that the money should not on any account be spent by Government, but that it should be invested —

- (a) in securities bringing a return of not less than five per cent.
- (b) in reducing a Government loan on which the Government is paying not less than five per cent
- (c) in a Land Bank

On the principle that revenue derived from the land should be returned to the land, we feel that if all other endeavours to establish a land bank fail, we have here some nucleus to a land bank which would in time be of real advantage to the country.

In coming to our conclusions on the question of freehold, we have not omitted to take cognisance of the fact that in 1945 a revision of rentals is due, and that the revision would probably produce a greater sum than the interest on the capital amounts paid for freehold and invested before that year. We feel, however, having no mandate from posterity, that in 1945 the Government would be able to meet the loss, if more revenue were required, by a property tax, although in fact the loss will be more than made up by increased production and the influx of capital which will result in the introduction of a system of freehold tenure, provided that freehold is an admitted corollary to development.

#### TERM NO. 7.

##### CLASSIFICATION, OF RENTS.

While we would prefer a method of classification of rents according to the class of land and distance from the railway, we consider that it is hardly necessary or advisable now to depart from the present flat rate of ten cents per acre, owing to the fact that the principle has been established under the Crown Lands Ordinance 1915 and accepted by the public without demur. The upset price, development conditions, and provisions for freehold, are sufficient determining factors in the value of a property, and no real advantage is gained by a sliding scale of rents in addition.

The evidence we have taken on the question does not speak very forcibly on a classification of rents; in fact many witnesses prefer the flat rate, and opine that a system of classification would be impracticable. We think however that the scheme for periodical revaluation in the Ordinance is unsound, and will in fact not be brought into practice. It is easy to foresee a period of unrest and anxiety just before the year of revaluation, which would do harm to the country.

After mature consideration, we recommend that the flat rate of 10 cents per acre per annum stand, but that the provision for revaluation be deleted.

#### TERM NO. 8.

##### THE DECLARATION OF STOCK ROUTES AND OUTSPANS

It is quite impossible for anyone to estimate for how long a time stock routes and outspans will be required, or how soon the railway and cold storage will replace the ox wagon and resting ground. We think it fair in the first place to enunciate the principle that in the event of an outspan being no longer required as such, or for any other public purpose, the land should be first offered at the current market price to the original lessee from whom it was acquired.

Under the present law, a servitude is imposed on all lessees to allow travellers to camp on their land for forty-eight hours, with access to water, unless an outspan is adjoining or near to the farm. This provision is undoubtedly necessary in the earliest stages of settlement, but we think the time has now arrived when Government should endeavour to free lessees from this servitude.

We understand that steps are now being taken to devise a system of outspans and stocks routes, common to all kinds of stock. While we agree with this principle, and desire to see a suitable system established at the earliest moment, we feel that it is necessary to adopt a temporary expedient, in an endeavour to relieve land holders from the servitude of camping rights which is alike vexatious and a source of danger from infection.

The first step would be to grant exemption from this servitude in cases of hardship, action being taken on the advice of the local committee with the Veterinary Authorities.

The second step is to declare outspans where possible from available Crown Land, and to exempt the landholders from the servitude of camping rights where they are affected.

The final stage is a wholesale exemption from this servitude by a definite scheme of acquisition of land. This scheme however, should be tackled piecemeal.

In releasing a lessee from the servitude of camping rights, it should be made clear that Government retains the right to acquire up to four per cent of his land free from compensation for public purposes, and that this right includes the resumption of land at any future date for camping grounds or rest houses if desired.

**TERM NO. 9.****THE ACQUISITION FOR LAND FOR PUBLIC PURPOSES.**

Generally speaking we consider that the present law operates fairly to all concerned, but there are two points on which we desire to make recommendations.

First, in the event of the acquisition of a portion of a farm rendering the remainder of the farm useless for the purpose for which it was alienated, Government should acquire the whole farm. We think this policy should be declared by Government, although in practice arbitration would most probably attain the same end by awarding a price for the portion equivalent to that for the whole farm. The surrenderor, however, should not be left with these remnants, which might conceivably be sold by Government to adjoining land owners. We do not say that Government should be forced to acquire a whole farm in such cases; it should have the right to acquire if desired.

Secondly, we think that section 45 of the Crown Lands Ordinance 1915 should be deleted. The modern tendency is to sub-divide, and purchasers of subdivisions should not be penalised more than lessees from the Crown. More especially do we consider this suggestion equitable in view of our previous recommendations that all sub-divisions should bear development conditions.

**TERM NO. 10.****ANY OTHER MATTERS.**

In the course of evidence, and in discussion on the previous terms of reference, we have had a large number of minor points under consideration, for example, the term of leases, water rights, foreshore, swamps, salt licks, layouts and subdivisions. In most of these cases our considered opinion is that no alteration of the law is necessary, and that they may safely be left to the policy dictated from time to time by Government. Where alteration of the law has been thought advisable, it has been found possible to include our recommendations in the previous terms of reference.

Signed. H. T. MARTIN (Chairman).  
 CONWAY HARVEY  
 S H CHARRINGTON.  
 A. HOLM.  
 V V PHADKE.  
 W McLELLAN WILSON.  
 J C COVERDALE.  
 O F. WATKINS.  
 F O B WILSON  
 R B COLE.

Signed

H. J. Snelgar  
 Secretary.

Nairobi, 31st March, 1922

**NOTES.**

1 The Hon. I L O Gower was prevented from attending most of the meetings of the Commission owing to sickness, absence on leave in England, and pressure of legal work. He has therefore abstained from signing the report.

2. Mr. J. C. Coverdale appended the following note to his signature of the Report —

“ While having signed and approved the Report of the Commission as a whole, I wish to point out that I am not in accord with the finding of the Committee on the subject of the Land Board. It appears to me that the Commission is not fully alive to the importance and scope of this body which to my mind will be one of the most responsible Boards of the country and, as an advisory Board to the Commissioner of Lands and also the Government, will be called on to adjudicate on all the important land questions of the Colony both as to policy and practice. In view of the fact that it is proposed to largely reduce the staff of the Land Department, and that the Board will decide many questions which are at present dealt with by the Executive Council, I consider it necessary that the Land Board should be stronger numerically and be most carefully selected. The present proposal is that the Commissioner of Lands, the Director of Agriculture and one Settler should constitute the Board, but I disagree with the suggestion both as to numbers and personnel. The Commissioner of Lands will be *ipso facto* an essential member and Chairman.

The Director of Agriculture being head of another important Department will not have time to devote to a Board which will be sitting very frequently, and may have no particular knowledge of Land questions, but his experience would no doubt be available to the Board when special knowledge of his Department is required.

The proposal for the usual unpaid Committee will not meet this case and I suggest that a Board of five members is required consisting of the Commissioner of Lands, the principal Land Ranger and three unofficial members, chosen for special knowledge and experience in land matters, the latter to be paid at the rate of £3-3s. per day. The usual committee on which volunteers sit, without any recompense for their loss of time, is invariably futile and the work done in a perfunctory manner with no good result achieved.”



3 Mr. V. V. Phadke, commenting on term of reference No 6, prefers 3½ to 5 per cent as the basis for investment of monies derived from the purchase of freehold and adds.—“I believe that looking ahead, a 5 per cent. basis would mean loss to the state, as the rate of interest of gilt-edged securities is likely in future to go down. The Bank rate has already gone down to 4½ per cent.”

4 The Hon: R B Cole disagrees with the principle in the second half of the fourth paragraph of term of reference No. 1 (a) and adds:—“ this position should never occur. The land will carry so much stock and no more, as in any other country.” With regard to term of reference No. 6, para 3, the Hon: R B. Cole remarks:—“ Then stock should be considered development; under existing regulations, where it is necessary to obtain several farms to run a small business in stock, a lessee would have to put a dip or woolshed or house on each piece or farm, which is unbusinesslike and absurd.”

5. Capt. F O. B Wilson notes as follows:—

Note 1 Term No. 5 Delegation of Powers.

I agree with recommendations of the Commission as far as the fourth line but I do not agree with the creation of a Special Land Board

The Land Officer should have larger powers delegated to him by His Excellency for the administration of matters connected with his Department while in matters of the widest importance the Governor could if he thought desirable consult the Executive or Legislative Council.

The Land Officer would no doubt in any case consult the various interests and Districts affected in problems that might from time to time arise; I consider that, to take an example, the Thika District Committee would be in a better position to tender useful advice on a matter connected with their District than would a member of the Land Board hailing from, say, Nakuru The report as drafted appears to admit this in suggesting an alternative member for Coast and Highlands and again when it recommends that Municipalities should work in substitution for the Land Board in places where the Municipal Corporation applies.

A further objection to the proposed Land Board is that I can see little prospect of unofficial members of the Land Board being able to spare the time for travelling from end to end of the country that would be necessary to enable them to form opinions based on knowledge of the actual District or Community affected

Note 2 Principles to govern delimitations of Game Reserves.

I agree with the recommendations in the report up to and including (1)

As regards (2) I would suggest that a preferable course might be that of erecting a game proof fence following the line of this Reserve along the Railway. The Game Warden in evidence stated that such a fence exclusive of fencing posts could be erected at a cost of £120 per mile.

Funds for this fence might be provided by the issue of a limited number of special licenses to shoot in this Reserve the proceeds from which could be allocated to the erection of the fence.

A Game Reserve where the general public can see the game under natural conditions from the windows of a railway carriage is so obviously desirable from all points of view that I consider that subject to the safe guarding of farmers adjoining such reserve every effort should be made to retain it.

6 Minority report by the Hon Colonel O. F Watkins, O B E., D.S O

#### TERM NO. 1.

(a) The principles to govern the delimitation of Native Reserves.

1. Extreme advocates of either of the two schools of thought, known for want of a more accurate term as pro-native and anti-native, may well unite in maintaining that there can be no principle in action opposed to native wishes other than the maxim “ Might is right ” They would merely differ as to the correctness of the action A more moderate point of view is that under the Pax Britannica security of tenure of a smaller area can reasonably be offered in place of the vicissitudes of settlement under inter-tribal warfare, provided the smaller area thus offered is as much as the tribe can reasonably occupy or use.

2 It is not apparent what has been the principle in the past of determining the actual alignment of Native Reserves In fact, it may be stated that no clear principle of general application has been laid down, but varying methods have been adopted in different districts without any very clearly thought out underlying policy.

3. It is obvious, however, that the boundaries of Native reserves should be defined on some just principle, and by our terms of reference we are concerned with this principle of delimitation It is thought that it should be the needs of each tribe on the basis of beneficial occupation, provided that this limitation of tribal territory is accompanied by systematic agricultural education directed towards enabling the area thus limited, to support a larger

population. It follows that the area allowed must be large enough to accommodate not only the present population but also the natural increase of the tribe during the two or three generations that must elapse before more progressive methods of agriculture can possibly be adopted to any appreciable extent.

4. I regret to have to differ from the majority of the Commission with regard to the appointment of any form of standing or temporary Boundaries Commission. The transport of such a Commission to remote areas must in many instances be a matter of difficulty and expense. In an enquiry into native rights it must depend, not on facts of occupation, but on evidence brought before it. The less sophisticated the native, the less will he appreciate the danger of neglecting to give evidence, and the pastoral peoples in particular are most unlikely to leave their herds and their seasonal grazing and travel perhaps for days to represent their tribe before European strangers, who choose to make enquiries regarding the boundaries of grazing which has been and is regularly used at other seasons as a matter of established right and custom, but which at the moment must appear to the Commission as totally uninhabited. I should regard such a Commission as more expensive and less adequate than simpler machinery.

5. If it is admitted that the Native has a prior right to as much land as he uses now and is likely to use for two or three generations, continuing to employ present methods of cultivation, it follows that it is only the balance that is at the disposal of the Government. The ascertainment of this balance can, in my opinion, best be done by one Officer who has experience in weighing up evidence, and is himself of sufficiently long residence in the district to know and be known to and respected by local Chiefs, Missionaries, and Traders. Such a man, associated if possible with a few other officials or missionaries of long local residence has at least a chance of approximating to the facts of existing settlement and prospective needs.

6. Embodied in the majority report are some recommendations regarding the administration of native lands. Though these appear to me outside the terms of reference it is perhaps advisable to comment on them.

7. I am unable to agree that the improvement of the capabilities of land or the provision of a water supply are properly the functions of a Native Trust. They appear to me rather legitimate objects on which to expend general revenue derived from native taxation. A Native Trust Fund should more properly be devoted to emergencies, such as famine or pestilence for which there is no provision in the estimates, or to the encouragement of co-operative industry or enterprise, for which in a native community it is so hard to get funds.

8. I am, however, in full agreement that a Native Land Trust should be established. The definition of Crown Lands should be altered to exclude native reserves which should be vested in this Trust. Revenue from leases and concessions should be paid into the Native Trust Fund already established by law, and the Land Trustees should include the Trustees of the Natives' Trust Fund.

9. Part VI of the Crown Lands Ordinance, 1915, should be altered to permit of the leasing of lands in Reserves to non-natives, where such leasing is of direct benefit to the native; as for instance the lease of land to a mission for an industrial school, or the lease of quarrying rights for stone or sand or lime or gravel, where these can bring in revenue without interference with native life. In fact the Trustees should be permitted to use in respect of native lands the same discretion, as regards temporary short-term alienation only, as a European lessee from the Crown uses in respect of his own holdings.

10. Once the general policy regarding such leases is laid down by the Trustees, and approved if thought advisable by the Secretary of State, discretion to grant leases in conformity therewith could be left to the Senior Commissioners advised by the legal advisers of the Government.

TERM NO 1.

(b) I have to dissent from the premises that " the time has now come for every scrap of land to which agricultural development can be extended to be made available for future alienation."

In my opinion the time has come to call a halt, and see whether the labour supply of the country is going to be adequate for present requirements. When some of the new soldier settlement farms are on their feet, and some of the new and struggling industries firmly established, it will be time enough to consider the relative advantages of forestry or agriculture in areas then available. In the interim having regard to the fact that the Forest Department depends on allocations from general revenue, it is improbable that any further areas will be afforested. The present is not a time for spending money on re-survey, not of immediate and present necessity. I, therefore, can only agree with the recommendation of the majority to the extent of saying that only tree-less areas, immediately required for other approved public purposes, should be surveyed and excised from the Forest Reserves.

TERM NO. 3.

I am of opinion that in private townships definite allotments of land for public purposes should be made, in proportions laid down by law, as a condition prior to conversion of title.

The fixing of the proportion does not appear to be a matter for the discretion of a Board.

**TERM NO. 3.**

In paragraph nine, after the first sentence, after " other " insert " since for instance it " must be clear that no mining title in a native reserve could possibly be convertible to " an agricultural title held by a non-native "

**TERM NO. 5.**

In the majority report there would appear to be inadequate protection for native rights. The Commissioner of Lands might sign a lease conveying native rights without the matter coming to the knowledge of the District Administration or Native Affairs Department. At present proposed grants are considered by the Chief Native Commissioner in his capacity as a member of Executive Council, even if he has not been asked to express an opinion before the matter goes there. This safeguard is removed if the grant can be recommended to the Commissioner of Lands by a Land Board and the conveyance signed by him without reference to any other Department.

I am, therefore, in agreement with the formation of a Land Board provided it deals only with problems arising in areas gazetted as being within its sphere. Thus in practice lands in Native Reserves would be dealt with by the Native Land Trust recommended in Term No. 1. Newly-opened areas, or areas subject to inter-racial complications or claims would continue to be referred to Executive Council. The Land Board would deal only with areas of long-standing European settlement. Moreover, since a mistake as to which area land was in could not be rectified once a lease had been signed, I am opposed to giving this power to the Commissioner of Lands.

**TERM NO. 6.**

1 I am of opinion that an effort should be made to frame legislation enforcing development of existing holdings to accord with the original intention of the grant and to confiscate undeveloped properties.

2 I am also unable to agree with the opinion of the majority as regards freehold. Whatever may be the sentimental value of freehold, there seems to me every reason why the State should retain the power to insist on beneficial occupation or surrender. This principle has been laid down earlier in this report for native areas and must equally apply to non-native. In the recommendations of the majority there is nothing to prevent land from lying undeveloped in the hands of some heir of the original pioneer, who does not value it because he has spent nothing on it, and equally spends nothing on it because he does not value it. This must especially apply to small homestead farms, on which such an heir might not wish to live and which he might be unable to sell or lease at the price he considers he ought to get. Unless, therefore, some form of tenure can be devised which amounts to freehold with development conditions, I am unable to support the recommendations for the conversion of leasehold to freehold.

3 The manner in which the Government is to invest money accruing from Crown lands does not appear to me to come within the terms of reference, and I am unable to associate myself with recommendations on this head.

**TERM NO. 7.**

I do not agree that the provision for the re-valuation of rents should be deleted. It may only be politic to apply it in special areas or particular cases, but I consider the provision should stand.

**TERM NO. 8.**

I consider the servitude should be retained as regards Government officials travelling on duty.

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THE COMMISSIONS OF INQUIRY ORDINANCE, 1912<sup>f</sup>

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A COMMISSION.

I, Edward Northey, Major-General of His Majesty's Forces, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Most Honourable Order of the Bath, Governor and Commander-in-Chief of the Colony and Protectorate of Kenya, do by virtue and in exercise of the powers conferred upon me by the Commissions of Inquiry Ordinance, 1912, by this my commission under my hand appoint:—

HIS HONOUR CHIEF JUSTICE J. W. BARTH, C.B.E., Chairman.

HON. MR. R. W. LYALL GRANT.

HON. LT.-COL. W. K. NOTLEY, D.S.O.

HON. LT.-COL. O. F. WATKINS, C.B.E., D.S.O.

HON. MR. J. L. GILKS.

T. A. GRAY, Esq.

M. MACLELLAN WILSON, Esq.

T. R. SWIFT, Esq.

H. SAVILLE, Esq.

REVEREND FATHER P. ROGAN, O.B.E.

MANGAL DAS, Esq.

to be Commissioners to enquire into and report on the following matters:—

- (1) The existing system of punishments inflicted on Native offenders with a view to framing recommendations for effecting improvements therein and for the better prevention of crime.
- (2) The methods whereby labour offences committed by Native employees can be effectively dealt with.
- (3) The method in which sentences of rigorous imprisonment are carried out in prisons.

And I do hereby appoint the said J. W. Barth, to be Chairman of the said Commission, and in the absence of the said Chairman such other member of the Commission as the members present at any Session shall elect.

And I do hereby direct that five Commissioners shall form a quorum.

And I do hereby direct that Ronald Flint Palethorpe, Esq., shall be the Secretary to the Commission.

And I do hereby direct that the Commission shall sit at such time and at such place as the Chairman shall from time to time direct.

And I do hereby command all persons whom it may concern to take due notice hereof and to give their obedience accordingly.

Given under my hand at Nairobi this 25th day of May, 1921.

EDWARD NORTHEY,  
*Governor and Commander-in-Chief.*

Sittings, Witnesses and Memoranda	The Commission sat at the following places:—Nairobi, Mombasa, Kisumu and Nakuru and heard 49 witnesses and received 39 Memoranda
Existing Punishments	(2) The existing punishments are death, imprisonment, fine and whipping
Power to whip	(3) The Criminal Procedure Ordinance enables a native to be sentenced to whipping in lieu of or in addition to any other sentence.
Technical Offences	(4) The Commission's attention was directed to the large increase of late years of what may be called technical offences which involve no moral turpitude and which are very largely punishable by imprisonment. As examples of this form of offence during 1922, 2,187 were punished under the Master and Servants Ordinance and 3,872 under Revenue, Municipal and other laws affecting the social economy of the Colony, a very large proportion of these convictions were for non-payment of hut tax, <i>i e</i> , 2,216. At present a large number of natives are sentenced for breaches of the Native Registration Ordinance. In 1922 there were 2,764 convictions. All of these convictions were not accompanied by imprisonment but imprisonment was inflicted in many cases.
Treatment of Technical Offences	(5) The Commission feels that imprisonment for many technical offences is a great mistake, fines should ordinarily be imposed and care taken to see that if possible they are collected. In default of fine it is suggested that periods of detention be inflicted the detention to consist of an obligation to live in a place allotted for the purpose and to work not as a prisoner surrounded by guards but on parole for a Government department. This plan would it is believed be practical in out stations but possibly not in large townships such as Nairobi and Mombasa. Its result would be to render such convicts free from any chance of contamination through association with criminals in gaols.
Separate penal establishment for long term prisoners	(6) So far as the present buildings permit different classes of convicts are separated in the principal gaols of the Colony that is to say first offenders do not associate with recidivists but it is felt that in present circumstances the separation must be far from complete and that a separate penal establishment for long term prisoners is a necessity which should as soon as possible be provided.
Completion of Nairobi Gaol Association cells condemned	(7) Much might be done by completing the partially built Nairobi Gaol. At present there are in that gaol 8 large wards and 22 cells for the accommodation of 800 prisoners. The area on which the Gaol stands should be sufficient to furnish accommodation for each convict to sleep in separate cells. It is obvious that the association of prisoners in large wards must tend to the dissemination of evil. Association in work under proper supervision should benefit the convict.
Minimum term of imprisonment	(8) It is the general opinion that short terms of imprisonment such as a day or a few days are useless. The minimum term to enable a convict to realise what prison means is it is suggested 14 days.
Fines should not be excessive	(9) Fines, if inflicted, should have some relation to the earning capacity of the accused. It is in most cases futile to fine a native for a breach of the Native Registration Ordinance <i>i e g.</i> S 60, which represents 3 or 4 months' earnings.
Flogging	(10) Flogging has been recommended by a number of witnesses for adults for technical offences. Mainly, it is thought, because it is realised by such witnesses that imprisonment is an unsuitable form of punishment.
Arguments in favour of flogging	(11) The arguments advanced in favour of flogging are that it is inexpensive, that it is summary, that the native is a child and should, therefore, be punished as a child and that it is effective.
Arguments against flogging, it should be confined to juveniles and brutal offences	(12) But it is doubtful if natives can be flogged to a higher morality. It has in the end a brutalising effect both on the convict, on the magistrate and on the person who inflicts the punishment and it should in our opinion be confined to juveniles, who might be caned for trivial offences and to those who commit brutal crimes who should be flogged. A differentiation should be made in the instrument used on adults and juveniles.
Juveniles should not be flogged at a prison	(13) If juveniles are sentenced to a caning it is considered that the sentence should be inflicted at some place other than a prison so that the slightest suspicion of prison taint should not be possible.
Deterrent effect of flogging	(14) The Commission as a whole is not convinced that flogging has much more deterrent effect on the average native than it has on the average schoolboy. As a deterrent it is we are of opinion overrated. The members of the Commission are, however, not unanimous on the question of flogging and the views of those in favour of it are annexed.
Native view of imprisonment.	(15) The native evidence shows that imprisonment is the most dreaded form of punishment, that sentences of imprisonment do not inculcate either contempt or liking for gaol and that it is, in fact, a very effective deterrent.

(16) In the native mind fine comes as the next most unpleasant form of punishment and flogging last with only a temporary unpleasant effect. Native view of fine.

(17) Much more use might be made of the first offender's provisions in the Criminal Procedure Ordinance. In 1922 only 42 convicts were bound over Probation of first offenders.

(18) The present reformatory appears to be run on sound lines, useful trades being well taught, and so far as the Commission can gather from statistics it is a success and should be developed. It affords a method of reforming the juvenile and furnishing him with a means of livelihood. To enable the training given to be effective it is suggested that the minimum time for which a boy can be detained should be extended to 3 years, the maximum age should be increased by a year to 18. Reformatory extension of minimum term

(19) Long term prisoners in gaols are as far as possible taught trades. This is, the Commission thinks, sound, and every effort should be made to extend this practice. Trades taught to long term prisoners.

(20) Prison statistics prove that the number of habitual criminals who may be termed dangerous is at present small, amounting to not more than 300 Habitual criminals

(21) The question of indeterminate sentences was considered by the Commission but in view of the comparatively small number of habitual criminals the Commission is of opinion that there is no need at the present time to go beyond the existing provisions of the Penal Law. Indeterminate sentences

(22) Although it is somewhat outside our terms of reference we think it desirable to state that in our view a native location is a necessity in up-country towns. In Nairobi, for instance, there is no respectable place where a native can be sure of obtaining a lodging. There should be public rest houses under proper management for such natives. At present they sleep in any hovel in such surroundings that it is a wonder crime is not more prevalent. The existence of native locations would render control of natives in townships, from the point of view of crime, easier and better surroundings would remove from natives some of the incentives and opportunities to commit crime. In connection with native locations agricultural plots should be available so that a native has some encouragement to devote his spare time to useful purposes. The condition on which such plots should be held is that of good behaviour. The plots need not be contiguous to the location but should be easy of access. A small rental could be charged. The absence of any outlet for the energies of native employees after their day's work is done is we feel responsible for much petty crime. Such allotments as are proposed above should in each case be under the control of an efficient headman responsible to the Municipal Authority. Native locations

(23) Detection of petty thefts would be facilitated if auctioneers were subjected to the following regulations (1) a register to be kept of each article sold with a description and the name, registration number, if any, and description of the person submitting it for sale, (2) no sale to take place within 7 days of the delivery of the article for sale; (3) the article to be exposed for view not less than 3 days before the sale. These regulations should apply to articles sold elsewhere than on the owner's premises. At present articles are stolen and sold by auction within a few hours and innocent purchasers sometimes suffer at least suspicion in the limited number of cases in which the clothing or other article stolen is traced Control of auctions

(24) With regard to the second term of reference it has to some extent been dealt with in the foregoing. Every effort should be made to keep natives who have committed the artificial offences created by the Master and Servants Ordinance out of gaol. For such offences the system of detention already proposed or of fine or caution for a first offence, if not a serious one, is recommended. With better identification desertion will decrease. It is felt that the certainty of detection and punishment is a much greater deterrent than severity of punishment. Labour offences

(25) At present we are in a transition stage with regard to labour offences. It is hoped that as stated above the certainty of ultimate detection when the Registration of Natives Ordinance is in full force will reduce desertions to a minimum. Deserters should if the Court so determine be returned to their employers at the expense of the employer in each case and if he so requires. Certainty of detection best deterrent

(26) The Commissioners are of opinion that in gaols the present system of rigorous imprisonment is satisfactory and well suited to natives; it is only when gangs are at work outside and away from the gaol that slackness becomes apparent. The Commission is, however, of opinion that association cells should be abolished as soon as possible. Present system of rigorous imprisonment satisfactory

(27) Slackness is due sometimes to the fact that the department or person employing the gang is careless and work is not ready when the gang arrives and generally to lack of supervision by gaol officials. Gangs left to African Warders are not apt to shew much energy in doing the work in hand and closer supervision by European gaol officials should be exercised. Causes of slackness in conduct of convicts outside gaols.

Female  
Visiting  
Justices.

(28) The Commission agrees with a suggestion made that female Visiting Justices should be appointed but it is of opinion that their visitations should be confined to that portion of the gaol in which females are confined. There would it is thought be reasonable resentment on the part of male prisoners, especially Europeans and Asiatics, if female visiting justices dealt with them. The Commission recommends the appointment of female visiting justices with the above limitation on their activities

Justices of the  
Peace should  
not have  
magisterial  
powers

(29) The majority of the Commissioners are of opinion that Justices of the Peace cannot satisfactorily be given magisterial powers at the present time. It is obvious that as they would be unprovided with trained interpreters the language difficulty would be very great. Further, it would be difficult for busy agriculturalists to spare sufficient time to acquire the elements of the law applicable in the Colony. To this must be added the difficult position of a farmer dealing with, *e g*, labour disputes arising among his neighbours and friends. The time for regular trials could ill be spared and the clerical work required would tax an unpaid Justice of the Peace heavily

Arguments in  
favour of  
Justices of the  
Peace becoming  
magistrates

(30) The principal arguments in favour of Justices of the Peace having jurisdiction are celerity in dealing with accused persons and convenience to prosecutors and witnesses. The disadvantages in the opinion of the majority of the Commissioners outweigh the advantages and it recommends that consideration of any proposal to give Justices of the Peace jurisdiction should be delayed.

Sentences not  
exceeding one  
year to be  
served in local  
gaols

(31) The Commission considers that native convicts sentenced to imprisonment not exceeding one year should be retained in the gaol of the locality in which they were sentenced subject, of course, to proper accommodation being available. The reason for this recommendation is that it is thought that as a rule natives confined in district gaols are less sophisticated than those confined in central gaols. That there is, therefore, less chance of contamination and that the knowledge of their fellow tribesmen that they were confined in the local gaol would be a greater deterrent than if they were taken off to an unknown destination and to an unknown fate

Collective  
punishments

(32) It has been suggested that there should be a collective punishment for burglary on the analogy of the collective punishment for stock theft. This, however, is in the view of the Commission impracticable. Burglaries are mostly committed by natives who have lost all touch with their tribe and often with their family neither of which gain by a successful burglary. It would be manifestly unjust that the tribe or family should be mulcted for the actions of persons over whom they have no control and from whose depredation they gain nothing.

Native  
immigration

(33) Native immigration from other countries should be carefully watched to exclude habitual offenders. It is in evidence that such persons come here from Zanzibar and Pemba

Deportation

The Commission is strongly of opinion that power should be taken to deport to their country of origin alien natives who have been convicted of serious offences irrespective of the period of their residence in Kenya. A substantial proportion of the criminal population of, *e g*, Nairobi is alien.

Movements of  
habitual  
offenders

(34) It is also of opinion that the movements of habitual offenders should be restricted by the necessity for such an one to obtain a licence before he can enter a township. The effect would be to lessen the risk to property and person in townships and the risk of demoralisation of the younger natives collected in townships. The necessity for a licence should depend on a magistrate's order made on conviction when dealing with the offender. In order not to remove all opportunity for returning to an ordinary and honest life there should be power to make the order valid for a term and to revoke it for just and proper reasons

Capital  
sentences and  
blood money

(35) Among the recommendations made was one that capital sentences should be carried out publicly. With this the Commission disagrees. Although in dealing with a tribe that is not closely administered a public execution may have a deterrent effect in exceptional cases the history of public executions in Europe shews that their deterrent effect is nil and they were and are in those countries where they are still performed regarded as entertainments. In Africa where life is valued less than in Europe the effect of such public executions would be rather to brutalise than to reform the onlookers. In order, however, that natives should be certain that the sentence has been executed it might be advisable in some cases to have witnesses from the locality concerned at the execution. If a convict sentenced to death is removed from the locality of his tribe for execution there is an inclination in the case of remote tribes on the part of his fellow tribesmen to disbelieve that the sentence has been executed unless eye-witnesses can testify to it. Some discussion took place on the subject of blood money in cases of homicide. The Commission's view is that when the penal law takes its ordinary course the payment of blood money should not be countenanced. Blood money is compensation for the loss of a life. Compensation is the basis of primitive law for

most offences which are with primitive people regarded as offences against the family or individual and not as offences against the State. It is obvious that the two conceptions cannot exist side by side and in the Commission's opinion where in cases of homicide the offender is tried and sentenced that should end the matter. This view is, moreover, we are led to believe gaining ground among natives. To hang the murderer and obtain compensation for it from his family means that there is inflicted a double punishment.

(36) A proposal was placed before the Commission that a person in possession of stolen property should have the onus of proving his innocence of any guilty knowledge placed on him. The Commission do not agree with this innovation because it is often impossible to prove an innocent state of mind and the suggestion if carried out must result in great hardship and injustice in many cases Onus of proof  
in cases of  
stolen property

(37) The Commission wish to thank those ladies and gentlemen who were good enough to place their views before it whether orally or by written communication. Such views have been most helpful in assisting the Commission to arrive at the conclusions contained in this Report. Conclusion

J W. BARTH  
MANGAL DASS

Although in accord with the major part of the findings and recommendations of the Commission, yet there is one point on which we, the undersigned, feel constrained to differ.

2 The evidence put before the Commission reveals a very general opinion that imprisonment is an unsuitable form of punishment for offences of a technical nature, as, for instance, under the Native Registration or Master and Servants Ordinances. The reasons for this are given in paragraph 5 of the report.

3. While this opinion has been accepted by the members of the Commission, some members none the less imply by their recommendations that imprisonment even under the conditions necessarily obtaining in an immature and partially developed Colony and with the moral deterioration admittedly involved, is still less injurious in its effects on the native than corporal punishment.

4. With this opinion we are unable to agree. If it were possible in every prison in the Colony to seclude the first offender from association with hardened criminals, we should be prepared to support it. In face of the difficulties of small out-stations with inadequate prison accommodation, of central prisons with inadequate provision of segregation of the different types of criminals, and of great distances and other obstacles to transfer from one prison to another, we have to contend that under a wide variety of circumstances corporal punishment may be the best means of correction which it may be possible to use. Similarly we would recommend the adoption of corporal punishment rather than the awarding of a term of imprisonment in cases where the infliction of a fine is not practicable from the inability of the offender to pay, or of the Court to collect, or in townships where the system of detention already recommended is not possible.

5. Without in any way subscribing to the doctrine that "flogging" is the best punishment for a black man, under all conditions, it is our own individual experience based on many years residence in the Colony, in our different capacities, and supported by reliable evidence from many sources that corporal punishment does not necessarily rouse in the raw native, to whom we would mostly confine it, feelings of desperation or resentment: refer witnesses 23, 25 and 30. In this respect his outlook approaches closely to that of the European schoolboy justly punished for an offence he has committed. It is a matter of common knowledge and everyday practice in the Colony that a native given the choice of going before a Magistrate or accepting a thrashing from his master for some detected offence will often choose the latter, and cheerfully undergo it without any loss of self-respect, or of the esteem of his fellows.

6 We would, however, differentiate between severe floggings with a cat, and a few strokes with a cane. The former we unhesitatingly condemn as deserving all the strictures of the report, except in cases in which it recommends it; the latter we recommend as definitely preferable to compulsory association with hardened criminals. It should, in our opinion be inflicted summarily, at, or near the Magistrate's Court, without any confinement in prison whatsoever, and should in every case be alternative to, and not additional to other punishments.



7. We recognise that these recommendations may be opposed to the weight of opinion in England, but feel that this consideration should in no way prevent us from endeavouring to inform that opinion on the specially difficult circumstances obtaining in the Colony

JOHN L. GILKS.  
W. MACLELLAN WILSON.  
O. F. WATKINS.  
T. R. SWIFT.  
P. ROGAN.

In view of the evidence which has been given on the granting of additional powers to Justices of the Peace, mainly by the people mostly concerned, I am of opinion that the disadvantages mentioned in the report are not insuperable. Amongst our agriculturalists are military and naval officers as well as retired civil officials and others who have had experience in adjudicating cases. In actual practice the language difficulty is no deterrent at present to the settlement of disputes and quarrels amongst natives which many farmers accomplish to the satisfaction of both parties. Nor can it be assumed that a sufficient number with a good knowledge of Kiswahili, as well as of some of the other tribal languages, could not be found. It is true that farmers are busy men but I think there will be found many who are sufficiently public-spirited to devote the time necessary for regular trials, including the clerical work involved. While it may be admitted that a farmer dealing with, *e g.*, labour disputes arising among his neighbours and friends may be in a difficult position, it cannot be taken for granted that justice would not be done. Life in general is full of difficulties which are successfully surmounted and I cannot agree with the above observation as an argument against conferring magisterial powers for petty cases. It may be recalled in this connection that certain farmers have been granted powers as Honorary Game Wardens. Their duty is to see that their neighbours and friends do not transgress the game laws.

In addition to the principal arguments in favour, mentioned in the report, *scilicet*, celerity in dealing with accused persons and convenience to prosecutors and witnesses, there is another which is worthy of serious consideration. It is a matter of common knowledge that in many cases justice is dispensed by aggrieved persons in a summary manner. No one is likely to condone this system but until measures are instituted to facilitate trial in courts this method is bound to obtain. Travelling magistrates solve the difficulty to some extent, but to be really successful the staff would have to be increased enormously at great expenditure.

In my opinion, therefore, the ends of justice would be more expeditiously met by the granting of magisterial powers to the Justices of the Peace.

W MACLELLAN WILSON

#### SUMMARY OF RECOMMENDATIONS.

- (1) For offences involving no turpitude fines should be inflicted with periods of detention, not in a prison, in default.
- (2) A separate penal establishment for long term prisoners should be provided.
- (3) Association cells should be abolished.
- (4) No sentence of imprisonment of less than 14 days should be imposed.
- (5) Fines should not be excessive, regard should be had to an accused's earnings.
- (6) Flogging is recommended by the majority of the Commissioners. The minority consider juveniles might be caned and convicts who commit brutal crimes should be flogged.
- (7) Indeterminate sentences not at present necessary.
- (8) Juveniles should not be caned in a gaol.
- (9) More use should be made of the existing provisions to place first offenders on probation.
- (10) Reformatory system should be developed as affording means of reformation and of furnishing those detained a means of livelihood.

(11) The minimum term of detention in the reformatory should be extended to 3 years so that trades can be effectively taught.

(12) The teaching of trades to long term prisoners should be developed.

(13) Native locations with allotments should be established in all townships in the Colony as a means for the prevention of crime.

(14) Auctions should be controlled in the case of articles sold elsewhere than on the owners' premises by

(a) registration of each article sold and a description of the vendor,

(b) no sale taking place within 7 days after the delivery of the articles to the auctioneer.

(c) exposing the article to be sold for 3 days before the sale

(15) Offences under the Master and Servants Ordinance should not as a rule be punished with imprisonment but with fine or detention. First offenders in the case of trivial offences should be cautioned.

(16) Deserters at the discretion of the Court should be returned at the master's expense.

(17) Convicts working outside gaols should be more closely supervised by European gaol officials.

(18) Female Visiting Justices should be appointed for female wards only.

(19) Justices of the Peace should not at present be given magisterial powers

(20) Sentences not exceeding one year should whenever possible be served in the locality where the sentence is inflicted.

(21) Collective punishment for burglary is not recommended.

(22) Power should be taken to deport alien criminal natives to their country of origin.

(23) Habitual offenders should be licensed in townships.

(24) Executions should not be public

(25) The payment of blood money should not be exacted when the offender has been punished under the penal law.

(26) Onus of proof in cases of possession of stolen property should remain on the prosecution

687.N2E  
F1.1-F1.3

# ECONOMIC AND FINANCIAL COMMITTEE.

## FIRST INTERIM REPORT.

YOUR EXCELLENCY,

In view of the fact that Draft Estimates for 1923 have now been prepared for submission to the Legislative Council with the Appropriation Bill, 1922, the Economic and Financial Committee have the honour to submit a report summarizing the result of their labours and the recommendations put forward by the majority on the subjects of Government revenue and expenditure under their terms of reference which read as follows.—

I. To enquire into and report on:—

- (a) The means whereby production and exports may be fostered and increased.
- (b) The means whereby the cost to the community of imports may be decreased.
- (c) The present amount and incidence of taxation.

II. "To make such recommendations for the regulation of Government expenditure and departmental activities as may in their opinion be necessary in order to give effect to the conclusions arrived at by them on the subjects mentioned above."

2. The position as it existed when the Committee were appointed on March 29th, 1922, showed that, in general, annual Government expenditure had increased gradually until the end of 1918-19, when there was a rise of 40%. In 1919-20 there was a further increase of 33%, so that between 1918-19 and 1920-21 the Budget had almost doubled. The rise had continued in 1921 but had received a check in the Estimates for 1922, and further economies had been undertaken by Your Excellency's predecessor in the early part of this year affecting principally the Agricultural, Land and Public Works Schedules.

3. The figures of expenditure incurred under the Heads of Estimates as they existed in 1922, that is excluding such items as Railway and Magadi expenditure, pay and allowances to Protectorate troops, and sums defrayed out of the proceeds of Stand Premia, were as follows.—

						£
1912-13	...	...	...	...	...	557,539
1913-14	...	...	...	...	...	685,748
1914-15	...	...	...	...	...	770,755
1915-16	...	...	...	...	...	691,888
1916-17	...	...	...	...	...	655,431
1917-18	...	...	...	...	...	880,212
1918-19	...	...	..	...	..	1,009,542 (1)
1919-20	..	...	.	...		1,424,021 (1)
1920-21	...	...	..	..	..	1,900,997

Expenditure on the same basis for the year 1921 was estimated at £2,269,600 (for twelve months) and it was subsequently ascertained that the actual expenditure was at the annual rate of £2,186,135. (2) The sanctioned estimates for 1922 showed a Budget balanced at £1,952,876.

(1) Including War Bonus.

(2) £1,539,601 for the 9 months, April, to December, 1921

4. At the same time, although efforts had constantly been made to meet the cost by additional and increased taxation the local revenue had not, in fact, been sufficient to cover expenditure since the year 1916-17 except on one occasion when receipts from Land Sales were abnormally high. The following table which gives the total actual local revenue including Railway net revenue up to the year 1920-21 inclusive, and the actual expenditure excluding Railway expenditure for subsequent years indicates the seriousness of the situation —

	<i>Revenue</i>	<i>Expenditure.</i>
	£	£
1917-18	898,936	1,021,178
1918-19	1,014,783	1,036,785
1919-20	1,139,690	1,438,115
1920-21	1,942,222	1,940,397
1921 (9 months)	1,291,679	1,661,672

5 The position had been further prejudiced by the necessity for repaying previous loans at small rates of interest, amounting in all to over £1,100,000, out of the proceeds of the £5,000,000 worth of loan money borrowed in 1920 at 6%. Of this loan, less than one-half could be devoted to new productive work on the Kilindini Pier and the Uasin Gishu Railway, and although railway earnings may ultimately suffice to pay interest on the portion of loan funds devoted to railway expansion, the necessity for finding a higher rate of interest on the Colonial portion and on the unproductive expenditure defrayed in interest and the cost of issue must remain a heavy burden on the Colony. The Committee are of opinion that the detailed allocation of loan expenditure requires immediate and careful re-investigation, with a view to ensuring the maximum expenditure on the most productive and remunerative items.

6. Although the Budget for 1922 was framed to balance, it was evident from the commencement of the Committee's work that serious deficits in revenue were inevitable. On April 24th a revised estimate of Customs revenue showed an anticipated deficit of £155,717 on the original estimate of £516,972. Subsequent figures indicated a tendency for this deficit to increase rather than to diminish. Almost daily, information was brought forward of further shortages—Post Office revenue was not coming in, Forest, Veterinary, Licences, Fees of Court, Earnings of Government Departments, Revenue from Government Property and Royalties—all showed anticipated deficits and, in addition, the Government found it necessary to reduce the rate of native hut and poll tax.

7 The impossibility of obtaining any accurate forecast of the revenue position rendered it extremely difficult to gauge the tax-paying capacity of the community as a whole. It was, however, obvious that that capacity had decreased and was decreasing daily, that the country was very short of money, and that the high rate of direct taxation which had been imposed after the war was preventing development, hindering trade, and causing great hardship to individuals of all classes.

8. The chief items of direct taxation were the Native Hut and Poll Tax, estimated to bring in £656,070, and the Income Tax, estimated to produce £141,442. In February the Government considered a reduction in the former, and in April a general rate of 12 shillings was established. Owing to the fall in price of the commodities produced by natives, the decrease in their rate of wages and the diminished purchasing power of money, not only had trade in native areas been brought to a standstill but the natives as a whole found themselves in a position rendering it impossible for them to pay the 16 shilling tax. The result was short collections and the necessity for numerous exemptions. So noticeable was this that the Native Affairs Officers computed that the revenue accruing from the lower tax in 1922 would exceed that collected at the higher rate in 1921.

9. No conclusive evidence has been placed before the Committee that any further reduction should immediately take place in the rate for native hut and poll tax, and although they think that 12 shillings is still high and that a 10 shilling rate would be preferable later, they believe that the tax now imposed will not prove inequitable, more especially in view of the recommendations they have made for the devotion of attention to the fostering and development of an export trade in commodities grown by natives.

10. On April 29th, the Committee urged the repeal of the Income Tax Ordinance, the amount collected being refunded to those who had already paid in respect of the year 1922, but collection of arrears still due in respect of the year 1921 being proceeded with. Additional revenue had been required in 1920 in order to meet increased expenditure: the native hut and poll tax had then been raised, and an income tax had simultaneously been imposed with a view to increasing direct taxation on the non-native population. Other means of raising revenue by way of indirect taxation through Customs duties were at that time debarred on account of Treaty restrictions.

The Treaty restrictions were removed in 1921 and the native tax was decreased in April, 1922. Neither, therefore, of the immediate causes of the introduction of an income tax remained as valid arguments in favour of its continuance. In addition to this, a large proportion of the increase in Customs revenue effected by the Customs Tariff Amendment (No. 3) Ordinance, 1921, fell on non-natives.

11. The Commissioner of Income Tax produced a statement of assessments for the year 1921, which showed that:—

- (a) the total income assessed was £2,892,019;
- (b) the number of taxpayers was 2,514 Europeans and 5,246 non-Europeans;
- (c) the number of male adults was 4,736 Europeans and 15,158 non-Europeans;
- (d) the percentage of tax actually assessed was:—
- |  |      |
|--|------|
| Civil Servants ... ..  | 31.7 |
| Farmers and Planters ... ..  | 3.0  |
| Professional men ... ..  | 4.9  |
| Commercial men ... ..  | 28.8 |
| Employees ... ..   | 15.4 |
| Other persons, including Banks, Shipping<br>Company's, etc. ... .. | 16.2 |

12. The Commissioner of Income Tax stated in evidence that of the Farmers and Planters most of those assessed were farm managers who received a salary. He stated that 63% of receipts from income tax came from employed persons and that in England only 1% came from employed persons, the majority coming from large commercial concerns. Only 53% of the European and 35% of the non-European male adult population in Kenya were assessed for income tax.

13. The Committee had evidence to show that the Banks and many commercial houses paid the income tax on behalf of the members of their staff. The tax, therefore, did not fall in such cases on the individual but on the firm, whether the firm happened to have made a profit on the previous year's working or not. This defect was also apparent in the case of farm managers whose liability for income tax was not affected by a loss on the working of the farm.

14. The Committee deduced from this statement that the tax was unfair in its incidence, that it left untouched a large proportion of the non-native population and, inasmuch as the income assessed was almost identical with the total annual productive wealth of the Colony (which was given by the Acting Director of Agriculture as £2,958,862) that a very large portion of it was actually paid out of capital imported into Kenya which should properly be used in development.

They maintained that the tax was not suited to farmers whose farms are in a state of development, and that the method of assessment was open to serious danger of abuse which could not be checked without a considerable increase in staff and in the expense of collection.

In any event, the tax for 1922 was being assessed on 1921 incomes but was due for payment when salaries were falling and firms running at a loss.

15. The effect of the income tax was, therefore, to tax only a small proportion of the community, to place a much-resented burden on employed persons whose income was easily assessed, to penalize the employer who had to contribute to the general revenue even when he was working at a loss and, to restrict the importation of capital which is abundantly necessary in Kenya.

On this last point the Committee took the expert opinion of the Bank Managers, who stated that there was no doubt that the income tax had contributed to the decrease in the flow of capital into the country which had taken place during the last two years.

16. The Committee considered that the imposition of an income tax in Kenya in its present stage of development was premature, that it was prejudicial to the welfare of the Colony and that its removal would not only be an asset to, but would mean a flow of capital into the country. Capital is at present lacking; everything possible should be done to encourage its influx. An income tax should not be imposed except in countries where there is an abundance of capital available for industrial and commercial enterprise and where, in consequence, the incidence of such a tax can be arranged so as not to retard the production of wealth.

17. The financial effort of the imposition of an income tax had been as follows:—

In 1920-21, the estimate was £59,528: collected was abandoned.

In 1921, the estimate was £328,413: £58,000 were collected; arrears<sup>1</sup> to the extent of £38,000 were expected to be paid during 1922.<sup>1</sup>

For 1922 the estimate was £141,422: collection never officially<sup>2</sup> commenced.

1. £22,000 of this have been paid up to the end of September

18 The Committee urged that the Government should take action on their recommendations at the earliest possible moment. The activities of the Inland Revenue Branch were expanding, offices were about to be established at Mombasa and Nakuru, and additional staff was being engaged. They also pointed out that the amount of time, trouble and expense which had to be devoted by individuals and firms in rendering returns was not inconsiderable.

19. The loss on the estimate of revenue which would necessarily follow the immediate repeal of the Income Tax Ordinance amounted to £103,000, and Your Excellency's predecessor was unable to consider its repeal until the possibility of collecting revenue to an amount equal to what the income tax was likely to bring in had been shown, or alternatively and preferably until savings in expenditure to that extent during 1922 had been foreshadowed.

The Secretary of State had indicated that he was prepared to consider the abolition of the income tax provided that such equivalent revenue could be obtained by increasing indirect taxation mainly falling on non-natives.

20 The Committee were unwilling to put forward recommendations for any such increase. Customs receipts had already fallen off owing to the fact that the country was drained of money, and there was no reason to suppose that increased duties would materially alter the situation in 1922. Having investigated the matter for six weeks, they were of opinion that it would in all probability be impossible to balance the 1922 budget in any case. A two or three year period would be required to ensure financial recovery, a recovery which might never eventuate if the income tax remained in force. They were confident that the budget could be made to balance if it could be estimated over a two or three year period. Increased and more extensive Customs duties, especially on drink and luxuries, could be imposed on the abolition of the income tax which would meet the deficit on a two or three years' budget and which were more likely to be realized than was the income tax, but they did not consider that such duties were likely to have an immediately beneficial effect on the revenue.

Abolition of  
the Income  
Tax

21 It was, however, made clear to the Committee that in accordance with normal financial procedure, and more particularly in view of the proposed flotation of an additional loan of £3,000,000, it was essential that the budget for 1922 should be made to balance. Though opposed in principle to increasing the already high Customs duties for revenue purposes, they were so convinced that the economic state of the Colony rendered it immediately necessary to remove a tax which was indubitably hampering expansion and development, that they put forward recommendations which, when passed into law on May 25th by the Customs Tariff Amendment Ordinance, 1922, enabled assent to be given to the Income Tax Amendment Ordinance, 1922, which provides that "No income tax shall be charged, levied, collected or paid in respect of the year of assessment ending the 31st day of December, 1922, or in respect of any subsequent year."

Customs  
Duties.

22. The abolition of the Income Tax in Kenya, though removing a standing menace to progress, did not have the effect of improving the 1922 budget position. Further deficits under various revenue heads, combined with the necessary decrease in direct taxation, showed an anticipated deficit on the original estimate of revenue of £370,740 on July 11th.

Scientific  
revision.

23 In addition to this, complications arose owing to the Customs Union which had been established between Kenya and Uganda. The Government of Uganda were unable to adopt the new import duties imposed in Kenya for application to goods imported into Uganda. A system of rebates had therefore to be arranged, the Customs Union had to be infringed, different duties had to be collected at Kilindini according to the destination of the goods imported and the difficulty of administering the Customs laws was thereby greatly increased.

24 Furthermore, the new duties did not work satisfactorily in practice. Though they remained in force for too short a time to enable their effect to be accurately gauged, there is no doubt that their immediate effect on the revenue was bad. This was probably mainly due to a supposition generally held that they would shortly be varied, there was some justification for this belief in that it could not be maintained that the tariff in force was satisfactory as a permanent tariff. It was also known that, following the report of the Tariff Committee which was presented early in 1922, a Conference of the heads of the Customs Departments of the East African Dependencies had been held and that a revised tariff had been suggested largely based on the findings of the Tariff Committee.

25 At the same time, the Committee believe that a considerable measure of relief was afforded to the economic situation by the imposition of these high duties which had the effect of bringing home to the community the necessity for drastic economies and tended to improve the balance of trade by restricting the importation of commodities not essential to the welfare of the country.

26. They were of opinion that a complete and scientific revision of Customs duties should be arranged and if possible agreed between the Governments of Kenya and Uganda in the near future, but they held that this could not be done until expert evidence had been taken in the light of the alteration in policy adopted by the Government of Kenya in May, when certain duties of a protective nature had been imposed

27. In a Resolution dated July 25th they expressed the opinion that it would be a mistake to vary the existing Customs duties until such a revision had taken place. The high duties recently imposed had been introduced with the dual object of increasing the revenue so as to warrant the abolition of the income tax and of protecting local industries. They considered, in respect of the latter, that no smaller duties should be accepted and, in respect of the former, that alternative means of raising the same revenue should only be imposed as a result of the most careful investigation. They proposed to take evidence with a view to suggesting an alternative tariff during the course of their deliberations, but they considered that it would be unwise to adopt the Conference recommendations, even as an interim measure to reduce the points of disagreement between the Governments of Kenya and Uganda, because alterations in Customs Tariffs should be as infrequent as possible and the basis on which the Conference proposals were made had been materially altered since the date of their report

28. The circumstances on which this Resolution were based were altered by information conveyed to the Committee on August 14th to the effect that Your Excellency had been appointed Governor of Kenya and that a new Governor was about to proceed to Uganda. Such a change in Governorships rendered the necessity for reducing the points of disagreement between Kenya and Uganda the more urgent and the Committee regarded it as essential that, before leaving Uganda, Your Excellency should be acquainted with the views of this Government in respect of a tariff which had been prepared after mature consideration by a Committee specially appointed for the purpose and subsequently modified by a Conference of Customs experts.

Change in  
Governorship.

29. They felt that if this Government's views on the proposed schedules could be defined at once, those proposals might serve as a basis for discussion with Uganda in order that the number of points of disagreement might be reduced before any definite expression of opinion had been recorded by Your Excellency prior to departure from Uganda which might involve Your Excellency's successor in a policy giving little hope of satisfactory compromise

30. The Committee were not, themselves, dissatisfied with the tariff as it then existed and they considered that it might well be allowed to remain until such time as a further scientific revision had been effected were the interests of Kenya the only interests involved, but as it was important to unify the Customs tariffs of Kenya and Uganda and as the Government of Uganda had signified its readiness to accept the Conference proposals with one exception provided the recent alterations in Kenya tariffs were abandoned, they considered that the Conference schedules provided a suitable basis for discussion with a view to obtaining early agreement on the main points, and recommended their adoption accordingly on the understanding that the principle of protective tariffs recently imposed for Kenya be maintained and with certain modifications in detail.

Basis for  
agreement  
with Uganda.

31. Before putting forward their final recommendations on the subject of Customs Tariffs, the Committee had the advantage of hearing the views of the Nairobi and Mombasa Chambers of Commerce. The schedules, modified in respect of some items by the Government, were passed by the Legislature on September 27th, in the form of the Customs Tariff Ordinance 1922. The Committee express the hope that that Ordinance will remain in force without material amendment for a considerable period. Commercial enterprise, development and prosperity are inevitably hindered by the uncertainty and sense of insecurity engendered by changes in Customs tariffs, a stable tariff must assist progress and, with that, tend to augment that part of the revenue of the State which is derived from import duties.

Customs Tariff  
Ordinance,  
1922.

32. Only one recommendation of the Committee on the subject of import duties remains in abeyance. On April 26th they recommended that the duty on wheat be raised from 15% to 50% and on wheat flour from 15% to 100%. The reasons which led to this recommendation will be summarized in a subsequent report and it is only necessary here to state that these duties were passed by the Legislative Council on May 25th but were disallowed by the Secretary of State. Duties of 30% were imposed on June 6th by the Customs Tariff Amendment (No. 2) Ordinance 1922, Your Excellency's predecessor undertaking to make representations to the Secretary of State by despatch explaining the position in full and urging reconsideration of his action in refusing assent to the higher duties

Duties on  
wheat and  
wheat flour.

33. It is probable that the new Customs Tariff may lead to a decreased estimate of Customs revenue, but this is not necessarily to be regretted. Though it is obvious that comparisons between the revenue derived from different Customs tariffs cannot be made until the tariffs compared have each been given an extended trial, the Committee believe that the original estimate of Customs revenue for

Stability of  
Customs  
Tariff.



1923 would not have been realized and that no less revenue will accrue during 1923 under the new tariff than would have come in under the old. They desire to emphasize the advantages that must follow the establishment of a tariff which, with the possible exception of the duties on wheat and wheat flour, shows every prospect of stability and of obtaining uniformity in this matter with Uganda, thus materially assisting inter-Colonial trade which was previously in jeopardy. In addition, they believe that the Tanganyika Territory may be enabled to join Kenya and Uganda as one Customs area, thus facilitating trade and mutual intercourse between the several dependencies of the East African portion of the British Empire.

**Minor adjustments in Revenue Estimates** 34 Certain minor adjustments have been suggested in the revenue estimates for 1923, viz, that the stamp duty levied on bonds and mortgages be decreased; that Trading Licences at "Rs. 150 per annum" as provided in Schedule I of "The Traders Licensing Ordinance, 1919," be abolished because they are a hindrance to trade, that attestation fees on contracts of service be modified so that the fee levied shall increase by twenty shilling cents for every employee attested additional to the first, and that the registration fee for boats be decreased.

**Land Taxes.** 35 They recommend that, in present circumstances, no further action be taken in respect of a transfer tax based on the "unearned incremental" value of land or of a Land Tax either general or on undeveloped land. In their opinion any of these taxes would materially delay and hinder development and act as a direct obstacle to progress. One of the main incentives to the introduction of capital into a new Colony, is the absence of direct taxation therein with the implied indication that money can be devoted to development without diminution by direct taxation, revenue accruing to the State by indirect methods increasing with the spending capacity of the producer.

Special Committees of the Legislative Council were appointed to investigate the imposition of such taxes early in 1921, they have not yet reported, and it is believed that they have not yet met; their members are for the most part not now available for the work; and the Committee suggest that the labour be not proceeded with.

**Other revenue items** 36. Although native hut and poll tax has been reduced, and income tax abolished, the Committee are of opinion that taxation in Kenya is still too high. In view, however, of the impossibility, which still pertains, of forecasting with any accuracy the financial position as it will be in the future, they recommend that for the present no other steps be taken to effect any general alterations in the various revenue items appearing in the Estimates.

37. The Committee desire to see a general modification in the amount of fees, licences and other charges which have been increased as a result of the currency fixation, but for two reasons they feel unable to make immediate recommendations to this end.

They view the draft estimates of revenue for 1923 with apprehension. The effect of the trade depression cannot be foretold and time alone can show what revenue will be forthcoming from Customs, Post Office and other such receipts. Any general reduction in fees, taxes and licences reacts immediately in the form of a decreased revenue estimate, and the Committee are not prepared to recommend such a reduction when estimates of revenue from other sources must be so speculative.

It is now certain that expenditure in 1922 will exceed revenue. Such a position must not be allowed to recur in 1923. Reduction in revenue items, now that the main hardships to individuals and impediments to progress have been removed, is not, therefore, considered justifiable until the financial position has become more stable.

**Revision of taxes, etc.** 38 They desire, nevertheless, to place on record their opinion that every endeavour should be made to establish all taxes, fees, licences and Government charges on a lower basis than that which subsists at present in almost every item. Such charges were, in general, automatically increased by 50% when the rupee was stabilized at two shillings. Unless special reasons exist on the merits of any particular case for a higher charge than was laid down before the escape of the rupee, they consider that the whole scale of fees should be revised and remodelled on an approximation to a sixteen-penny basis, adjustments being made so as to render them suitable to the present shilling currency. They suggest that the position be investigated in order that, if possible, such a revision may be made in time for introduction during 1923.

39. They further recommend that the whole system of fees and charges be investigated afresh with a view to ascertaining the necessity for continuing the enormous number of small taxes, fees and licences to which residents in Kenya are now subjected. Taxation should be as simple as possible; a small number of taxes means economy in collection, in legislation, in supervision and control. Many charges now made have remained in force for a number of years; their necessity is no longer apparent and their effect is frequently harmful. Others

were imposed as temporary measures in the post-war endeavour hastily to increase revenue to meet increased expenditure; they were intended to be temporary expedients for raising money and their removal would be a welcome sign that post-war reconstruction has attained a certain degree of finality

40. The Draft Estimates of Revenue for 1923 amount in all to £1,823,909. Of this, a sum of £271,383 constitutes Reimbursements, of which, however, £73,906 are found by the Uganda Railway, and £5,775 are found by residents of Mombasa and Nairobi. A sum of £42,413 appears under the head Interest, and a sum of £17,500 under Land Sales, the proceeds of which are earmarked as Stand Premia for the development of alienated areas.

Analysis of estimate of revenue for 1923.

Of the balance of £1,492,613 which accrues to the Government mainly in the form of taxation or in payment for services rendered to the community of Kenya,

£			
534,865	is	in	the form of direct taxation;
473,125	„	„	indirect taxation;
83,800	„	„	licences, etc.;
259,677	„	„	payment for services rendered;
121,146	„	„	rents, royalties and sales;
20,000	„	„	finer and forfeitures.

The corresponding figure in the Estimates for 1922 was £1,907,752. Of the reduction of £415,139, £300,647 represent a decrease in direct taxation and £45,347 a decrease in indirect taxation.

It is interesting to note that in the Estimates for 1914-15, the figure was £494,615, of which

£			
182,575	was	in	the form of direct taxation;
145,000	„	„	indirect taxation;
27,190	„	„	licences, etc.;
84,970	„	„	payment for services rendered;
48,880	„	„	rents, royalties and sales;
6,000	„	„	finer and forfeitures,

figures which amount, generally speaking, to one-third of the Estimates for 1923.

41. The Committee consider that this estimate of revenue still shows too heavy a demand on the tax-paying capacity of the community in its present state and that the estimate as presented to Council will not be realized in full in 1923; the estimate of Customs revenue, for instance, is probably too high because the country is so short of money, and must in any case be revised in the light of the new tariff, a sum of £8,666 has been estimated to accrue as an import duty on sugar, whereas it is anticipated that sugar for local consumption will be produced in the country next year. It is, however, impossible to foretell the date on which a revival of prosperity will increase that capacity and enable Kenya once more to rely with confidence on estimates of revenue which must, during the present period of depression, be the subject of considerable doubt and uncertainty.

Uncertainty of Estimates.

42. Before proceeding to deal with the second term of their reference, the Committee desire to allude to a matter of vital importance not only to the tax-paying capacity of the community, but also to the economic welfare of the country. In considering the general financial position, they have found themselves in great difficulty owing to the uncertain control of the Uganda Railway, which has resulted from the tentative appointment of a Railway Council representing Kenya and Uganda, both of whom are interested in railway service while Kenya alone is responsible for railway finance.

Railway control.

43. From a financial point of view, the position is that loans are being floated for railway extension and improvement. Interest on these loans will ultimately be provided by railway earnings, but it appears possible that, in the early years of the extensions to the Railway system, the whole of the interest on the Railway portion of the loan will not be provided directly out of Railway earnings but will, in part at least, have to be found out of the general revenue of the Colony, because full responsibility for the loan has been definitely cast upon Kenya by the Secretary of State, and traffic adequate to meet the charge of the extensions will require time to develop.

44. From an economic point of view, the Committee are confident that, provided the railway system is managed on lines calculated to induce bulk production, the Colony will be able to meet this charge, but the principle must be that of low export rates compensated by relatively high upward rates and, for a period, subsidized by contributions from general revenue which, from Customs duties and other sources, will increase proportionately with the increase of wealth production stimulated by the low export rate. It is essential that the Uganda Railway be regarded as the main factor in the development of the countries it serves and not as a financially watertight concern.

45. Now that the £5,000,000 loan has been floated, the financial interests of Kenya and the railway are more than ever interwoven, and the Committee hold that control of railway policy must necessarily be vested solely in Kenya, which carries the sole financial responsibility.

46. The Committee consider that any justification for the appointment of a Commissioner of Railways has disappeared as a result of the loan policy coupled with the definite fixation of responsibility for such loans upon the Colony of Kenya as distinct from Uganda. The Committee agree that there should be the fullest consultation with Uganda on railway matters because the general development of the two territories is the common interest of both, but they insist that the final decision in financial matters must vest in the Colony financially responsible.

47. While not opposing the continuance of the Inter-Colonial Council as a body advisory to the Government of Kenya, the Committee recommend the immediate recognition of the principle of complete financial and administrative control of the Uganda Railway by this Government in order that the policy calculated to enable Kenya to meet the loan obligations may be applied forthwith.

48. The Committee have referred to and emphasized the importance of the problem of Railway control at this point because it is clear that the early settlement of so vital a question has the most intimate bearing not only upon the present amount and incidence of taxation but also upon the regulation of Government expenditure and departmental activities. Railway revenue comes from taxpayers' pockets just as much as general revenue and the ability to pay either depends on prosperity. If Railway rates charged on exportable produce of the Colony are so high that production is discouraged because profit is limited, the tax-paying power of the community must necessarily diminish, if Railway expenditure is excessive, so much less can be devoted to departmental activities.

Tax-paying  
capacity of  
Kenya

49. Taking into consideration the depressed state of world trade, the evident lack of capital in the Colony at the present moment and the uncertainty which now exists regarding railway control, the Committee are not prepared to indicate a figure which in their opinion approximates to the revenue which can be anticipated with confidence during 1923 or any subsequent year, but they believe that it would be unwise to rely on receiving direct from Kenya, as general revenue, a sum exceeding £1,400,000 during 1923.

Estimates of  
expenditure,  
1922

50. Turning now to the second term of reference, it was evident from the commencement that whatever estimate of revenue might subsequently be calculated, an estimated expenditure of £1,952,876 was greatly in excess of what Kenya could afford in 1922. Your Excellency's predecessor had recognised this and, before the appointment of the Committee, had taken steps in consultation with Heads of Departments to bring about such a reduction in expenditure as would enable the 1922 Budget more nearly to balance. In particular, His Excellency investigated the possibility of effecting economies in the Agricultural, Public Works and Land Departments and, on those three alone, anticipated savings during 1922 of nearly £140,000. By July, this figure, including savings on other departmental votes, had increased to over £170,000, but it appears probable that, owing to leave regulations, free passages and other expenses necessarily incurred after a retiring official has left the country, the full estimate will not be realized.

The time  
factor.

51. His Excellency's action in this matter enabled savings to be effected on non-essential services at a much earlier date than would have been the case if the report of the Committee had been awaited, and, in consequence, materially improved the 1922 Budget position. The time factor was all-important, and time was necessarily spent by the Committee in obtaining a correct view of the system of Government estimates and accounts, an appreciation of the establishment of public servants which actually existed, their emoluments and privileges, and of those factors which must be taken into account in estimating not only the savings to be effected by retrenchments but the public services that are affected, and in considering whether such services could be dispensed with without complicating the position for the future.

52. It could, however, safely be assumed that His Excellency had aimed at the elimination of all non-essential services and that the endeavours of the Committee in effecting further reductions in expenditure must be based on a thorough knowledge and realization of the facts, must in many cases be daring and in all cases exhaustive.

Causes of the  
increase in  
expenditure.

53. It was first of all necessary to enquire into the reasons for the enormous inflation of the budget which took place between 1918-19 and 1922.

54. In general, there were four causes of this increase:—

- (a) The change in currency;
- (b) Increases in salary;
- (c) Increased post-war activities and expansion;
- (d) Increased cost of material.

In the great majority of departments the Committee have not observed any disproportionate increase in the European Civil Establishment.

55. The change in currency added about 50% to the sterling value of all personal emoluments. A full 50% addition was, in fact, made in the Estimates for 1921, savings being effected in the case of European Civil Servants who drew no local allowance when on leave. The increase to non-Europeans was 50% in all cases.

56. One example will suffice to show the effect of these causes on the Expenditure Estimates. Treasury  
expenditure.

In 1916 the Treasury sanctioned staff was 12 Europeans and 35 Non-European Clerks. In 1921, excluding the Income Tax, Military and Estate Duty Branches, it was 14 Europeans and 51 Non-Europeans.

Comparing the 1916-17 and 1921 Estimates, European Personal Emoluments rose from £4,959 to £11,762 an increase of 137%, Non-European Personal Emoluments from £4,431 to £11,360 or 156%, Other Charges from £1,125 to £2,020 or 80%, the total from £10,575 to £25,142 or 139%

The additions to the European Staff cost about £960 in 1921. Identical services therefore cost £4,959 in 1916-17 and £10,802 in 1921—an increase of 118%, substantive salaries were £4,654 in 1916-17, £6,661 in 1921—an increase of 43% which, with the added provision of £3,331 for local allowance in 1921, brought the increase up to 115% in substantive salaries drawn by the same number of officers on duty in the Colony.

The Non-European figures for an identical number of clerks were £2,856 in 1916-17 and £4,824 in 1921, an increase of 69%.

57. This instance of a Department which only increases to meet the expansion of the Colony shows clearly that the change in currency and the increases in permanent salaries, both of which became operative in 1920, had resulted in such a vast increase to the provision made for Personal Emoluments for the same staff as to cover practically the whole of the increase under that section of the Estimates. Increased activities had taken place in the Medical, Education, Post and Telegraphs, and Agricultural Departments as part of a deliberate policy of post-war and colonial expansion. The Secretariat, Press and Treasury had expanded in consequence. Other Departments generally showed an increase of approximately 100% attributable almost entirely to augmented Personal Emoluments and the higher cost of material. Post-war  
expansion

58. In dealing with Departmental Estimates the Committee solicited the assistance of Heads of Departments, holding that the officer responsible for the work of the Department must be best qualified to judge the relative merits of and necessity for the activities performed. On a cursory examination of the position, they framed a tentative budget showing a total expenditure of £1,407,305 distributed among departments in accordance with what they deemed to be the requirements of the situation. The figures so arrived at were circulated to Heads of Departments with a request that they would prepare in detail, for consideration by the Committee, an estimate of expenditure in 1923 not exceeding the figure stated. Heads of Departments were asked to indicate clearly in their reply which posts were suggested for retrenchment, what curtailment of activities would result and, in particular, how the collection of revenue would be affected. Procedure  
adopted

59. The Committee desire to place on record an expression of their deep appreciation of the immense assistance they received from Heads of Departments in this most intricate, difficult and unpleasant task. The replies received gave evidence of a real desire to grapple with the serious problem of effecting drastic economies, showed a true appreciation of the position and aimed at its amelioration with the minimum amount of dislocation of business or interference with the more valuable Government activities. Without the willing co-operation of Heads of Departments, the labours of the Committee must have been greatly protracted, errors in judgment must have been inevitable and the result could in no way have been so satisfactory. Acknowledg-  
ment

60. On receipt of their replies, the Committee examined the departmental estimates with the Heads of Departments over a protracted period, forwarding from time to time schedules which they were prepared to recommend as a first step towards economy. The total estimate of expenditure so submitted amounted to approximately £1,479,000, but further economies in certain departments were foreshadowed or suggested. First  
recommenda-  
tions.

61. It is unnecessary to describe at length the services which have had to be curtailed and the retrenchments which have been approved. Such particulars are contained in the draft estimates for 1923. Many services have suffered, but the Committee believe that those which have gone are those which could best be spared and they have kept fully in mind the necessity for some measure of State assistance in the economic development of the Colony, particularly in native areas.

Agricultural  
Department.

62. The Estimates of the Agricultural Department have decreased from £123,552 in 1922 to £83,697 in 1923. They stood at the rate of over £160,000 in 1921. The staff has been greatly reduced, the nucleus only of an establishment being left in many divisions, the Naivasha, Mazaras and Kabete Farms have been abandoned, except for a Plant Breeder at the last, the Veterinary and Agricultural Offices have been amalgamated. On the other hand, all the services except those of the experimental farms have been kept alive, an Agricultural Assistant has been provided for itinerant duties in European areas and for experimental work throughout the country; a grader and inspector is retained in view of the projected bulk export of maize and beans, six supervisors and fifteen native instructors have been included in connection with a new Native Agricultural Scheme estimated to cost nearly £7,000; five veterinary officers and eight stock inspectors have been allocated to Native Reserves on a new scheme costing more than £10,000 and the Veterinary Research Division has been left practically untouched.

The treatment of such a Department as this affords an illustration of how section I (a) of the Committee's terms of reference has a direct bearing on the second term, the regulation of Government expenditure and departmental activities being intimately connected with the encouragement of production and exports.

Prisons  
Department

63. In the case of the Prisons Department the Committee are of opinion that, with the present system of punishments, no further economies can be effected in the establishment. They understand, however, that the investigation of the prison system was entrusted to the Punishments Commission of Inquiry in May, 1921 and that the recommendations of the Commission may shortly be received. It is possible that these recommendations may have the effect of abolishing imprisonment for trivial offences, thereby reducing the number of prisoners and rendering possible a smaller and more concentrated establishment.

Forest  
Department

64. In the case of the Forest Department, the Committee assume that further revision will be necessary when the report recently made by Professor Troup has been considered. They have not yet had an opportunity of suggesting modifications in the light of this report.

Public Works  
Department

65. The Committee recommended the acceptance of a principle which entailed the abolition of the Public Works Department as a special organization and the distribution of its activities amongst public bodies and other Government Departments. They suggested that the Commissioner of Lands be appointed the co-ordinating authority for the activities which would be discharged by local bodies and asked that he should familiarize himself with the activities of the Department and put up detailed recommendations on the subject including the best method of the future transaction of the activities of the existing Public Works Department, such as water supplies, Coast Agency, Government Transport, Training of African Artizans, Control of Furniture and Stores. The construction and maintenance of public roads was to be entrusted to local Road Boards, assisted by District Surveyors and co-ordinated by one central Road Council, the maintenance of public buildings was to be done by contract, the permanent staff to be retained was to be reduced to a minimum, and overseers, foremen and labourers required for the performance of works were to be appointed by the District authority who would defray expense out of the money devoted to public works in the area. Your Excellency's predecessor was unable to accept these proposals in principle, but succeeded in reducing the permanent expenditure of the Public Works Department from £85,868 in 1922 to £43,846 in 1923 retaining the Department as a separate organization and making provision for the continuance of the subsidiary services hitherto performed by the Department.

Administration,  
Military and  
Police

66. The Heads of Estimates to which the Committee have devoted the most prolonged attention have been those of the Administration, the Police and the Military. These three heads alone accounted for nearly one-third of the total expenditure in 1922, the amount provided totalling £636,643, an immense sum—almost equal to the total administrative expenditure in 1916-17—which they are of opinion that the Colony can by no means afford.

Military  
expenditure

67. A large portion of military expense is the direct result of an Imperial issue. The cost of garrisoning the Northern Frontier amounts to £100,000 or more annually. The necessity for this expenditure is a large political issue the determination of which is not within the power of the Government of Kenya. In the opinion of the Committee, therefore, adequate contributions should be made by the Imperial Government towards the maintenance of that service or, if that is not possible, a closer degree of co-operation should be established between the neighbouring British territories so that there may be a more equitable allocation of military expenditure on frontier administration between them. The Committee are unable to gauge the degree of security which is, in fact, made possible with the existing force or to what extent it would be impaired by a reduction in the establishment on the frontier. As a result of the war, the southern boundary of the Colony is now coterminous with British territory, yet military expenditure stands at three times the amount spent in 1912-13.

68. As a first effort towards economy, they recommend a scheme of amalgamation of the military and police forces into a Kenya Constabulary and that a Territorial Force be organized on the lines of a Burgher Force. The ascertainable economies as compared with the draft estimates for 1923 which can be effected by such a step amount to £24,000 during 1923, to £49,000 in 1924 and to £54,000 in subsequent years, apart from any reduction in the emoluments of the rank and file.

Amalgamation  
of police and  
military forces.

69. The Committee consider that £243,000 is still too much to pay for the military and police forces of the Colony, but they do not feel qualified to make recommendations against the advice of the Officer Commanding Troops who states that the existing establishment under the present system is the minimum to meet requirements.

70. The Provincial Administration presents an almost equally difficult problem. The actual expense incurred has been as follows:—

Provincial  
administration.

1912-13	.	.	£96,709
1914-15	...	.	£128,222
1916-17	...	..	£126,302
1918-19	...	...	£153,387
1919-20	...	...	£174,103
1920-21	...	...	£329,710
1921 (at a 9 months' rate)			£320,061

The estimate for 1922 was £303,433 and the amount shown in the draft estimates for 1923 is £252,545. This figure was arrived at after scrutiny of the estimates, by the retrenchment of a certain number of posts, by a reduction in the establishment of administrative officers, by a re-organisation of the Arab administration at the Coast and by an entire revision of the amounts provided for local travelling.

71. The Committee then turned their attention to the possibility of effecting an alteration in the system of administration by adopting the principle of decentralization into Provincial units, maintaining as far as was possible in practice the present differentiation between white and black areas under Native and Resident Commissioners. At their request a small Committee was authorized to go into the figures of the subordinate staff on the spot in the Districts in order that detailed estimates might be drawn up on a system of amalgamated subordinate staffs for the different services.

72. This was done, and, as a result of that report and of suggestions which have been put forward for a further reduction in the Administrative establishment, savings assessed at £24,680 in the draft estimates for 1923 have been shown.

73. The administrative staff provided for in these recommendations totals 89. The number provided for in the draft estimates for 1923 is 113; in 1922 it was 131, in 1921, 135; in 1920, 132; and in 1914, 126.

74. Whether the recommendation for reconstitution of the administration into Provincial units is adopted or whether the present method of District units with Provincial Commissioners in charge of native areas is maintained, the Committee consider that no justification exists under either system for the retention of the post and office of the Chief Native Commissioner. They are of opinion that such an office might have been found to satisfy some useful function if the proposals made by the Labour Commission in 1913 and elaborated in 1916 had been carried out in their entirety. Those proposals were based on a separation of native from European interests and a concentration of administration at Headquarters.

Chief Native  
Commissioner.

75. Two factors have crept in to render them nugatory—the system of Provincial Commissioners in native areas has been maintained, and it is obvious that the Chief Native Commissioner could not be given complete jurisdiction over settled and mixed areas. In present circumstances, the post of the Chief Native Commissioner is anomalous—it is difficult to see how his position could be understood by natives in reserves, his authority over natives in settled areas is undefined and he appears to act as an unnecessary intermediary between the Provincial Administration and the Government.

76. The Committee consider that, if any special officer is required to give advice to the Government on native questions or to be in charge of the Labour, Registration and Finger Print Sections, the posting of a Senior Commissioner of extended local experience should suffice to satisfy such requirements.

- Personal emoluments.** 77. The substantive recommendations put forward by the Committee for the reduction of Government expenditure would have brought the budget down to about £1,385,000 without making allowances for Interest Charges or the expenditure of sums realized from Stand Premia but making full provision for pensions. It was obvious that this was not enough because interest charges are considerable and increasing, cash deficits resulting from the working of past years must be made good, the taxation in force is still high and liabilities in respect of pensions and salaries increasing on an incremental basis grow greater annually. It is clear that Kenya cannot afford to maintain a Civil Service of its present size on the rates now being paid.
- Further economies** 78. Although the Committee believe that careful investigation carried out and maintained by Heads of Departments into the performance of and the staff required for departmental activities, the closest scrutiny into every item of expenditure, and continued pressure directed towards economy, will show that considerable retrenchments of staff are still possible, their attention has necessarily had to be directed towards the emoluments and condition of the service.
- Salaries of Civil Servants** 79. Civil Service salaries in general were increased during 1920 as a result of inquiry by a Commission presided over by Sir Robert Hamilton in 1918-19. That Commission, after a careful investigation into the grievances, requests and aspirations of the Service submitted a report recommending the amelioration of conditions of service and the permanent increase of scales of pay.
80. In the opinion of the Committee no possible justification can exist for increasing at the present time the salaries recommended by that Commission and subsequently approved by the Secretary of State. A sympathetic Commission investigating grievances of a Civil Service which found itself, in a period of boom, on conditions which were largely determined when the East Africa Protectorate was still the recipient of a grant-in-aid, might have erred on the side of liberality but could not have underestimated the demands of the service.
81. The Committee do not desire to suggest any general modification at the present time in the findings of that Commission in respect of salaries of the present incumbents of posts, but they do wish to observe that the Commissioner's recommendations were based rather on the requirements of the service than on the ability of the Colony to pay the cost. The Commissioners reported that "in examining the scales of pay obtaining in Nigeria and in East Africa, there is observable a marked difference throughout in favour of the former. The conditions of life are, we believe, not dissimilar, but the revenues of Nigeria are of greater importance than those of East Africa, and consequently we are led to conclude that this is the main factor in the differentiation of salaries in favour of the former."
82. In another section of the report they state —  
 "We are aware that the Secretary of State has expressed the view that any improvements in the conditions of the East Africa service must depend on the financial ability of the Protectorate to pay for them, but we are led to believe that the Protectorate is prepared and willing to pay whatever sum may be necessary to equip her with a suitable public service, and we trust, therefore, that if East Africa is prepared to pay, our recommendations may be viewed from that point rather than from the point of increased expenditure only. Consequently we have framed our recommendations not merely on the basis of what we consider to be necessary, but of what we consider the country may properly be asked to provide."
- Ability of the Colony to pay** 83. It is quite obvious that the Colony cannot afford to pay more now than it could early in 1919, it cannot, in fact, afford to pay so much; yet the currency fixation and the introduction of the local allowance rendered it necessary to pay almost half as much again. The position is that, whereas Kenya could afford to pay salaries at the Hamilton Commission rates to a strictly limited number of Civil Servants, it cannot afford to pay higher salaries to a larger number.
- Correction of anomalies.** 84. The Committee consider that there can be no question of any increase in salary above those rates unless and until a great increase in the prosperity and production of the Colony has been attained. Certain adjustments of a minor character may be necessary to correct anomalies which were created on the introduction of the new rates of pay and it is probable that the salaries of the higher posts may have to be decreased on the occurrence of vacancies, but, in general, they express themselves as definitely opposed to any comprehensive revision of salaries in an upward direction at the present time.
85. The currency fixation created anomalies which the Committee consider should be rectified with a minimum of delay. They have, therefore, recommended that all salaries should revert to a one shilling and fourpenny basis.
- Salaries of Asiatic Civil Servants.** 86. On June 1st the Committee urged that the Government should immediately restore the rate of permanent emoluments paid to the Asiatic members of the Kenya Civil Service and Uganda Railway to the terms of the original intention of the contracts covering the Asiatic service coupled with a

temporary "local allowance" to be paid on the same basis as that paid to the European Civil Servants; and further that all such contracts be so standardized forthwith, the effect being that twenty shillings would in future be paid where fifteen rupees were payable before the fixation.

87. In support of this recommendation, they observed that the relation between the rates paid to Europeans and Asiatics is at present distorted. If it is to be restored, either the 50% "local allowance" recently paid to Europeans must be consolidated in permanent salaries or Asiatic salaries must be placed on the same basis as European salaries. It was obvious that Kenya could not afford at present to increase European salaries. This being so, they saw no justification for paying Asiatic Government or Railway Servants salaries at a rate 50% above what was the original intention. The standard of living among them, as exemplified by statements placed before the Committee appeared to be disproportionately high.

88. The Committee further recommended that all obligations whether by way of leave pay or pensions should be paid in the currency of the Colony and that the privilege of retirement should be extended to those who were not otherwise entitled to retire, without pension or gratuity but with a free passage to India, if desired, within a reasonable time.

89. The effect of this recommendation for the reduction of Asiatic salaries was reflected in the proposals put forward in connection with departmental expenditure and appears in the draft estimates for 1923.

90. In the second place, when it became evident that retrenchment of individuals was not going to effect so great an economy as was necessary, they recommended that the payment of the remaining portion of the local allowance at present paid to European members of the Service be discontinued after March 31st, 1923. Local allowance.

The payment of a local allowance was originally sanctioned in order that Government employees on sterling salaries might not suffer pecuniary loss during the transition period when local prices were adjusting themselves to the new currency. Such an adjustment has taken place and is reflected in the cost of local produce. The allowance was halved on April 1st, 1922, to conform to a decrease in the cost of living and the Committee have evidence to show that the cost of living has tended to decrease further during the last twelve months, a tendency which they have no reason to suppose will not be maintained.

91. As a natural corollary, they recommended that the payment of "local allowance" to the Asiatic numbers of the Service should be discontinued after March 31st, 1923.

92. In the third place, they recommended that the wages of African Government Servants, other than those unskilled labourers who are paid the current wage of the district in which they work, be decreased in general by one-third in January 1st, 1923, thus coming into line with those of non-native employees, on a sixteenpenny basis. They considered that as all European and Asiatic members of the Government service were to have their salaries reduced to that basis, equity demanded that native employees should be accorded similar treatment. They have taken much evidence regarding the effect such a step would have on the African ranks in the Military and Police Forces, and are of opinion that the step can be taken provided the reduction is made general throughout all departments of the service. Wages of African Civil Servants.

93. They consider that in the case of natives it is preferable to have one cut rather than to distribute the decrease over two periods and they suggested that the cut should take effect from January 1st, 1923, because Europeans have already suffered a diminution of one-sixth in their emoluments with effect from April 1st, 1922 and a recommendation has gone forward for an immediate and similar reduction in Asiatic emoluments.

94. The factors of supply and demand have already been taken into account in dealing with unskilled labourers who draw the normal wage of the locality in which they work, and the principle advocated does not, therefore, apply to them.

95. The Committee suggested that, for the purposes of calculation, the value of rations issued to the King's African Rifles should be included, a reduction of one-third being effected in the total emoluments so assessed. Such a procedure preserves the existing relationship between the pay of African ranks in the King's African Rifles and Police, which latter receive consolidated pay.

96. In the fourth place, the Committee recommend the abolition of Outfit and Travelling Allowances. They consider that, when travelling is part of the duty of any officer, the expense should be deemed to be included in his substantive emoluments and should not be met by a special alimentary allowance. No additional inducement should be necessary to encourage an officer to do the work for which his substantive salary is intended to represent adequate remuneration. This recommendation does not affect the procedure at present in force of refunding to officers expenses incurred in travelling on other than normal duty. Outfit and Travelling Allowances.



Financial  
necessity for  
revision of  
emoluments

97 In respect of these recommendations for the reduction of emoluments drawn by Civil Servants, the Committee wish to emphasize the inability of the Colony to pay the present rates. Whatever circumstances may have led to the "local allowance" in the first instance, the present financial condition of the Colony demands a complete reconsideration of the salaries and allowances drawn by the servants it supports, absolutely irrespective of the cost of living. They do not wish to lay stress on the fact that that cost has decreased and is decreasing, but they do urge that a critical situation has to be faced, that the most drastic economy in State expenditure is essential and that the emoluments remaining payable after these deductions have been made are all that this Colony can afford.

Effect of  
recommendations on 1923  
Estimates

98 The saving caused by these recommendations in the Estimates for 1923 is approximately as follows —

Abolition of local allowance on April 1st, 1923		£
To Europeans	..	60,000
To Asiatics	...	25,000
Reduction of African emoluments (say)	...	65,000
Abolition of Travelling Allowance	.	9,700
Abolition of Outfit Allowance	.	300
Total	.	160,000

It may, therefore, be assumed that the Committee have put forward recommendations for a reduction in Government expenditure, excluding Interest and Stand Premia, to £1,225,000. Towards the payment of this, other Governments contribute a sum of £33,804. The remainder must be found by the Colony and Protectorate of Kenya.

Interest  
charges

99 There remains for consideration the item of £300,000 appearing in the Estimates under Head XXVII—Interest, most of which must remain as a charge on the resources of the country and its railway for many years to come. For the year 1923, appropriation has been made out of the Loan itself to the extent of £157,545 to meet this charge, interest anticipated on surplus loan funds invested comes to £30,000, and the Uganda Railway is to contribute £67,281. The remainder, £45,174, is a charge against the 1923 revenue of the Colony, which must, therefore, expect to spend not less than £1,240,000 next year even if all the Committee's recommendations are accepted and introduced at the earliest moment.

Deficits on  
previous  
years

100 If the Kenya Government could have commenced the year 1923 with a satisfactory balance, there is little doubt that the budget position would not present great difficulties. Unfortunately the position is not so satisfactory. It was shown in paragraph 4 that, since the year 1916-17, local revenue has only on one occasion covered local expenditure. A deficit on estimated revenue in 1922 is anticipated amounting to £381,800; net savings on estimated expenditure are calculated at £83,600. The Treasurer anticipates a loss on the working of the year 1922 of nearly £300,000.

Overdraft at  
the Crown  
Agents

101. To meet this loss on working during the past six years, a sum of £600,000 was appropriated out of the £5,000,000 loan. This clears the book position up to the end of 1922 and enables the Colony to show an apparent surplus of Assets over Liabilities, but the Assets that exist are widely distributed in the form of imprests at various Government stations, and are not all liquid assets, as in the case of unallocated stores. Although the Balance Sheet correctly shows a surplus of Assets, the Committee have no doubt that, were it not for loan funds, a very considerable overdraft would be found to exist in the Colonial account with the Crown Agents.

Further  
economies  
necessary

102 In 1925, the provision of money out of loan funds for the payment of interest on the loan ceases. Two years remain in which to arrange that previous deficits are worked off and that revenue to the extent of at least £350,000 per annum in excess of expenditure is forthcoming either direct from the Uganda Railway system or from the Colony that is financially responsible for the loans. That is a position which cannot receive too early a remedy, and the Committee, in the confident hope that Your Excellency fully appreciates the true aspect of the problem, trust that every endeavour will be made and sustained for the reduction of Government expenditure incurred in a country where the tax-paying capacity has been badly impaired by the trade depression and by the administrative extravagance which was one of the inevitable results of the currency fixation.

Nairobi,  
21st October, 1922.

C. C. BOWRING,  
Chairman.

G R SANDFORD,  
Secretary.

# ECONOMIC AND FINANCIAL COMMITTEE.

## SECOND INTERIM REPORT.

YOUR EXCELLENCY,

The Economic and Financial Committee have the honour to submit herewith a Report on the subject of the Uganda Railway, being their Second Interim Report. Uganda  
Railway.

2. The control of the Railway formed the subject of comment in their first Interim Report but they desire now to summarize the conclusions they have reached on this question, which is relevant to all their terms of reference

3. The development of the economic resources of East Africa depends almost exclusively on the provision of facilities for transporting the produce to the world's markets at a rate which enables it to compete with produce from other parts. The Uganda Railway must inevitably play a leading part in the provision of such facilities; expeditious transport from up-country to the port, accurate timing to minimize storage charges, efficient loading and low railway rates on produce for export are essential. The market price of Kenya's produce has fallen; shipping rates have decreased, Uganda Railway rates must also be brought down. Necessity for  
low rates on  
exports.

4. While agreeing in principle that the provision of low rates for country produce destined for export must be compensated by relatively high upward rates on imports, the Committee are strongly of opinion that the upward rates now imposed are excessive. Though they may be necessary in present circumstances to enable the Uganda Railway to meet the heavy expense of working the line, there can be no doubt that they are largely responsible for the high cost of imported articles sold up-country, and therefore have considerable effect on the cost of living, the rate of wages paid both in and out of Government service and, in many cases, on the costs of production and manufacture. The remedy for this can only be in a decreased cost of working the railway system Effect of high  
upward rates.

5. It has been observed in the first Interim Report that the question of Railway expenditure and charges is intimately connected with the question of taxation and the regulation of Government expenditure and departmental activities; it is unnecessary to elaborate so obvious a fact. Railway rates govern the economic position of the country, the position cannot improve without low rates, low rates cannot be established unless and until expenses are drastically reduced. Expenditure  
must be  
reduced

6. The increase in expenditure in the working of the Uganda Railway exclusive of the Railway Marine over the last ten years together with the increase in train and ton mileage is shown in the following table:— Railway  
Expenditure  
for the last  
ten years

Year.	Expenditure.	Total Train Mileage.	Expenditure per Train per Mileage	Expenditure per Ton per Mileage.
	£		Sh. cts.	Sh. cts.
1912-13	249,253	1,491,896	3.35	5.84
1913-14	290,015	1,631,685	3.56	6.17
1914-15	297,885	1,342,221	4.44	7.24
1915-16	302,329	1,354,398	4.47	6.69
1916-17	382,260	1,592,348	4.80	6.17
1917-18	381,179	1,346,456	5.67	7.95
1918-19	438,347	1,187,431	7.39	8.91
1919-20	466,539	1,238,794	7.53	9.05
1920-21 (1)	875,114	1,518,742	11.52	15.70
1921 (9 months)	614,832	1,075,898	11.42	14.38
1922 Estimate	942,813	1,631,000	11.56	...
1922 (first six months)	408,450	692,884	11.79	...

Expenditure  
per train mile

7. The expenditure per train mile rose gradually from 1912-13 to 1919-20 when it suddenly increased by 50% as a direct result of the Currency fixation. In 1920-21, when this fixation first affected Railway accounts, the expenditure per train mile amounted to Fls. 5 76. In 1919-20 it had been Rs. 5 65.

9 While the rate had more than doubled between 1913-14 and 1919-20, it had more than trebled by 1920-21 as a result of the fixation, and the higher rate so established has received little diminution since that date

9 It is, however, to be observed that train loads are now greater than they were in 1913-14 owing to the use of a better type of engine. The number of train miles corresponding to an equivalent amount of traffic has therefore decreased and the rate of expenditure given per train mile is not in itself an accurate indication of the increase in cost that has occurred

Expenditure  
per ton mile

10 In order to ascertain the causes of the increase, the Committee asked the General Manager to prepare a comparison between the expenditure in 1913-14 and in 1921, the last year of which figures of actual expenditure are available. The General Manager's statement is attached, showing the alterations in cost per 1,000 gross ton miles first on the assumption that the florin of 1921 was equivalent to the rupee of 1913-14, and secondly on a sterling basis throughout

Analysis of  
increase in  
expenditure

11 The statement shows that, though the cost of running the Railway had increased from £290,015 in 1913-14 to a rate of £819,776 in 1921-22 an increase of over 182%, the number of gross ton miles had increased by only 17%; the staff in April 1922, while costing 174% more than in April 1914, had actually decreased by 4%

12 The percentage increase per 1,000 Gross Ton Miles under various heads and sub-heads shown in the Railway Estimates are as follows:—

			Per cent
Abstract	A	Maintenance of Way, Works and Stations .. .	48
„	B & C	Locomotive, Carriage and Wagon Expenses . ..	173
Sub-head	I	General Superintendance . . . . .	216
„	II	Running Expenses . . . . .	94
„	III	Fuelling, cleaning and looking after engines . . . . .	75
„	IV	Fuel . . . . .	60
„	V	Water, including wages and stores . . . . .	245
„	VI	Oil, tallow and other stores . . . . .	242
„	VII	Maintenance and renewal of engines and rolling stock . . . . .	288
„	VIII	Maintenance and renewal of machinery, tools and plant . . . . .	263
„	IX	Cleaning carriages and wagons . . . . .	245
Abstract	D	Traffic Expenses . . . . .	218
„	E	General Charges . . . . .	180
Sub-head	III	Audit and Accounts . . . . .	255
„	V	Stores department . . . . .	238

Magadi Soda  
contract

13 The effect of these increases in expenditure is clearly demonstrated by reference to the Contract entered into with the Magadi Soda Company in 1911. A rate of one half-penny per ton per mile was laid down for the transport of soda from Lake Magadi to Kilindini. This rate was framed so as slightly to exceed running costs both ways, it being understood that returning trucks would bring up coal. Magadi do not now use coal and trucks must be returned empty. The average cost of hauling a ton a mile has more than doubled. The Company can call on the Uganda Railway to move 160,000 tons of soda a year at a fixed rate which means a loss on every ton.

Maintenance  
and renewal  
of Engines and  
Rolling Stock

14 In considering these large increases in cost, which entail the maintenance of such high rates, the Committee were surprised to find that the largest sub-head in the Railway Estimates, Maintenance and Renewal of Engines and Rolling Stock, also shows the largest proportionate increase per 1,000 Gross Ton Miles. The expenditure on this sub-head was £40,782 in 1913-14, in 1921 it was at the rate of £184,944 per annum, an actual increase of 353%, and the Estimate for 1922 was £204,000.

15. The importance of this item was brought very prominently to their notice in their investigations regarding the possibility of reducing railway rates on commodities for export. It was then found that of the total cost of moving a train, 60% was a disbursement under this sub-head.

16. They came to the conclusion, therefore, at the commencement, that this was the first item requiring investigation because the minimum rate that can be charged on produce for export so largely depends on it, the Secretary of State having laid it down that no produce is to be carried below the actual cost of haulage.

17. On hearing the evidence of the Chief Mechanical Engineer, they formed the opinion that there were two main factors responsible for this high charge, in addition to the increased provision made for personal emoluments. The inadequacy of facilities and the difficulty in getting supplies during the War had placed the work of repairing engines in arrears, while the price of all materials had risen considerably. Mr. Whittaker stated that until the workshops were extended, arrears of work would never be overcome, but that as soon as repairs were up to date, expenses would go down. Workshops.  
Value of Stores.

18. The Committee also find on investigation that the value of stores is based on a system of averaging which, though admirable when prices are not subject to violent fluctuations, has resulted in certain classes of stores being given a value far in excess of that obtaining at the present time, owing partly to the high prices of articles after the war and partly to the system of accounting employed on the fixation of the rupee whereby the value of all stores on hand on April 1st, 1920, was written up 50%. On the other hand, reserve stores purchased before the war may be undervalued in spite of the 50% addition.

19. The result is that the cost of work is thereby distorted out of all relation to its present-day value; for instance, the coal supply on the Uganda Railway is priced at Sh. 94 per ton, while its present value is in the vicinity of Sh. 33 per ton. Use of this coal at the price quoted shows such an increase in the cost of running the railway as to render statistics meaningless. The result is that the coal supplies have not been used up, the coal must be deteriorating through exposure and is lying idle without bearing interest on the capital outlay.

20. The Committee feel that reconstruction cannot satisfactorily be effected without the removal of such obstacles. They do not suggest that the system of costing by averaging should be discontinued in the future, but they urge that one complete revaluation should take place immediately so that the country may know where it stands, meet the loss and start again from a correctly defined position without having its statistics and costs distorted over an indefinite period by the currency fixation and by the high prices necessitated by the post-war boom. Revaluation of stores

21. It is probable that the violent fluctuations in prices which inevitably took place as a result of the war have ceased and that, although these prices have not yet fully adjusted themselves to the new conditions now prevailing or in course of evolution, such adjustment will in future be gradual and can properly be dealt with under a system of averaging.

22. The Committee therefore recommend that a revaluation at present prices be made of all unallocated stores including the Uganda Railway Stores and the Coal supplies figuring in the Uganda Railway Capital Account, any deficit on the value as at present assessed being written off.

23. They consider also that the amount of General Unallocated Stores held by the Uganda Railway is much too great and should be reduced without delay. Money locked up in stores earns no interest and a close watch is therefore necessary to ensure that the smallest possible sum is devoted to this purpose. The Committee learn with satisfaction that the coal supplies are being used up more rapidly than heretofore and they trust that this will effect a considerable reduction in the value of stores held which they consider should not be anything like the figure of £342,500 appearing as an Asset in the Assets and Liabilities Statement for December 31st, 1921. Amount of General Unallocated Stores.

24. In attempting to ascertain from the General Manager and Heads of Railway Divisions what decrease could otherwise be effected in the expense of running the Railway, the Committee were able to obtain few suggestions for economy beyond those which had already been included in the Estimates for 1923 as prepared by the General Manager, and, on closer investigation found themselves confronted by a mass of technical detail with which they have not time at present to cope. They realize that the economical working of the Uganda Railway is of an importance to the future prosperity of the Colony which cannot be over-estimated, but they believe that the detail of its working must essentially be left to the General Manager and his Chiefs of Division who are best able to judge where economies can be effected, where supernumerary staff can be dispensed with and how expeditious handling of traffic can be assured. Suggestions for Economy.

25. They have, however, one recommendation to make on the subject of Railway management, namely, that the movement of all traffic carried on the Railway system should be under the control of the Traffic Manager whose influence should be extended to include the movement of ships on the Lake, the duties of the Marine Superintendent being confined to the internal control of the Steamer Service. They regard it as indispensable to the prompt handling and despatch of goods in transit from the Lake Ports that the control and organization of the whole transport service should be undertaken solely by the Traffic Department. Movement of Ships on the Lake.

- 26 They are also convinced that any money made available for work on the Uganda Railway System, whether out of Revenue or Loan Funds must be expended in the most immediately productive manner, that buildings, improvements to stations and works of beautification or convenience which cannot be classed as absolutely essential to the efficient working of the line should not be proceeded with, that the programme of such works should be immediately revised and that the necessity for maintaining so numerous and costly an Accounting Staff should be thoroughly investigated. Many of the statistics kept may be admirable in times of affluence but a luxury in times of stress and the increase in cost of this branch of Railway activity to be out of all proportion to its intrinsic value.
- 27 On learning, in July, of the impending retirement of the present General Manager of the Uganda Railway, the Committee realized that it must be left to his successor to introduce such a revision of system as was necessary in order to ensure the most economical working of the line. They therefore recommended that negotiations be entered into with the Government of the Union of South Africa with a view to the selection of a Railway Manager who should take a special appointment for a period of two or three years for the purpose of reorganizing the Uganda Railway and its Port Terminal. They now understand that such an officer has been nominated and that the appointment has been approved by the Secretary of State for the Colonies. They trust that, as in the case of the new Traffic Manager, the new General Manager may be permitted to take control of the Uganda Railway as soon as Mr Couper has relinquished his active duties and without waiting until he has retired on pension on the termination of the leave due to him.
- 28 The Committee feel that as the new General Manager will assume his duties in the near future, no useful purpose would be served by a detailed investigation on their part into the intricacies of Railway administration for the present. They believe that it will be best to wait for six months in order that the effect of reorganization which must be undertaken by the new Manager may be gauged before they arrive at any conclusion as to whether they should prosecute further enquiry into matters of detail. They urge, however, that no time should be lost in impressing upon the present management the utmost importance of economy, the necessity for reducing expenditure on every possible detail and for avoiding all expense on buildings or improvements not absolutely essential to the working of the line until the new General Manager has personally investigated requirements.
- 29 In particular, they understand that money is being made available out of loan funds for a considerable extension to the Workshops. They trust that the expenditure of money will, in this respect, be closely confined to the purchase of only those tools and machinery and the essential accommodation therefor, which are immediately indispensable to the efficiency of the Railway system, leaving decisions as regards the remainder to the new General Manager who should investigate the whole question afresh and decide what he considers necessary, taking fully into account the financial position of the Uganda Railway, the liability for loan charges and the necessity for reducing railway rates.
- 30 Revision of the present system is an urgent requirement of the Colony and while it is only natural that reorganization should be entrusted to the new Manager, it is imperative that the introduction of reforms directed towards the cheaper working of the line should not be delayed.
- 31 The Committee do not think that any consideration of salary should be allowed to interfere with the appointment of an energetic, up-to-date and efficient General Manager.
32. They were fortunate in being able to obtain the assistance of Mr Follett Holt who has had very extensive railway experience in South America. Mr Holt supported the Committee in the conclusions to which they had come and agreed with them that the new General Manager should in the first place be given time to estimate the requirements of the situation. A record of the evidence which he gave on the subject of Railway administration is attached, together with a statement showing the experience of railway and commercial undertakings in South America and elsewhere on which his evidence is based. They wish to place on record an expression of their great appreciation of the assistance which he so readily gave them.
- 33 One step towards decreasing the cost of the Railway the Committee have already taken in recommending the abolition of local allowance to European and Asiatic members of the Uganda Railway Service and a reduction of pay to the African servants. These recommendations have already been reported in detail in the Committee's first Interim Report. Their effect on the expenditure for which the Uganda Railway now makes provision is a reduction of about £120,000 on the Estimates for 1923 or 11½ per cent. of the whole.
- 34 In no other department of Government Service is the disparity caused by the present different treatment of European and Asiatic Servants in respect of salaries more noticeable than in the Railway where, for instance, the substantive pay of the senior Asiatic Drivers is actually considerably higher than that of European Drivers; the Committee urge this as an anomaly which requires immediate rectification.

Expenditure of funds

Accounting Staff

Appointment of a new General Manager

Detailed investigation postponed

Extension to Workshops

Salary of General Manager

Evidence of Mr Follett Holt

Emoluments of Railway employees.

European and Asiatic employees.

35. They have made no detailed investigation into the emoluments and conditions of service of Railway servants generally, but they are of opinion, on the evidence put before them, that the terms of service to such servants as guards and drivers are unnecessarily generous and that the cost to the State is far above what is paid to such men in the world's market. Thus an European Guard on a stated salary of £250 per annum may cost the Railway as much as £600 per annum, and an Asiatic Guard on £10 to £20 per mensem may cost nearly £500 per annum. An European Driver may receive pay, allowances and privileges costing as much as £750 per annum, and a Senior Asiatic Driver, in addition to trip allowance, free quarters, leave, passages and provident fund benefits is awarded subsantive pay at the rate of over £300 a year

Guards and Drivers

36. The thanks of the Committee are due to Mr. Couper for having corrected the figures mentioned in this Report, which has been laid before him

Acknowledgment

37. The closest co-operation between the Railway and the public is essential, the Committee invite Your Excellency's attention to the suggestions made by Mr Holt in evidence for the formation and constitution of a Board of Directors to assist the General Manager, who would not be a member of the Board. Mr Holt emphasized the necessity for encouraging the public to have a real interest in the working of the Railway, so that they may have confidence in the management and so that the Manager may keep in touch with public feeling

Co-operation between the Railway management and the public.

38. The Committee have already, in their first Interim Report, represented that in their opinion any justification for the appointment of a Commissioner of Railways has now disappeared and have urged that the control of Railway policy must necessarily be vested solely in Kenya which, owing to the loan policy, carries the sole financial responsibility for meeting the charges on loan monies expended on Railway development

Commissioner of Railways

39. Lieutenant-Colonel Hammond, C B E , D S O , R E , Special Commissioner for Railways, presented a report on the Railway Systems of Kenya and Uganda in October, 1921. He made observations on the method of running the Railway system and on certain inefficiencies which came to his notice. These have received detailed comment from the General Manager of the Uganda Railway, the remarks being for the most part of a technical nature

Colonel Hammond's report.

40. In the Committee's opinion, Colonel Hammond's proposals were based on the assumption that finance would be unlimited and that current railway rates were attuned to the value of produce. The violent alteration in the financial position of the Colony has proportionately altered the nature of the Railway problem and the Committee have, therefore, no opinions to express on the report. In respect of its technical suggestions, they hold that no useful purpose would be served by their prosecuting an investigation for which technical qualifications are required

41. The Committee have already recommended certain reductions in railway rates on produce for export and they propose to continue their investigations into this matter in respect of other exportable products of the Colony. This intricate problem will receive comment in the Report on the economic situation which they hope shortly to present. The question of railway rates is second to none in importance, not only must they be brought down to something like the pre-war level—at present they are unduly inflated both by the currency fixation and by the superimposition of the Railway surcharge, whereas the export produce of the country which goes to the payment of these rates has a value which has not been affected by the fixation—but they must also, on revision, be standardized on a basis which gives hope of stability. Stability of railway rates is almost as important to the commerce of the country and to the maintenance of public confidence as stability of Customs tariffs. The prosperity of the country, and the ability of the Colony to meet its loan obligations depend upon the early reduction and subsequent stability of railway rates; this can only be effected by continued endeavours towards economy and an efficient system of control on the part of the Railway management in co-operation with the public.

Railway rates.

C. C BOWRING,

*Chairman*

Nairobi,

21st October, 1922.

G. R. SANDFORD,

*Secretary.*

MR FOLLETT HOLT, M INST C E.

Trained as a Locomotive Engineer on the London and South Western Railway, and with Sir Alexander Rendle, Consulting Engineer of the Indian State Railways

Afterwards—General Manager and Chief Engineer of the Great Western of Brazil Railway; now Chairman One thousand miles of line serving the four northern states and the ports of Parahyba, Alagoas, and Pernambuco

General Manager and Chief Engineer of the Entre Rios Railways (Argentine), built some hundreds of miles of line, the port of Ibicuy, and the train ferry system connecting the Republic of Paraguay and the 4 ft 8½ in gauge railways of the Argentine with the city of Buenos Aires Now Chairman of the Entre Rios Railways and Argentine North-Eastern Railway, which work together a total of 1,500 miles

Director of all the railways in the Uruguay Republic (some 1,500 to 2,000 miles) and of the Cordoba Central Railway (1,000 miles of metre gauge in Argentine)

Director of the London and River Plate Bank, Liebig's, and other Companies.

Member of the Executive Council of the Associated Chambers of Commerce.

During the war was a Financial Adviser (unpaid) to the Coal Mines Department and March to September, 1918, Commercial Member (unpaid) of the British Diplomatic and Commercial Special Mission to the ten South American Republics

RAILWAY ADMINISTRATION

The Chairman referred to the rupee fixation as affecting budget and railway costs, taxes, etc He said that the cost of living had risen since 1914 but this was largely due to increased costs and charges as a result of the fixation

Lord Delamere referred to the permanent increase in salaries which took place in 1919-20 He quoted figures showing that the increase in the cost of moving 100 tons a mile had risen from 57 cents in 1914 to 2 sh 85 cents in 1921 He also gave details of the position in respect of the Magadi Soda Company, referring to the proposed uphaul of coal for Magadi, whereas Magadi was now using oil

Mr Holt said that railway costs had increased enormously in the Argentine also This was largely owing to the high cost of coal, which at one period was bought at £9 a ton He said that the Uganda Railway's position appeared similar to the position on Argentine railways, where the main offenders were the transport and superintendence departments

Guards, drivers, firemen, running sheds and the movement of all trains are put into one department in the Argentine, called the Transport Department, which is responsible to the Traffic Department There was labour unrest after the War and inspectors and superintendents were increased out of all proportion Labour righted itself last year and superintendence is now going down—in numbers rather than in pay

Mr Elias said that crossing stations must be increased if increased traffic had to be coped with Mr Holt agreed and advised that the style of buildings erected at crossing stations should be revised Accommodation should be reduced to a minimum unless the stations would be required for trade purposes

He thought it unnecessary to worry about the weight of the rail laid on the line provided that the ballast was good It is not the weight of the rail that matters so much as what is underneath the rail He thought the Uganda Railway track could carry satisfactorily all there was to carry for many years without any but ordinary renewals

He advocated telephonic train control, which was expensive initially, but which saved money tenfold, as stock was turned round very quickly under that system and so much time was saved to the public and running staff

There is an eight hour law in the Argentine as the result of a recent Labour Ministry There the driver gets, say, from £200 to £250 a year and use of running rooms He thought that the rates paid to drivers with all the privileges attached to the post by way of allowances, passages, etc, were much too high He strongly recommended the training of natives as drivers and firemen for cargo and shunting service

Mr Holt was sure that in a few months the Uganda Railway could be put into a position to carry all country produce for the next ten years The line was there, that was the main thing With more crossing stations and proper control of wagon and train movement far more could be got out of the existing rolling stock When the maximum use was obtained and the rolling stock was then found to be insufficient to meet requirements more could be obtained gradually and this could be financed quite easily and economically through any of the English rolling stock manufacture and finance companies

The Railway Manager must be given every mechanical safety or labour-saving appliance he asks for in reason—but not expensive buildings at crossing stations. That kind of thing will sink the country. He said that he found that the best system as far as capital or betterment expenditure is concerned was to ration the General Manager and let him spend the money as he likes. He would then interest himself in getting the best return for the money in the quickest manner, but he must know his job and be competent if this system is to be a success.

He thought there was no question that the Uganda Railway could carry up to 300,000 tons a year. All over the world vast traffic was being carried on single lines and he was interested in several single line railways which carried many times the tonnage of the Uganda Railway each year.

On a heavily graded line like the Uganda Railway the proportion of dead weight to freight was a most important point. A 2 to 1 ratio was not good, 3 to 1 should be aimed at for grains or minerals. He suggested the use of 30-ton trucks. The ratio should never be less than  $2\frac{1}{2}$  to 1.

Mr. Elias said that big trucks did not suit a metre gauge railway with sharp curves. Mr. Holt was not satisfied that the trucks on the Uganda Railway were as wide as or of the carrying capacity that they might be. He advised that the maximum carrying capacity of the existing wagons for grain be examined. The factor of safety is probably very high and if an additional ton or more could be placed in each wagon without structural alterations or undue risk a great advantage would immediately accrue. He had increased the carrying capacity of a railway largely by simply painting out 15 and painting in 20. He took the risk for the benefit of the shareholders and public and nothing but good resulted. Trials could be made to see if anything could be done in this direction on the Uganda Railway. Mr. Holt recommended that in view of a possible widening of new rolling stock, a margin should be left in laying down new sidings or platforms, tanks or other permanent buildings. The maximum loading gauge of the railway should be examined in view of what is being done elsewhere.

Mr. Holt said there had been a great tendency in many railways for the statistical and audit branch to increase immoderately. Many of the statistics turned out were quite unnecessary in bad times but statistics have a tendency to go mad. This might be worth investigating on the Uganda Railway.

Mr. Holt said that in the Argentine wood fuel had been found to have many disadvantages. It employed an excessive amount of rolling stock, started fires, was unsatisfactory in the steaming of engines, and had generally been replaced by coal, which is now cheap again, almost as low as the pre-war figure. He suggested chartering for coal and arranging for return cargoes of maize if possible.

He would not advocate plunging into an oil fuel system. The use of oil requires heavy initial capital expenditure. Tanks are necessary at the port and up-country, as well as travelling tanks. Engines must be converted. All these are a serious commitment to the use of oil and mean a direct loss if oil is abandoned. Coal producers must produce at a cost to compete with oil. There is competition between coal and oil and oil consumers are therefore most unlikely to get a return on the additional capital expenditure which the use of oil entails. If oil could be found in the country it would be another matter. Imported oil may become very much cheaper, then the position should be revised, but in present circumstances he recommended that oil should not be considered.

Coal must deteriorate in the open air by cracking and wind. It can only be kept without loss if stored under water or kept perpetually damp.

Mr. Elias saw no objection to the use of coal.

Mr. Holt said that the coal stock even if it had cost 9½ shillings a ton should be used up. The Chairman explained that the coal was bought out of capital account and had not yet been charged off. Mr. Holt stated that he thought Welsh coal could be imported now in 5,000 ton cargoes at about 40 to 42 shillings per ton c i f., and at this price it should suit the railway largely to extend the use of coal as against wood.

Mr. Holt said that wood was most unsatisfactory for general use. An additional fireman was necessary to each engine burning wood and loading charges were very high.

Mr. Holt agreed that if the Railway staff was slightly less now than in 1914 (which he doubted) and if the expenses had nevertheless so considerably increased, wages must be cut so as to avoid bankruptcy of the community, which should be avoided at all cost.

The cost of stores is now going down very rapidly and has almost reached the pre-war level. Mr. Holt said that one of his railways had been in the habit of making six months' and yearly indents. He had found this to be a mistake because if this system is followed the storekeeper thinks of what he should buy rather than of what he should not buy. He now disallows even six-monthly indents. Indents should be from hand to mouth or three-monthly and each indent should show clearly the amount on hand and amount used in the previous three months.

He thought £300,000 worth of stores too high for the Uganda Railway to bear. The interest charges at 6% are £18,000 a year. They should be made to get them down to under £150,000 as soon as possible, and to send more frequent indents.



If a storekeeper is popular with the chief officers he is probably a bad storekeeper from the all-important financial point of view. It is very pleasant but too expensive to have all kinds of stores ready to deliver on demand. There are certain essentials which should always be ready, but fads and fancies should be sat upon and all officers in bad times should strive to use materials at hand even if not ideal.

In England railwaymen have consented to heavy cuts in wages when the position has been fully explained to them because they realize that the very life of the industry is at stake and that trade cannot revive and the community live under the burden of high railway rates which are the result of extravagant railway wages.

No estimate of railway costs can be safely based on comparative train mileage figures as conditions vary so enormously in different parts of the world, but he thought £1,200,000 much too much for the running of this line of 700 miles. He knew of a 750 mile line which carries as far as his memory served him about 450,000 tons of cereals and 1,000,000 tons altogether in each year which is run for about £800,000.

The railway expense figures were shown to him and he said that obviously the new railway control staff had a great opportunity in front of them.

Successful railway management depends upon the energy and efficiency of the General Manager and his chief officers. He thought that no economic or financial committee would be able to teach competent railwaymen anything about the management of the railway. He thought that given good men at the top the Uganda Railway should be worked exactly as all British owned private railways are worked. This is with a Board of Directors chosen to represent the shareholders or community, with a chairman who should *not* be the Manager. A Board of Directors should meet once a fortnight to discuss with or without the presence of the Manager general questions of expenditure, tariffs, public policy, public demands and public dissatisfaction if that exists.

If he were General Manager of the Uganda Railway he would immediately ask for a Board of Directors of four or at most five prominent men, so as to give the public confidence, and to enable him to keep in touch with public feeling. The General Manager should not be chairman or even a member of the Board. Certain districts should suggest names of members so that the public could have a real interest in the working of the Railway. Considering that officially, say, 1½ hours once a fortnight would be the ordinary call on their time (except for the Chairman) he thought that £500 a year for Chairman and £250 for each director should be ample in bad times. The Directors should have free passes.

Mr. Holt did not think £2,300 a very excessive cost for a crossing and siding station, but he thought about £1,500 should be enough. A new crossing station with public and resting facilities would of course cost more but nothing like £7,000 should be spent in the present state of the finances of the community.

A large railway can be conducted with very small shops. He would spend available money on high-speed tools not on bricks and mortar. The expenditure of £122,000 on additions to the workshops should not be undertaken lightly. On one of his systems of 1,500 miles he had had no money for shops for the last ten to fifteen years and he would think himself very lucky if he could get as much as £50,000 to carry on with.

He said that the Maime should certainly be run as part of the Transport and Traffic Department. There must be unity of control and organization though a Maime man would be necessary for internal control. The Traffic Manager must be responsible for handling the traffic throughout the line and the ships, etc., and their movements should be considered as wagons and trains and be completely under his control. He had carried this out successfully and without any difficulty in a railway under his control. A separate organization was fundamentally bad and highly prejudicial to the public and to economy in working.

Lord Delamere explained that the General Manager had resigned and that it was proposed to try and get a good man from South Africa. Mr. Holt said that with the 11,000 miles of line in South Africa a wide field presented itself for the selection of a competent manager.

He said that the General Manager should be a man of the world as well as a railway man. It was frequently useful to have an engineer as a manager.

Lines that are weak physically or under development are largely dependent on engineers and an engineer manager can therefore check from his own knowledge any advice given him by his engineer assistants. If an engineer who is also a business man can be found he would probably be best. He said a young man would be best, one whose principal asset was his future reputation, but if the appointment is to be on a temporary basis a young man would not come so readily. He would advise trying to get an engineer under 40 years of age and would give him £3,000 a year rising to £4,000 a year on a 3 years' contract with 5 months' leave. During the first contract of 3 years the post should *not* be pensionable. The man might not be a success and should, if so, be got rid of at the end if not before the end of his contract.

# RAILWAY EXPENDITURE

## Explanatory.

1. Comparisons are made with the actual expenditure of 1913-14 and of the nine months of 1921, with one-third added to the latter to make it a year's Expenditure.

2. In making these comparisons I have taken the cost per 1,000 gross Ton Miles, which I give at the top of each item. Train Mile figures would not be accurate, owing to our better type of engine, the train loads are greater, thereby decreasing the Train Miles. In 1913-14 the average weight of a goods train was 174.23 tons against 236.62 tons in 1921, or an increase of over 35 per cent.

3. I have also kept to Florins, taking the 1921 Florin as equivalent to the 1913-14 Rupee.

## Statistical.

	1913-14.	1921	Increase or Decrease
4			
Tons lifted ...	345,059 -	456,789 +	32.4%
Train miles ...	73,433,541 -	80,335,696 +	9.4%
Gross Ton Miles	270,411,000 -	317,008,000 +	17%
Train Miles ...	1,631,685 -	1,434,531 -	12%

## Staff.

5. In April, 1922, the total Staff on the Railway shows a decrease of 4 per cent over that in April, 1914.

6. The Europeans show an increase of 14 per cent, the Africans an increase of .5 per cent, while the Asiatics show a decrease of 20 per cent.

7. The total cost of the Staff has risen by 82.6 per cent for this year in comparison to 1914, but if the Asiatic salaries were reduced by one-sixth this percentage would fall to 66 per cent.

7. The total cost of the Staff has risen by 174 per cent for this year in comparison to 1914, but if the Asiatic salaries were reduced by one-sixth this percentage would fall to 149 per cent.

## Engineering.

### 8. ABSTRACT "A"

Total Expenditure per 1,000 gross Ton Miles in 1913-14 was Rs 3.87 against Fls 3.82 in 1921.

I don't think that any economies can be effected in this Department. It is down as low as possible.

### 8. ABSTRACT "A".

Total Expenditure per 1,000 gross Ton Miles in 1913-14 was S 5.16 against S 7.64 in 1921.

## Locomotive.

### 9. ABSTRACT "B" AND "C".

*General Superintendence, Sub-Head I*, shows an increase from Rs 0.50 to Fls 1.06, or 112 per cent. The Senior Staff has increased from 5 to 9, but I hope to bring this latter figure down to 7.

The number of Foremen and Inspectors has gone up from 13 to 20, and Assistant Foremen from 1 to 3. In 1913-14 men in charge of the various Shops, Boiler, Foundry, Fitting, etc., were designated as Chargemen and a Foreman had to look after two or more Shops. This was considered unsatisfactory as a Foreman trained as a boilermaker would not have much experience of foundry work, and with the African coming in the Shops for training it was decided that a European Foreman for each Shop should be provided.

Kilindini was given a Foreman instead of allowing the Shedman to be in charge, and Kajiado, a new station, also required one.

Foremen in the workshops were not formerly shown separately.

*Running Expenses, Sub-Heads II to VI, IX and X.* This shows an increase from Rs. 3.83 to Fls. 4.95, or 29 per cent.

### 9. ABSTRACT "B" AND "C"

*General Superintendence, Sub-Head I*, shows an increase from S. 0.67 to S 2.12, or 216 per cent. The Senior Staff has increased from 5 to 9, but I hope to bring this latter figure down to 7.

*Running Expenses, Sub-Heads II to VI, IX and XI.*—This shows an increase from S. 5.10 to S. 9.90 or 94 per cent.

## RAILWAY EXPENDITURE.—(Contd.)

## Locomotive.—(Contd)

The actual number of Drivers and Firemen at present employed is 287 against 284 in 1913-14

The Magadi and Thika Lines were not open in 1913, and more shunting engines are now employed at Main Depots, which accounts for the increase

*Fuelling, Cleaning and Looking after Engines, Sub-Head III*—Rs 0 18 against Fls 0 21, an increase of 17 per cent. There was increased expenditure in the early part of the year due to handling coal, and additional Fuel Depots have been established at Maungu, Tsavo and Gilgil

In 1921 the average monthly cost was Fls 5,420, for the four months of 1922 it has dropped to Fls 4,470

*Fuel, Sub-Head IV*—In 1913-14 the following was consumed

		Rs
Coal	.. 6,318 tons @ Rs 25,62 =	161,867
Woodfuel	71,258 tons @ Rs 5 53 =	379,934
		Rs 541,801

In 1921

		Fls
Coal	2,356 tons @ Rs 47 8 =	112,800
Wood	81,072 tons @ Fls 6 9 =	558,484
Oil	748 tons @ Fls 22 4 =	16,758
		Fls 688,042

Bringing the Coal and Oil down to the equivalent of Wood, the consumption in 1913-14 was 83,894 tons and in 1921 it was 88,028 tons—an increase of nearly 5 per cent against an increase of 17 per cent in the gross Ton Miles

The cost per 1,000 gross Ton Miles is Rs 2 against Fls 2 17, due to the increase in cost

*Water, including Wages and Stores, Sub-Head V*—Rs 0 08 against Fls 0 19, an increase of 138 per cent, due to having to pay for water at Kilindini and Mazeras, also increased price of fuel for the pumps, and the installations of pumping plant at Kibwezi, Ruru and Mile 11½

*Oil, Tallow, etc, Sub-Head VI*—Rs 0 18 against Fls 0 41, an increase of 123 per cent, due to the increased cost

*Cleaning and Oiling Carriages and Wagons, Sub-Head II*—Rs 0 30 against Fls 0 69, an increase of 130 per cent, due to increase in wages, increased cost of stores, and increased stock requiring attention—1,697 vehicles against 1,247 in 1913-14, or 36 per cent increase

*Maintenance and Renewal of Engines and Rolling Stock, Sub-Head VIII*—Rs. 2 26 against Fls 5 83, or an increase of 156 per cent.

A comparison of the Workshops' Staff is as follows—

	1913-14.	1921	
Europeans	15	9	Decrease 40%
Asiatics	602	559	Decrease 7 1%
Africans	200	526	Increase 163%

European artisans have disappeared

The increase in Africans is due to taking in 300 ex-provers in the endeavour to teach them a trade

Wages Bill has increased by 138 per cent of salaries amounting to Fls. 196,542 have been from the Expenditure in 1921 to enable a fair comparison to be made).

*Fuelling, Cleaning and Looking after Engines, Sub-Head III*—S 0 24 against S 0 42, an increase of 75 per cent. There was increased Expenditure in the early part of the year due to handling Coal, and additional Fuel Depots have been established at Maungu, Tsavo and Gilgil

In 1921 the average monthly cost was S 10,840 for the four months of 1922 it has dropped to S 8,940

*Fuel, Sub-Head IV*—In 1913-14 the following was consumed—

		S
Coal	6,318 tons @ S 34 16 =	215,823
Woodfuel	71,258 tons @ S 7 11 =	506,644
		S 722,467

In 1921

Coal	2,356 tons @ S. 95 6 =	225,234
Wood	81,072 tons @ S 13 8 =	1,119,771
Oil	748 tons @ S 44 8 =	33,510
		S 1,377,538

The cost per 1,000 gross Ton Miles is S. 2 06 against S 4 34, due to the increase in cost

*Water, including Wages and Stores, Sub-Head V*—S 0 11 against S 0 38, an increase of 245 per cent due to having to pay for water at Kilindini and Mazeras, also increased price of fuel for the pumps and the installations of pumping plant at Kibwezi Ruiru and Mile 11½

*Oil, Tallow, etc, Sub-Head VI*—S 0 24 against S 0 82, an increase of 242 per cent, due to the increased cost

*Cleaning and Oiling Carriages and Wagons, Sub-Head IX*—S 0 40 against S. 1 38, an increase of 245 per cent, due to increase in wages, increased cost of stores, and increased stock requiring attention—1,697 vehicles against 1,247 in 1913-14, or 36 per cent increase

*Maintenance and Renewal of Engines and Rolling Stock, Sub-Head VII*—S. 3 01 against S. 11 66, or an increase of 288 per cent

The Wages Bill has increased 257 per cent (arrears of salaries amounting to S. 393,084 have been deducted from the Expenditure in 1921 to enable a fair comparison to be made).

## RAILWAY EXPENDITURE.—(Contd.)

## Locomotive.—(Contd.)

The extra Africans account, of course, for a portion of this increase, plus the increase in European and Asiatic wages. Materials have increased by 236 per cent.

Besides the increased Home cost of materials, which, on the 1st September, 1921, was 130 per cent. for locomotive Spares, there was the increased Sea freight.

To this must be added the increased output. The Machine Shop is working every evening from 4 p.m. to midnight to bring up the arrears of work. We are now dealing with engines which have been standing in the Yard for years.

The output has been.—

	Heavy Repairs	Light Repairs.
1913-14	19	8
1921	31	20

*Maintenance and Renewal of Machinery, Tools and Plant, Sub-Head VIII*—Rs. 0.24 against Fls. 0.59, or an increase of 146 per cent.

Wages, with the same deductions as made under Sub-Head VII, show an increase of 122 per cent, and for the same reasons.

Materials have increased by 204 per cent. The Home Cost of Tools stood, in September, 1921, at 150 per cent over pre-war prices. Under this Expenditure two heavy renewals have taken place—a Plate Bending machine costing Fls. 19,228, and a Steam Hammer costing Fls. 10,100.

From the foregoing details it will be seen that the increases are due to:

- Extra Africans in the Shops for training purposes
- Increase in wages
- Increase in cost of materials.

I cannot advocate any reduction in (a), as the more Africans we train the fewer the Asiatics required.

As regards (b), the Asiatic salaries should be reduced. They are undoubtedly too high. A reduction of the European Foremen's Local Allowance has already taken place, and this will be reflected in this year's working.

The African Improver's pay is from Fls. 9 to Fls. 50 per month, and this might be revised at the same time as the Asiatic, but it does not compare unfavourably with the average of Fls. 7 paid the African Trackmen.

As regards (c) the cost of material is out of our control, but prices are coming down, and when the arrears in work are brought up-to-date the consumption will come down.

I have gone into this matter with considerable care and I cannot lay my finger on any one particular spot where extravagance is being shown.

## Traffic.

10 ABSTRACT "D".

*General Superintendence, Sub-Head I (a)* has increased from Rs. 0.28 to Fls. 0.57, or 100 per cent. The Staff has increased from 30 to 33, or 10 per cent—1 Assistant Traffic Manager, 1 Traffic Inspector, and 1 Clerk. Traffic has also increased.

*Sub-Heads I (b), II, III and IV* have increased from Rs. 1.77 to Fls. 3.05 or 72 per cent.

The Station Staff in

1913-14 numbered	759
and in 1922	1,122

an increase of 363 or 48 per cent.

The extra Africans account, of course, for a portion of this increase, plus the increase in European and Asiatic wages. Materials have increased by 406 per cent.

*Maintenance and Renewal of Machinery, Tools and Plant, Sub-Head VIII*—S. 0.32 against S. 1.18, or an increase of 263 per cent.

Wages, with the same deductions as made under Sub-Head VII, show an increase of 234 per cent, and for the same reasons.

Materials have increased by 380 per cent. The Home cost of tools stood, in September, 1921, at 150 per cent over pre-war prices. Under this expenditure two heavy renewals have taken place—a Plate Bending machine costing S. 38,456, and a Steam Hammer costing S. 20,200.

*General Superintendence, Sub-Head I (a)* has increased from S. 0.37 to S. 1.14, or 208 per cent. The Staff has increased from 30 to 33, or 10 per cent—1 Assistant Traffic Manager, 1 Traffic Inspector, and 1 Clerk. Traffic has also increased.

*Sub-Heads I (b), II, III and IV* have increased from S. 2.36 to S. 6.10 or 158 per cent.

## RAILWAY EXPENDITURE.—(Contd.)

## Traffic.—(Contd.)

This is partly accounted for by the opening of the Magadi Railway and extra Stations between Kisumu and the Coast, making a total of 9 extra Stations, employing 50 men

Unfortunately no statistics of the number of Consignment Notes were kept in 1913 and no comparison can be made, but they must have considerably increased due to increased tonnage handled, thereby increasing the number of clerks required

All Station Sweepers (50) are included, formerly they were paid for by the Engineering Department. and Porters for loading and unloading have increased by over 100 The Telegraph School, with its 11 pupils, has been opened since 1913 and Level Crossing Watchmen account for another 24, and extra pointsmen 48, giving a total of extra Africans amounting to over 228—the balance of 85 being due to extra goods, baggage, parcels and trains clerks

The increase in wages must also be taken into account

*Under Sub-Head II, General Stores*, the expenditure has fallen from Rs 63,549 to Fls 60,497

*Under Sub-Head III, Clothing*, the comparison is Rs 9,057 to Fls 18,097, or an increase of 100 per cent due to increase in Staff and high prices for clothing

*Sub-Head IV, Compensation to Public* This is a fluctuating Head and shows an increase from Rs 23 588 to Fls 32,611

*Sub-Head I (c), Trains Staff* This shows an increase from Rs 0 47 to Fls 0 73, or 55 per cent

The following shows the average number of Guards employed during the two years

	1913-14	1921
Europeans	39	26
Non-Europeans	20	34
Total	59	60

In 1913-14 the Magadi Railway was not in operation 2 Guards are employed on this line, and also the Thika Railway was not opened for the whole of 1913-14

## General Charges.

## 11 ABSTRACT "E"

Rs 1 88 against Fls 3 52, or an increase of 87 per cent

*Sub-Head I, Home Charges*—Rs 0 14 in 1913-14 against Fls 0 13

*Sub-Head II, African Management*—Rs 0 26 against Fls 0 37, due to the Commissioner and Staff, Fls 0 07, and increase in salaries. The Commissioner cost the Railway £4,104 in 1921 and £465 during the present year This is probably the final charge

*Sub-Head III, Audit and Accounts*—Rs 0 71 against Fls 1 69, an increase of 138 per cent.

The total staff has increased from 146 to 262, or 80 per cent, as detailed below, and the cost from Rs 191,427 to Fls 534,912, or 179 per cent.

*Superior Staff* Formerly 3, now 6, due to the appointment of a Deputy Chief Accountant and 2 extra Assistant Chief Accountants The Deputy was appointed in 1916 and the extra Assistants in 1920 The latter appointments were made to keep good men on the railway who had reached their maximum in their former grades.

*Under Sub-Head II, General Stores*, the expenditure has risen from S 84,732 to S 120,994

*Under Sub-Head III, Clothing*, the comparison is S 12,076 to S 36,194, or an increase of 199 per cent due to increase in Staff and high prices for clothing

*Sub-Head IV, Compensation to Public*—This is a fluctuating Head and shows an increase from S 31,111 to S 65,222

*Sub-Head I (c), Trains Staff*—This shows an increase from S 0 63 to S 1 46, or 132 per cent.

## 11 ABSTRACT "E".

S 2 51 against S 7 04, or an increase of 180 per cent

*Sub-Head I, Home Charges*—S 0 19 in 1913-14 against S 0 26

*Sub-Head II, African Management*—S 0 14 against S 0 74, due to the Commissioner and Staff, S 0 14, and increase in salaries. The Commissioner cost the Railway £4,104 in 1921 and £465 during the present year This is probably the final charge.

*Sub-Head III, Audit and Account.*—S 0 95 against S 3 38, an increase of 255 per cent.

The total Staff has increased from 146 to 262, or 80 per cent, as detailed below, and the cost from S 255,236 to S 1,069,824, or 319 per cent

## RAILWAY EXPENDITURE.—(Contd.)

## General Charges.—(Contd.)

Assistant works in the Locomotive Department  
*General Expenditure, Audit.*

	1913-14	1922
Europeans	4	5
Asiatics	18	27
Total	22	32

Increase in Railway Expenditure and the  
rise in the number of Cash Vouchers from  
approximately 300 monthly to 600 warranted this  
year. The majority of the work in connection  
with Loans falls on this Section also.

*General Audit:*

	1913-14	1922
Europeans	1	0
Asiatics	13	29
Total	14	29

Work in this Section has increased as follows:—

	1913-14	1922
Store Ledgers	15	59
Tool and Plant Ledgers	2	6
Divisional Ledgers	6	17
Total	23	82

*Establishment Section:*

	1913-14	1922
Europeans	1	0
Asiatics	9	25
Total	10	25

Work of this Section has not been normal for  
owing to adjustments and alterations in salaries,  
bonus, and allowances, etc., affecting some 280  
Europeans and 3,000 Asiatics. Owing to this extra  
work has had to be stopped, but when the older  
more experienced members of the Staff have had  
leave a reduction in this branch will be made.

*Office Audit Section:*

	1913-14	1922
Europeans	6	6
Asiatics	44	88
Total	50	94

Institution of a "Clearing House" for the  
receipts and lines in Uganda necessitated 8 extra  
clerks as separate statistics are kept for these lines.

Receipt and Deposit Accounts have increased from  
£17, and as this Section has to prepare all the  
accounts for not only the Uganda Railway, but the  
other and the Railways in Uganda, a large amount  
of extra work was thrown on it. However, if all the  
accounts were taken as one a considerable reduction  
in clerks could be made—perhaps from 15 to 20.

*Responsibility and Typing Section:*

Europeans	1	6 (4 ladies)
Asiatics	4	11
Total	5	17

Increase in all Sections of the Office affect this  
Section which deals with the receipt and despatch of  
accounts, vouchers, etc. Increase in typing work  
due to the increase of the office generally. The  
large number of letters registered and passing  
through this Section is 12,000 monthly.

*Office:*

	1913-14	1922
Asiatics	6	12*

4 Pay Clerks, 2 Asst. Pay Clerks; 4 Clerks;  
2 Cash Counters).

## RAILWAY EXPENDITURE.—(Contd.)

## General Charges—(Contd.)

In 1914-15 it was recognised that this office was derstaffed and an increase of 4 was then allowed since then the work has increased owing to increased revenue and Expenditure and 2 extra men were employed.

*Sub-Head IV, (b), Printing*

	1913-14	1922
Europeans	0	2
Asiatics	34	33
African Apprentices	0	10
Total	34	45

The cost was Rs 25,140 against the present Rs 64,370, of which the Apprentices account for Rs 2,850, an increase of 156 per cent. The increase of 1, exclusive of the African Apprentices, is due to increased work. The increase in cost is due to higher wages.

*Sub-Head IV (b), Forms and Stationery*

	1913-14.	1922.
Europeans	0	1
Asiatics	2	2
Total	2	3

It was considered necessary to put a European in charge on account of the value of the stocks held. He supervises the issue.

The expenditure under this Sub-Head is Rs 0 23 against Rs 0 51, an increase of 122 per cent. The cost rose from Rs 62,483 to Rs 162,313, an increase of Rs 99,830, or 159 per cent. This is entirely due to the very high increase in the cost of Material and to the general expansion of the Railway necessitating an increase in consumption.

*Sub-Head V, Stores Department*—Rs 0 22 against Rs 0 49, or an increase of 123 per cent, the expenditure being Rs 59,919 against Rs 156,188, an increase of 160 per cent.

A fair comparison cannot be made between 1913-14 and now, as in the former year much of the actual expenditure which should have figured in the Stores Department was borne by the Marine Department. The following is the comparison between the Staff in this Department in 1913-14 and the present time:

Chief Storekeeper	1	1
Deputy Chief Storekeeper	1	1
Assistant Chief Storekeepers	2	3
Sub-Storekeepers	1	3
Clerks	18	33
Messengers	5	10
Carpenters	0	2
Labourers	52	104
Total	79	157

Three new depots at the Lakes have been opened since 1913-14.

*Sub-Head VI, Watch and Ward*—Rs 0 11 against Rs 0 19, or an increase of 73 per cent. Police Guards have increased from 75 to 102, or 36 per cent, and their pay has increased from Rs. 18,195 to Rs. 41,490, or 28 per cent.

Railway Chowkidars have also increased from 56 to

It is necessary to have Chowkidars at the Landhies, Landhi Committees now supervise them. It has been found necessary to increase the Chowkidars to combat the increased tendency for theft.

The increased cost includes uniforms which have gone up in price.

The cost was S 33,520 against the present S 128,740, an increase of 284%, of which the Apprentices account for S. 5,700. The increase of 1, exclusive of the African Apprentices, is due to the increased work. The increase in cost is due to higher wages.

The expenditure under this Sub-Head is S 0 31 against S 1.02, an increase of 229 per cent. The cost rose from S 83,311 to S. 324,626, an increase of S. 241,315, or 289 per cent. This is entirely due to the very high increase in the cost of material and to the general expansion of the Railway necessitating an increase in consumption.

*Sub-Head V, Stores Department*—S. 0 29 against S. 0 98, or an increase of 238 per cent, the expenditure being S 79,892 against S. 312,376, an increase of 291 per cent.

*Sub-Head VI, Watch and Ward*—S 0 15 against S. 0.38, or an increase of 153 per cent. Police Guards have increased from 75 to 102, or 36 per cent, and their pay has increased from S. 24,260 to S. 82,980, or 242 per cent.

## RAILWAY EXPENDITURE—(Contd.)

## Steamer Service.

## 12. ABSTRACT "F".

Total cost 1913-14	Rs. 642,700	} less catering which was not a charge against the ships in 1913.
Total cost 1921	Fls. 790,251	
Increase	Fls. 147,551	

or 23 per cent.

Cost per ton lifted.

1913-14 Rs. 10.64

1921 Fls. 12.80 (excluding Catering)

Increase of 20 per cent.

Salaries and Wages:

In 1913-14 amounted to Rs. 251,658

In 1921 amounted to Fls. 407,944

an increase of Fls 156,286  
or 62 per cent.

Loading and unloading:

1913-14 Rs. 66,757 for 60,382 tons

1921 Fls. 59,992 for 61,699 tons

This item shows a reduction in cost per ton handled  
from Rs. 1.10 to Fls. 0.97, or 11 per cent

Maintenance:

1913-14 Rs. 94,305

1921 Fls 104,185

an increase of 10 per cent, due to increased cost of  
materials

Fuel:

1913-14 Rs. 84,724

1921 Fls. 64,185

The cost of fuel per mile run cannot be compared as  
different ships were running in each year, except the  
"Clement Hill", and her costs per mile worked out at:

	Mileage run.	Cost	Cost per mile.
1913-14	20,893	Rs. 21,719	Rs. 1.04
1921	16,041	Fls. 16,883	Fls. 1.05

In 1921 oil fuel was used as against wood in 1913-14.

Stores, Oil, Tallow, etc :

1913-14 Rs. 14,074

1921 Fls. 20,591

or an increase of 46 per cent, due to increased cost of  
materials.

Insurance and Depreciation:

1913-14 Rs. 112,500

1921 Fls 117,500

The increase is due to the increase in the Fleet by the  
"Usoga", "William Mackinnon" and "Kavirondo".

The increase in salaries and wages are greater than  
the total increased expenditure. If these had  
remained at pre-war rates the working of this  
Department, in spite of the increased cost of  
materials, would have been practically the same as in  
1913-14.

## Special and Miscellaneous.

## 13. ABSTRACT "G".

Provident Fund:

Rs. 0.39 against Fls 0.38, which shows a slight  
decrease.

Importation and repatriation of Indian Labour:

Rs 0.23 against Fls 0.12—a decided decrease

Passages of Officials on Leave:

Rs. 0.26 against Fls. 0.41, or an increase of 58 per  
cent.

This item cost

In 1913-14 Rs. 70,182  
and in 1921 Fls. 130,205

## 12. ABSTRACT "F".

Total cost 1913-14	S. 856,933	} less catering which was not a charge against the ships in 1913.
Total cost 1921	S. 1,580,502	
Increase	S 723,569	

or 84 per cent.

Cost per ton lifted.

1913-14 S. 14.19

1921 S. 25.60 (excluding catering).

Increase of 80 per cent

Salaries and Wages.

In 1913-14 amounted to S. 335,544

In 1921 amounted to S 815,888

an increase of S 480,344  
or 143 per cent

Loading and Unloading:

1913-14 S. 89,009 for 60,382 tons

1921 S 119,984 for 61,699 tons

This item shows an increase in cost per ton handled  
from S. 1.47 to S. 1.94, or 32 per cent.

Maintenance:

1913-14 S. 125,740

1921 S. 209,230

an increase of 68 per cent, due to increased cost of  
materials.

Fuel

1913-14 S. 112,965

1921 S. 128,370

	Mileage run.	Cost.	Cost per mile.
1913-14	20,893	S. 28,958	S 1.38
1921	16,041	S. 33,766	S. 2.10

Stores, Oil, Tallow, etc .

1913-14 S. 18,765

1921 S. 41,192

or an increase of 119 per cent, due to increased cost of  
materials.

Insurance and Depreciation:

1913-14 S. 150,000

1921 S 235,000

## 13. ABSTRACT "G".

Provident Fund.

S. 0.52 against S 0.76, which shows an increase of  
46 per cent

Importation and repatriation of Indian Labour:

S. 0.31 against S. 0.24—a decided decrease.

Passages of Officials on Leave:

S. 0.35 against S. 0.82, or an increase of 134 per  
cent.

Indian Agency:

in 1913-14 S. 93,909  
and in 1921 S. 260,410



## RAILWAY EXPENDITURE.—(Contd.)

## Special and Miscellaneous.—(Contd)

increase of Fls 60,023, or 85 per cent, due to the increased cost of passages and the assistance given to married men whose salaries are under £700 per annum. The number of Officials who went on leave in 1913-14 was.

European	38
Asiatic	86
Total	124

against the following in 1921

European	61
Asiatic	155
Total	216

This increase is due to leave accumulated during War

Indian Agency.

This shows a slight decrease, but is of small account

## Statistical.

4 The following statistics will be of interest

(1) Cost per Tram Mile for various Railways —

Railway	1914		1921		Percentage Increase
	S	D	S	D	
Jamaica	6	11	12	0	74
South Africa	4	10	9	4	93
Western Australia	5	7	9	10	76
Gold Coast	8	10	16	1	82
Sierra Leone	5	6	—	—	—
Uganda	5	4	11	5	114

(2) Working Expenses per 1,000 gross Ton Miles.

	1914.		1921.	
	Pence		Pence	
Gold Coast Railway	437	31	734	27
Uganda Railway	438	72	620	64

The other Railways do not give this statistic.

(3) Percentage of Total Expenditure to Gross Revenue: (*vide* Para 119 (16) of my reply to Colonel Hammond's Report).

Year Ended.	Railway	Percentage
March, 1921	South African	79.00
June, 1921	Western Australia	89.04
December, 1920	Federated Malay States	91.48
March, 1921	Jamaica	101.15
December, 1920	Sierra Leone	116.67
December, 1921	Uganda	93.40

The Uganda Railway is the only Railway that has a whole year of depressed trade

an increase of S. 166,501, or 177 per cent, due to the increased cost of passages and the assistance given to married men whose salaries are under £700 per annum.

Railway	1914		1921		Percentage Increase	
	S	D	S	D		
Uganda	...	3	7	11	5	219

## RAILWAY EXPENDITURE.—(Contd.)

## Statistical.—(Contd.)

## (4) Cost of Maintenance and Renewal of Rolling Stock:

		<i>Increase.</i>
Jamaica	Wages 5.71	19.78
	Stores 5.81	14.07
	11 52	33.85 + 190%
South African	11.5	24.00 + 109%
Western Australia	Wages 6 41	11.37
	Stores 2 49	4.45
	8.90	15.82 + 78%
Nigeria	7.43	15 84 + 113%
Sierra Leone	10 47	(1920) 17.84 + 70%
		(1920)
Uganda	Wages 6.24	15 36
	Stores 2 88	11.28
	9.12	26.64 + 192%

## (5) Comparison of Monthly Expenditure between 1921 and 1922 (taken from four months actuals):

	1921.	1922.
	<i>Shillings.</i>	<i>Shillings.</i>
Maintenance of Way and Works	201,720	218,404
Locomotive ... ..	656,940	618,073
Traffic ... ..	281,956	243,728
General ... ..	185,869	169,190
Steamboat . . . . .	146,780	140,320
Totals	S. 1,473,225	1,389,715

a decrease of 5.6 per cent. The 1922 figures include three months of the 50 per cent Local Allowance to Europeans.

Nairobi, 19th July, 1922.

G. D. RHODES,  
*for General Manager, Uganda Railway*

# ECONOMIC AND FINANCIAL COMMITTEE.

## REPORT OF PROCEEDINGS DURING 1922.

YOUR EXCELLENCY,

Early in the year 1922 it became evident that the economic and financial position of Kenya was passing through an acute crisis. The fall in the market price of commodities exported from the Colony, the dislocation of the European market caused by the post-war depression in trade and the alteration in local values occasioned by the inflation of the rupee and made permanent by its stabilization in 1919-20 had combined to render the position of the farming and commercial community a precarious one and had, at the same time, led to such a vast increase in Government expenditure (without a corresponding expansion of the public services) as was entirely out of keeping with the reduced tax-paying power of the population.

The position in 1922.

2 The result was reflected in shortages of Government revenue and in an obvious decline in the attraction of the opportunities offered by the Colony for the investment of capital and for the prosecution of that development of its agricultural resources upon which alone the Colony must depend for prosperity. In addition to this, it was apparent that commercial development had proceeded in consonance with the expansion which had taken place during the boom period which had immediately followed the war and that a necessary reaction was setting in because requirements had not increased in accordance with expectations. This was evidenced by the all too frequent failure of commercial concerns and by what appeared to be a plurality of importing firms which tended to increase overhead charges, while the necessity for maintaining a considerable margin of safety in times of uncertainty further increased such charges, the combined effect being that the local retail price of imported goods frequently compared unfavourably with the price of such goods in foreign markets.

3. The Government therefore decided that a Committee should be appointed to go into the whole question with a view to investigating the problem from its several aspects and, in particular, to examine the possibility of increasing production and exports, of decreasing the cost to the community of imports, of reducing Government expenditure and to consider the amount and incidence of taxation.

Appointment of the Economic and Financial Committee.

4. In accordance with this decision, the Colonial Secretary proposed a motion in Legislative Council on March 27th, 1922, to the effect

“That His Excellency the Governor be asked to appoint a Committee composed of two Government nominees, two nominees of the Associated Chambers of Commerce, three Elected Members and one Indian Nominated Member of this Honourable Council:—

I. To enquire into and report on:—

(a) The means whereby production and exports may be fostered and increased.

(b) The means whereby the cost to the community of imports may be decreased.

(c) The present amount and incidence of taxation, and

II. To make such recommendation for the regulation of Government Expenditure and departmental activities as may in their opinion be necessary in order to give effect to the conclusions arrived at by them on the subjects mentioned above.”

5. On the motion being carried, His Excellency Major General Sir Edward Northey appointed a Committee composed of:—

Government Nominees:

Sir Charles C. Bowring, K.B.E., C.M.G., Colonial Secretary (*Chairman*),

Mr. C. R. W. Lane, Senior Commissioner,

Nominees of the Associated Chambers of Commerce:

Mr. S. Jacobs, Nairobi,

Mr. W. A. M. Sim, Kilindini,

Elected Members of the Legislative Council:

Lord Delamere, Rift Valley,

Major E. S. Grogan, D.S.O., Plateau South,

Mr. J. E. Coney, Plateau North,

Nominated Indian Member of the Legislative Council:

Mr. Shams-ud-Deen,

with Mr. G. R. Sandford, Private Secretary to the Governor, as Secretary.

s in  
ship.

6. Certain changes in the membership took place from time to time in respect of the Commercial and Indian Members. Mr. Jacobs was succeeded by Major P. Phillips on April 10th; Mr. Sim was unable to continue as a member after April 19th and it was not until July 17th, when Major W. Fletcher, O.B.E., was appointed in his stead, that Mombasa had an European representative on the Committee. Mr. A. Ambrose Smith was appointed an additional nominee of the Associated Chambers of Commerce on June 13th, and Major Phillips resigned on the grounds of ill-health on July 6th.

Mr. J. B. Joshi sat as an alternative member to Mr. Shams-ud-Deen from June 19th to August 5th. The latter resigned on September 4th and was succeeded by Mr. Mangal Das, who ceased to be a member on November 23rd.

7. The Committee held their first meeting on March 31st, 1922, and adjourned *sine die* on October 25th, 1922, having sat on 105 different days. On 101 days the sittings were held in Nairobi. The discontinuance of their labours on October 25th was necessitated by a session of the Legislative Council which prohibited the majority of members from attending to the work of the Committee. It is for that reason that many problems which were then under consideration could not receive more immediate attention.

o Mombasa

8. On September 11th, they proceeded to Mombasa under the temporary Chairmanship of Mr. J. T. Gosling, Colonial Treasurer, Sir Charles Bowring being unable at that time to absent himself from headquarters. Much preliminary work had been performed by Major Fletcher who had arranged a programme which enabled the Committee to hear evidence and make investigations with expedition.

sen.

9. They examined 147 witnesses in all and received documentary representations from many individuals who did not appear to give oral evidence before them.

edgment.

10. They desire to place on record an acknowledgment of the very great help they received from these witnesses who spared themselves no trouble in placing before the Committee the fullest details at their command in respect of the various questions upon which they were examined and who were of most material assistance in the elucidation of the intricate problems with which the Committee had to deal. They wish also to add a word of thanks to the Press for the attention they have devoted to their labours and for the willingness they have at all times expressed to help the Committee if so required.

ire.

11. The manner of procedure followed the precedent set by the War Council of 1915-1919. As a decision was reached by the Committee on any matter, a resolution was prepared and submitted to the Governor containing the Committee's recommendation thereon and giving briefly the reasons for the suggestions made. 125 resolutions were so presented. By this means, effect could be given to such of their recommendations as were accepted without that delay which would have been occasioned by awaiting the submission of interim or final reports and the Committee believe that the procedure followed proved convenient in practice, both in regard to the early stimulation of local production, the early removal of many obstacles to progress to which their attention was directed and in respect of the Estimates for 1923 which they examined in detail and upon which their recommendations received consideration before the preparation of the Budget for presentation to the Legislative Council on October 23rd.

uance of the  
tee's work

12. Your Excellency has announced that the functions of the Committee are to be continued. The members are very sensible of the appreciation of their labours which Your Excellency has been good enough to express and they trust that they will be enabled to advise Your Excellency during the present year in a manner which will make for the completion of the work already begun and for the more secure amelioration of the economic and financial condition of the Colony.

13. They wish also to record a sense of their very sincere gratification at receiving numerous communications from different parts of the Colony recording votes of confidence in and appreciation of the work done by the Committee. They have been greatly assisted throughout their labours by the expressions of support which they from time to time received.

14. The continuance of their labours prohibits the submission of anything in the nature of a final report at the present stage. This, in itself, is convenient because there yet remain many matters which the Committee have not been able to bring to a state of finality, and it is indeed obvious that the terms of reference are so wide that finality on any of them is difficult to attain. The Committee lost no opportunity of prosecuting their investigations and were in almost continuous session for a period of six and a half months, yet they continuously found new subjects requiring attention, new problems to consider and new developments of old problems.

15. Their terms of reference could hardly be held to exclude any general questions of principle on economic and financial matters affecting the Colony's welfare and the Committee devoted attention to such questions as they arose. The volume of important work with which they were confronted precluded the possibility of discussing and submitting recommendations on the detailed applications of the general principles which they advocated and they were consequently unable to attend to many matters of detail which were referred to them from various sources.

Attention devoted to general principles only.

16. Interim reports have already been presented dealing with the subjects of Government revenue and expenditure and of the Uganda Railway and relevant to the third and fourth terms of reference. The Committee do not propose in this report to enlarge on the recommendations contained therein. Passing allusion only will be made to financial matters when the sequence of events renders such mention necessary and they desire, therefore, that the interim reports may be regarded as one with this report in making a comprehensive record of the work done during the year 1922.

Interim reports.

17. The report which they now have the honour to submit has been framed with the object of placing on record a summary of the proceedings of the Committee during the year 1922, of the recommendations which they put forward from time to time on subjects other than those dealt with in the two interim reports, of the action which was taken by the Government in respect of them and of the position in regard to the various matters dealt with so far as it is known at the date of this report. This report is, therefore, intended as a record of the proceedings and does not contain any definite recommendations which have not already been submitted to the Government by the Committee when in session. Owing to various necessary changes in personnel which will be necessary before the Committee can reassemble, it is believed that this form will not only supply the best record of the work performed by the original body but will provide the most material assistance to the altered Committee to whom the continuance of the work will be entrusted.

Report of proceedings during 1922.

18. The first duty of the Committee was to ascertain as nearly as possible what was the existing economic position of the Colony in relation to the rest of the world. A perusal of the returns furnished by the Customs Department did not adequately show the position of Kenya as distinct from Uganda in respect of the years which had followed the establishment of a Customs Union, *i.e.*, since April 1st, 1917.

The economic position in March, 1922.

Statistics of imports into and exports from Kenya and Uganda combined were approximately—

	<i>Imports</i>		<i>Exports.</i>
	£		£
1919-20 . . . . .	3,120,000	-	3,007,000
1920-21 . . . . .	6,912,000	-	4,700,000
1921 . . . . .	4,237,000	-	2,630,000

The statistics for the East Africa Protectorate alone for the year 1912-13 were:

Imports £1,803,000: Exports £421,000 and for the year 1913-14 were

Imports £2,148,000 · Exports £444,000.

19. In order more thoroughly to appreciate the economic condition of the Colony, the Committee asked the Acting Director of Agriculture to prepare to the best of his ability a statement showing the amount of produce which emanated from European and native areas, so as to enable them to arrive at a figure which would indicate roughly the annual accretion of wealth to the community at large. The figure arrived at, which was the estimated value based on Nairobi prices of the actual European production and the estimated native production surplus to total needs, was £2,957,959. The total value of exports from the Colony and Protectorate was estimated at £744,557, but of this amount about one-sixth appeared to have been produced in and to have been carried over from the previous year.

Annual value of Kenya's produce.

A copy of the Acting Director of Agriculture's statement, together with explanatory notes will be found in Appendix A.

20. On the assumption that two-thirds of the imports in 1921 were destined for Kenya, the imports into the Colony could be estimated at an approximate value of £2,825,000 while the Committee were prepared to accept £750,000 as the approximate annual value of Kenya's exports.

Kenya's exports and imports.

economic  
tion

21. It was obvious, therefore, that, apart from any question of Government expenditure, the economic position of the Colony was not in a healthy state. The excess in the value of imports over that of exports, had to be drawn largely from imported capital. Such a state of things was natural enough provided development was being steadily performed and prospects for investment were good, but the Committee had reason to believe that the flow of capital into the country had received a check and that steps were immediately necessary to improve the position and to make good the balance.

edies required.

22 Two methods of doing this presented themselves, methods which were largely interdependent and the adoption of which appeared to the Committee to be equally essential. The introduction of capital into the country must be encouraged and its exportation must be discouraged. In the first place, not only must prospects for the investment of capital in the country be improved, but the production of commodities for export must be stimulated so that money might come to Kenya as the price of her products. In the second place, local industry must be supported, the Colony must make a far greater use of its own resources, must adopt a more economical style of living and must realize that its capacity to purchase imported articles was not unlimited.

enditure of loan  
is

23 In respect of the introduction of capital into the Colony, the Committee felt that Kenya was fortunate in the fact that a loan for £5,000,000 had been floated, part of which was being spent in the country at a time when economic reconstruction had proved necessary. The capital which had been introduced by new settlers after the war, estimated at £4,000,000, was being rapidly exhausted and the Committee believe that had it not been for the utilization of loan funds on works of construction, the difficulties of the position during 1922 would have been much more real and much more obvious.

24 At the same time, the utilization of loan funds during this critical period is fraught with considerable danger for the future because by the terms on which the loan was floated it will so happen that interest thereon will become due in 1925, that is, simultaneously with the completion of the works under construction. The danger is that the utilization of these funds may lead the community to place too much reliance on a state of prosperity which is in a way illusory and which may be severely shaken in two years time, when the Colony must suffer the double disability of a cessation in the inflow of such capital and of the necessity for finding large sums in interest on the loan. Steps are being taken to meet the interest charges, but it is equally vital to encourage production for export and to render opportunities for investment attractive to new capital so that no great dislocation may ensue when loan works cease.

tion of Income

25 The abolition of the income tax, which appeared to the Committee an essential step in the re-establishment of the Colony's economic position, has already received full comment in paragraphs 10 to 21 of the first interim report. The Committee believe that the removal of that tax had an immediate effect on commercial prosperity by giving hope for the future. The tax was indubitably hampering expansion and development and discouraging progress and tenacity, the Committee believe that its abolition has been attended by excellent results.

ased production

26 The removal of the income tax did away with an artificial restriction on the free flow of capital into the country but it was also necessary to make investment in the Colony appear attractive and it is evident that the surest way of effecting this is by ensuring internal prosperity. This must follow increased accumulations of local wealth and it was, therefore, for two reasons necessary to advise that increased attention should be paid to the production for export of commodities which could easily be grown locally and which had a ready market overseas. By this means, the value of Kenya's exports would grow greater, and with that would increase the circulation of money in the country and the permanent capacity of the Colony to purchase imports; the community would become more prosperous, investments more attractive and development more intense. The Committee regard increased local production for export as the most important factor in the future prosperity of the Colony. Their first recommendation was directed to this end and they have consistently endeavoured to promote the export trade in every possible way both by a definite encouragement of production and by the removal of obstacles which were hindering Kenya's produce from reaching the markets overseas at a profitable price.

rtations of  
stuffs and  
ries.

27 The Committee, on examining the details of importations into East Africa during the year 1920-21, were surprised to find that large sums of money were being sent overseas in the purchase of luxuries and of commodities which could be produced in the Colony with ease if greater attention were directed to them. Nearly £1,500,000 worth of the imports were for foodstuffs, drink and tobaccos while nearly £320,000 had been spent outside the Colony in grains alone. The importations of spirits, wines and beers were valued at over £215,000 and of tobaccos at over £260,000. More than £200,000 worth of sugar had been brought in and more than £40,000 worth of ghee.

28. It was evident, therefore, that the economic position could be improved by so developing local resources as to render the former class of importations unnecessary and by discouraging expenditure of such large sums on imported luxuries. Of the money spent on imports it was necessary that a greater percentage be devoted to the acquisition of machinery and plant for industrial and agricultural development. Development is what the country requires and the expenditure of money on unproductive luxuries should not be allowed to proceed unchecked. It was with this object in view that the Committee recommended the imposition of higher import duties on commodities which could easily be produced locally and on wines, spirits and tobaccos, thus ensuring that a greater proportion of money spent on such luxuries would remain in the Colony in the form of revenue to the State and inclining public opinion to pay greater attention to the products of the country.

Development of local resources.

29 These alterations in Customs tariffs have been referred to in the first interim report, and will be given further detailed reference in subsequent paragraphs of this report. The Committee desire to urge the necessity which still obtains, of making the most extended use of local products and they trust that a habit of doing so will be created and maintained, not only in order to keep money in the country which would otherwise unprofitably be spent outside but also in order to assist the export trade. The creation of a demand in overseas markets for products from a new country is frequently attended by considerable difficulties and tenacity of purpose is necessary on the part of the producer. Until experience has shown the most economical and efficient methods of placing the produce on the market in competition with produce from older and more experienced countries difficulties must be overcome which may easily result not only in discouragement but in ruin. Though such an export trade eventually proves of benefit to the community at large, its establishment may be a matter of great difficulty and danger to the individual producer and if he has not the support of the local market his position may be precarious. In its initial stages, the export trade rides on the top of the local trade and a good turnover on the latter helps to meet losses on the former. Experience leads to improved methods and greater economy and experience in local markets is invaluable in perfecting produce for sale overseas. It follows, therefore, that the provision of local markets for local produce most readily assures the highest degree of development and best stimulates the export trade.

Development of an export trade

30. As a result of the work undertaken during 1922 the Committee have been able to put forward certain detailed recommendations in respect of their first term of reference. These will be dealt with in subsequent paragraphs of this report. The term of reference implies that it is considered essential to foster and increase production and exports and the Committee have therefore devoted their attention to the means whereby this may be done, but before proceeding to a discussion of those details they desire to emphasize their opinion that, as a general principle, exports cannot be adequately fostered and increased unless every endeavour is made by the resident community to make an extended use of local products even if, in the initial stages, the local article is not in every respect the equal of the imported article. Encouragement must be given to the producer to improve the article he places on the market and inability to find a reasonable local market for local produce must inevitably retard and may even prevent development.

First term of reference.

31. On their second term of reference the Committee are not yet in a position to make a report. They believe that the main reason for the insertion of this term namely the plurality of importing firms, presents a difficulty which is not now so acute as it appeared a year ago. Such matters must always be largely self-adjusting and twelve months' additional experience has led to many modifications in the commercial outlook. The effects of the boom-period are no longer so evident and the revival of confidence in the country at large has materially assisted the commercial community in their work of reconstruction

Second term of reference.

32. They have been greatly assisted in this by the Government's declared intention of preserving the stability of the new Customs tariff and the Committee regard it as most important that further fluctuations in that tariff should not take place. The recent extension of the Customs boundaries instituting free trade in local produce between Kenya, Tanganyika and Uganda they regard as a very real step forward and they trust that this development may lead in the near future to a combination into one unit of the three dependencies for all customs purposes. They are equally glad to learn that the schedule of duties imposed by the Customs Tariff Ordinance, 1922, has been adopted by the neighbouring dependencies.

33. For reasons already explained in this and the first interim report, the cost to the community of certain classes of imports has been increased since the Committee commenced their labours. These were, with few exceptions, either commodities which could be produced locally or luxuries which were not indispensable to development. For the rest, an increase in duty was imposed purely as a revenue measure on the abolition of the income tax.

Customs duties.

other investigation.

34 It was not, however, in respect of State revenue from imports that this term was included among the terms of reference given to the Committee for investigation. The Committee may find it necessary when they reassemble to prosecute enquiries into the question of plurality of firms, systems of credit, overhead charges, rents and rates in townships and the like, but they believe that the necessity for such enquiry is not now so insistent as it was, that the cost of retailed imports is steadily becoming more normal and that a spirit of greater economy throughout the whole community has been engendered, all of which make for a natural adjustment of the difficulty without requiring artificial assistance

development of an export trade.

35 Having outlined the general appreciation of the position upon which they worked, the Committee now proceed to a statement in greater detail of recommendations which they submitted to the Government from time to time together with a summary of the reasons which led up to their submission and a report of subsequent events in so far as they have come to the notice of the Committee

36 The Committee devoted attention at their first meeting to the possibility of increasing production of exportable commodities during the rainy season which was then imminent. The subject found the Committee in complete unanimity and recommendations were made to the Government on April 7th to the effect that the first object to be aimed at in the endeavour to re-establish the financial and economic equilibrium of the Colony was to foster and develop, by every possible means and with the least possible delay, an export trade in some easily produced local bulk commodity for which there was a steady and virtually unlimited demand in the markets of the world.

37 Among the advantages to be expected from the adoption of this policy the Committee instanced:—

(a) The attraction of shipping to our ports if a regular considerable bulk cargo could be offered

(b) The consequent reduction of freights generally which must redound to the benefit of all exporters and importers and tend to encourage the economic development also of local resources other than those on which concentration was primarily to be directed.

(c) The reduction of railway freights, which was an obvious corollary to the movement of a large bulk of commodities, because the overhead railway charges would become distributable over a larger traffic.

(d) The focussing of public attention generally on one specific object while at the same time increasing the attention paid to other commodities exported from the Colony.

(e) The indirect stimulus to the earning power of the community generally which would accrue from the handling and financing of the commodity between its place of origin and the holds of the vessels in which it was exported, and from the handling, financing and sale of the resulting increased importations of consumable and dutiable merchandise.

38. Having taken evidence on the subject the Committee recommended that the establishment of such a trade could best be achieved by concentrating upon the production of maize both on European farms and in the native reserves. In support of this they observed that maize was easily grown and harvested over wide areas of the country. European farmers already considered it worth their while largely to increase the areas under its cultivation in the hopes of building up an export trade. This being so, it followed that there was an even greater opportunity for the natives, with their lower overhead charges and costs of production, to increase the output of maize in the reserves. The greater the bulk available for export the lower must be the cost of placing it in its final market so that increased general production would be to the common benefit of the European and native producer. As the Government was then contemplating a reduction in the native hut and poll tax the Committee considered the moment eminently opportune for inducing natives to increase their production. An ample amount of seed maize of the requisite grade and standard was known to be available for distribution in the reserves. In addition, the Committee considered that concentration on a low valued commodity with a small margin of profit such as maize would encourage an economical trend of thought which would lead to the cheaper production and movement of the more valuable crops

39. The Committee put forward this recommendation at an early date in the knowledge that the final details of certain practical aspects of the problem had not been fully worked out but they considered, having taken a great deal of evidence regarding costs of production, transport and handling in relation to the prices



offered on the London market, that a *prima facie* case had been made out for the adoption of the policy they had outlined and undertook further to investigate at the earliest opportunity such matters as

- (a) The adequacy of local arrangements for financing any scheme of largely increased production of export maize.
- (b) Transport facilities between the shambas and the rail.
- (c) Storage accommodation at the railway stations and Port.
- (d) Grading.
- (e) Insect pests.
- (f) The quantity of maize to be aimed at in first instance, and a number of matters of detail in giving effect to the scheme.

40. They considered that the most careful attention to these points was necessary if the policy were to be adopted, but they were convinced that the increased production for export of some easily produced local bulk commodity was a matter of urgency and were satisfied that maize, in particular, could be produced at a profitable rate in areas not too remote from the railway system.

41. At the same time, they recommended that attention be also devoted to the production of beans and sim-sim as a supplemental rotation crop for the "short rains." The arguments adduced in regard to maize were almost equally applicable to the case of beans and sim-sim. Both these commodities could be grown during the short rains, which was not generally the case with maize and beans were the general rotation crop in the culture of maize. It was necessary to include both these commodities because sim-sim would not grow above a certain altitude. The Committee considered sim-sim in many respects to be a more satisfactory crop than either maize or beans in areas remote from the railway, on account of its greater value and its immunity to insect pests. On the other hand they observed that it could not be produced in the same bulk

42. Arising out of the foregoing resolutions the Committee asked that the Government take steps to induce natives in Reserves to increase the production of their exportable commodities and with this end in view to instruct the Native Affairs Department to ascertain as far as possible the additional acreage which could reasonably be expected to be put under cultivation with maize, beans and sim-sim in the different native areas, due regard being had to their proximity to the railway line, main road and trading centres.

43. It was felt that no time should be lost in making it known throughout the native reserves that Government proposed to embark on a policy of increased production of native grown foodstuffs for export. It was desirable to obtain as early as possible a rough estimate of what quantities might be expected to become available for export in order that the machinery for handling it might be organized.

44. The Committee took evidence from the Government's advisers in Native Affairs, who were of opinion that increased production in native areas would not adversely affect the labour supply but would probably assist it. Previous experience showed that as native production increased, so did the labour supply and the more productive native areas produced more outside labourers than the less productive. The Native authorities were of opinion that even if natives could earn more by production in reserves than by working on farms they would still go out, and that no competition with work on farms would result from the adoption of a policy of increased production in native areas.

45. The Committee suggested, however, that in taking the steps indicated in the preceding resolution the Government should make it perfectly clear to the native tribes that such increased production in the reserves was not to be considered as affecting the co-operation of natives in the general development of the resources of the country outside the native reserves.

46. The Committee were satisfied that a very large increased production in the reserves could be effected without interfering with the labour supply in the settled areas, but to avoid any misunderstandings on the subject in any quarters, they considered it of the utmost importance that the natives should clearly understand that Government expected increased production to proceed in the reserves without any interference with the general development of the Colony.

47. The Committee also recommended that, in the event of any reduction in the amount of Native Hut and Poll Tax being contemplated, the announcement of such reduction should be made simultaneously with the announcement of the Government policy of increased native production. Since natives in reserves were known not to be in a position to pay the full amount of tax prescribed by law for the reason that, owing to the fall in values, they were unable to earn the requisite

amount by manual labour or by trade, the Committee believed that some reduction in taxation was necessary. A reduction in taxation appeared in itself to justify steps being taken to make it incumbent on those of the native population who were to benefit thereby to render some alternative service to the general community, even if, as would not be the case under the Committee's recommendations, the natives concerned were to reap no direct benefit from such services.

Government  
inter to  
base

48. For these reasons the Committee, after careful consideration, recommended that, in the initial stage at least of the application of the policy of increased native production, the Government should give no guarantee to purchase the crops at any fixed minimum price, but they consider that, in the event of a large increase in production, the Government should guarantee a market if the facilities for the purchase of the crop by middlemen are shown to be inadequate

rate on maize  
export

49. With a view to stimulating the export of maize the Inter-Colonial Council considered the possibility of reducing the rate charged on bulk maize for export and recommended approval of a flat rate of thirteen shillings fifty cents per ton. The Committee did not consider that this rate was sufficiently low and on June 27th suggested that the General Manager of the Uganda Railway be instructed to reduce the freight on maize from S. 13/50, the rate then suggested by the Railway Council, to S. 11/20 a ton, any loss accruing by such reduction being made good to the Railway Administration by a contribution from Colonial Funds.

50. They observed that the S. 13/50 per ton rate agreed to by the Railway Council was an "average mileage" flat rate based on the actual cost of haulage viz 3 cents a ton mile exclusive of overhead charges. For the purpose of arriving at the "average mileage" the Railway Council had accepted Nakuru as the centre of loading. If that centre to be shifted to Kijabe the flat rate would be S. 11/20. The Committee considered that it would be found that the centre would so shift as soon as effect had been given to Government's endeavours to increase the production of export maize in the Kikuyu Native Reserves. They were also of opinion that the 3 cent per ton mile haulage charge was excessive and that it would be possible to reduce it. It was, in fact, according to evidence given by the General Manager, already slightly below that figure.

51. But, as it might take some little time for these changes to become operative and as it was desirable to afford every encouragement to the export of maize at the earliest possible date, the Committee considered that the export freight on that commodity should immediately be reduced to the figure quoted which was the equivalent of one shilling per 200 lb bag.

52. It was estimated that some 40,000 tons of Maize could be exported within the next 12 months. Even if costs were not reduced and the loading centre were not to shift during that period, the Government contribution to Railway funds on 40,000 tons would amount to £4,600 only and the Committee considered that this contribution would be made good by increased Revenue from the increase in trade that would result. They therefore recommended the provision of a nominal figure on the expenditure side for a contribution to Railway funds. They further considered that, even if such increased revenue did not accrue, the provision of a sum for making good the loss to the Railway on haulage of maize was a proper method of encouraging the inauguration of a new export trade benefitting all classes of the community.

53. They pointed out that at that time unallocated Railway Stores to the value of over £340,000 figured in the Colonial balance sheet which sum, if not so tied up, would be producing a considerable income in the form of interest—say £17,000 per annum—and they considered that it would be proper for Government to set off any compensating contribution in respect of commodities carried below haulage rates, against the interest which Kenya was losing because of their stores.

54. As, however, the necessity for encouraging the production of maize for export was urgent, the Committee considered that the freight question should be settled at once so far as the public was concerned without prejudice to any future recommendations they might wish to make on the subject of Railway Finance or Administration. It was for that reason that they suggested the contribution system as a temporary expedient as it must in their opinion overcome any possible objections by the Railway authorities.

sea freights

55. In this connection it is interesting to note that the Committee obtained information in Mombasa from the representatives of the Conference Lines to the effect that the rates quoted by the shipping companies for maize, viz \$ 25 per ton less 10% rebate from Kilindini to London, were based on the Argentine rates and were similar to those in force for South African maize. The intention of the shipping companies was to offer such facilities for maize export as would enable Kenya maize to compete on equal terms with maize from other parts of the world provided its quality and cost of production enabled it to do so. There was no intention of varying the Kenya maize rates provided the Argentine rates remained stable.

56. There can be no doubt that the first essentials to the establishment on a firm footing of an export trade in maize from Kenya are to ensure that the maize produced is of an uniformly good quality and to see that it reaches its markets in good condition. Kenya has one marked advantage over other countries in respect of maize production, namely, that the yield per acre is generally higher than elsewhere. On the other hand, there are also numerous disadvantages which cannot be overcome without constant care and occasional expense. Maize cannot in Kenya readily be stacked in the open, storage accommodation on the railway and at the ports is not yet available to cope with a large bulk export in the most convenient manner and the incidence of weevil is high. Quality of maize  
exported.

57. All these are real drawbacks which will require time and experience to overcome. A large outlay of capital would be required to provide proper facilities for ensuring the efficient handling and cleaning of maize exported and this cannot lightly be undertaken. The Committee believe that an elevator system may eventually become necessary and they suggest that a site for an elevator should be reserved at Kihndini; but they consider that a much greater tonnage of maize must be anticipated before it will be found profitable to instal such facilities. Plans have been placed before them for a simple conveyor system, which they have not investigated in detail but which they think might be found to satisfy the requirements of the trade for many years to come. In addition, they believe that it will be possible to devise some inexpensive system of maize cleaning and treating and they think that some such facilities may prove necessary in the near future. Elevator system.

58. The development that has transpired during the past year gives great hope for the future. Maize is being exported in increasing quantities, greater attention is being paid to its cultivation and the facilities for handling it in transit are improving and expanding accordingly. No difficulties have been brought to the notice of the Committee in respect of financing the crops or of transportation from the farms to the rail. Proposals are understood to be now in hand for instituting a system of grading and the problem of insect pests is receiving the constant attention of the Agricultural authorities. Additional storage accommodation is now available at Mbaraki, which offers cheap facilities for loading, and freights both by rail and sea are now low. Experience alone can show what additional steps are necessary. It is estimated that between forty and fifty thousand tons will be available for export in respect of the year 1923 and there seems to be every prospect of exporting greater quantities in subsequent years. Present position.

59. In the Estimates for 1923 provision has been made for supervisors and instructors to work in the native reserves, advising and training the natives in the best and most economical methods of cultivation. Increased attention is undoubtedly being paid to the stimulation of local production and the Committee view with confidence the economic prosperity of the Colony if this policy is maintained and if steps can be taken to improve and cheapen the system of transport from trading centres to the rail.

60. In particular, the construction of railways to the Uasin Gishu Plateau, to Nyeri and to Kitale greatly increases the area in which maize can profitably be grown. The Committee view with satisfaction the assistance offered by the Government in the form of a guarantee of a loan to the Plateau Maize Growers, Limited for the transport of quantities of maize from an area which will before the end of this year be in direct railway communication with the Coast.

61. On April 5th the attention of the Committee was directed to the fact that there was a slump in the hide and skin trade which appeared capable of remedy by the removal of certain obstacles to their exportation. Hides.

The position was that large accumulations of hides existed at the Coast and up-country, at trade centres both on the railway and in the native reserves. Owing to the imposition of an export duty they had no marketable value, and were not, therefore, being exported. Dealers had been compelled to suspend their activities and the natives could not realize their stocks.

62. The Committee recommended that, in view of the stagnation of the trade in hides, the export duty thereon should be immediately suspended. They observed that as the export of hides had ceased, no Customs revenue was accruing and that the suspension of the export duty would not, in consequence, result in any loss to the Government. On the other hand, they pointed out that, if the trade were to revive, the community in general would enjoy all the advantages of such a revival.

63 In addition, they recommended that the cost of railway transport be reduced by transferring all hides to Class I rates on the Uganda Railway and by allowing a further special discount on pressed hides. The Railway had recently reduced the freight charges on hides by 25% but this concession had not in itself afforded a sufficient stimulus. The Committee understood that the reduction which they proposed would still leave a balance which covered actual running expenses without overhead charges and they were convinced that the Railway would benefit by the resuscitation of the trade.

ved facilities

64. The Committee were satisfied having taken statistical evidence on the subject that both the suspension of export duty and a further reduction in railway rates were necessary to revive the trade, and they urged that the concessions be introduced over a period sufficiently long to enable them to have a permanent effect. They suggested that, in the first instance, the export duty be suspended and the lower railway transport rates be continued at least until the 31st of December, 1922.

65. The Government agreed to the Committee's proposals and offered 20% reduction on Class I rates for hides which had been pressed down to 20 lbs. per cubic foot.

66. The Committee believe that the adoption of their proposals by the Government produced an immediate resuscitation of the hide trade, enabled hides which had been in store for months to be moved and led to further purchases being effected particularly from native areas, thus improving the general position by increasing the circulation of money in the country and directly benefitting stock owners in the native reserves and elsewhere.

67. The Government has now decided to continue the reduced railway rates on hides until at least the end of June, 1923, while, by the Customs Tariff Ordinance, 1922, export duties have been abolished. On a point of principle, the Committee are of opinion that it is a mistake to levy any export duty on commodities which have an unstable market value because such a duty must act as an additional element of uncertainty which may be of great detriment to trade.

ding of hides

68. It was subsequently brought to the notice of the Committee that the value of hides was more than halved by branding as it was being carried out; they therefore asked the Government, on April 13th, to take steps, by education and legislation, to ensure that brands were in future placed on such portions of the hide as would not detract from its commercial value. On this recommendation being accepted by the Government the Veterinary Department issued a Circular on the preparation of hides for export with a view to improving the quality of hides shipped, and describing the best method of cleaning and drying hides. The Committee attach great importance to this matter and if it is found that the measures already adopted have not proved adequate they urge that further steps be taken to improve the quality of hides exported on the lines initiated by the late German Government in the lake areas of Tanganyika Territory.

aded use of local  
ucts

69. The Committee next recommended that every possible encouragement be given to the production and preparation for local consumption of those commodities which were indigenous to the Colony and which could readily be produced locally but which under existing conditions had to compete with imports from overseas. The main justification for the adoption of this principle was the great advantage of circulating money in the Colony in preference to sending it outside. Many of the advantages already referred to in connection with the development of an export trade applied equally in the case of production for local consumption, and in addition the local manufacture of a finished article must be of greater educational value to colonists and natives alike than the mere production of a raw material. There was frequently a great temptation to effect apparent economies by buying in "cheaper" markets overseas, but these economies were in many cases illusory, because the effect of the wider distribution of wealth locally which followed the encouragement of a local industry was ignored. Similarly while the loss to Government (*i.e.*, the community) of certain *visible* sources of Revenue, such as Customs Import Duties, was readily apparent, the fact that such loss might be more than compensated by receipts accruing in other directions was not so obvious.

70. Of the indigenous commodities referred to the Committee urged that attention should, in the first instance, be directed to timber. They selected timber as the first commodity to be considered in applying the principle advocated because a railway line was in course of construction tapping very valuable forests of timber, the exploitation of which was one of the justifications for its inception. Further railway construction in the Colony which would serve other forest areas was also about to be undertaken.

71. The Committee believed that it might prove possible, when the matter had been thoroughly investigated, for them to advocate the use of local timber sleepers on some portions of the contemplated railway programme. Reports on local timber had shown that there were ample supplies of varieties which compared very favourably with most woods for use as sleepers and in one case at least the local timber had proved superior in every mechanical test to which it was subjected to the best Jarrah. The financial effect of using local timber sleepers as opposed to imported steel sleepers would be considered with due regard to initial outlay, maintenance charges and the cost of replacement. The stimulus to the local saw-milling industry which the substitution of timber for steel sleepers would effect would, in addition, increase the output and reduce the cost of local timber not only for local use but also for export and thus help to secure to the Colony the advantages foreshadowed in making recommendations for the adoption of a policy of increased production.

72. Having taken evidence on the subject from representatives of the saw-milling and other industries connected with the timber trade, the Committee followed up these recommendations by a request that the Government should raise the Customs duty on imported timber from 15% to 50% and that this higher duty be levied in the first instance for a period of five years, the Government reserving to itself the right to remove the restriction placed on the importation of timber at any time in the event of any abuse of this concession by the local timber industry

73. The Committee had evidence to show that imported timber competed with local timber if the price was 40 cents of a shilling per square foot and that, if the price fell below that figure, the local timber industry was in danger. They considered that it was of the utmost importance that the industry should be maintained and recommended that a higher import duty be levied on imported timber in order to assist it. They believed that the practical prohibition of the use of imported timber except as a luxury was justifiable in order to stimulate the local industry and to keep money in the country.

74. They had taken evidence which showed that the milling capacity of the country was in excess of the country's requirements and that, with proper seasoning, local timber could be made to satisfy all local needs. They were of the opinion that no damage would be done to the country generally by this measure because it must gain by making a more extensive use of its own products.

75. The Committee were confident that competition was so strong that the price of local timber would not rise when the duty on imported timber was increased and, on this understanding, they recommended that the higher duty be levied for a definite period in order that saw millers might know how they stood, might develop the industry accordingly on a sound basis and might be able to accumulate stocks of seasoned timber which they could put on the market.

76. The proposed stimulus to the saw-milling industry would increase the output and reduce the cost, not only for local use but also for export and thus help to secure shipping, reduction in freights by rail and sea and other advantages which follow a larger output.

77. Effect was given to this recommendation on May 25th by the Customs Tariff Amendment Ordinance, 1922, and was continued when that Ordinance was repealed on September 27th by the Customs Tariff Ordinance, 1922. The Committee are pleased to find that their anticipations in regard to the price of local timber have been realized and that the cost has in fact decreased by some 15% since the higher duties were imposed on imported timber.

78. At the same time they recommended that the Government should issue instructions to departments that timber should not be imported for any Government works and should stipulate in all future contracts that Government contractors use local timber on local works.

79. On June 2nd, the Committee recommended, after very close examination of the facts, that in all future railway construction, the Government insist on the use of sleepers made of local timber if available in sufficient quantities at an economic price and that, when replacements became necessary on the existing track, sleepers of local timber be used. This recommendation had been foreshadowed in a previous resolution in which it was suggested that it might prove possible to recommend the use of local timber sleepers on some portions of the railway construction programme. Timber sleepers.

80. The problem had been thoroughly investigated and a formula had been agreed between the railway authorities and representatives of the timber industry which showed that, taking into account the cost of replacements over a period of eighty years the use of a timber sleeper was, at present prices, more economical than the use of a steel sleeper. Moreover, the initial cost of timber sleepers was

smaller and the capital available for new railway construction would therefore go further at a time of great financial depression. There would also be a smaller cost in effecting future alterations such as the laying of heavier rails, because the replacement of the sleepers then in use by other sleepers suited to the heavier rails would be accompanied by smaller capital loss.

81. The Committee observed that additional benefits which would result from the use of local timber sleepers were the stimulation of the local saw-milling industry, the retention of money in the country which would otherwise be spent outside, and increased output of local timber. These advantages were very real but their effect had not been taken into account in the calculations which led to this recommendation which were made solely from the standpoint of railway economy.

82. The only matter in doubt was the date by which a sufficient quantity of properly treated sleepers might be available and the Committee suggested that the Government call for information and tenders on this point at the earliest possible moment.

83. The formula upon which this recommendation was based was signed on May 1st by Mr. Couper, the General Manager of the Uganda Railway, Colonel Robertson, Resident Engineer, Uasin Gishu Railway, Major Grogan and Mr. H. C. Thornton, representing the timber industry and read as follows —

Agreed that —

- (1) A properly seasoned Msharagi sleeper (untreated) may be assumed to have a life of 10 to 12 years.
- (2) A creosoted Msharagi sleeper may be assumed to have a life of 16 years.
- (3) A creosoted podo sleeper may be assumed to have a life of 16 years.
- (4) A steel sleeper owing to the impossibility of predicting railway requirements in the distant future may be assumed to have a useful life of 20 years.
- (5) The interest factor (with loan money at 6%) may be assumed at 10%.

84. Detailed calculations on this formula showed that, if the price of a steel sleeper on the site were taken to be 12s 10d, the use of a treated wood sleeper was more economical if the latter could be obtained for less than 10s 9d. and the use of a seasoned Msharagi sleeper was more economical if it could be obtained for less than 8s 6d.

Creosoting plant

85. In consequence of that recommendation the Committee urged the Government to acquire a creosoting plant at the earliest possible opportunity, and to do their own creosoting. By this means the Government would be in a position to call for tenders for sleepers only, and would obtain a competitive rate therefor. The Committee, in short, considered that the policy of using local timber sleepers could best be established by the Government performing its own creosoting.

86. The Government were unable to accept this recommendation, and have not acquired a creosoting plant.

87. The former recommendation, however, has received the Government's approval and local contracts have been placed for 83,000 sleepers for the Uasin Gishu Railway and for 20,000 sleepers for the Uganda Railway.

For export trade

88. The Committee spent much time investigating the necessity for recommending that specially low rates should be provided for timber destined for export, and that timber carried on the railway should be measured by the timber ton rather than by weight ton. No recommendation on this matter has yet been put forward.

Attention in Government documents.

89. On April 10th certain proposals made by the Government for effecting economies in the Agricultural, Public Works and Land Departments were placed before the Committee for review and led to resolutions affecting the economic welfare of the Colony.

Public Works Department.

90. In the case of the Public Works Department the Committee agreed to the proposed reductions, observing that they had not themselves examined the estimates in detail but only those items which were the subject of Government's proposals. They expressed their intention of investigating the possibility of further reductions in the Department at a later date.

Departmental action of the Railway.

91. It was in this connection, however, that they recommended that in the present circumstances of the Colony, the construction of the Nyeri Railway should be done Departmentally and not by contract and asked the Government to take steps to ensure that no action was taken in England or elsewhere which would prevent effect being given to this policy in respect of the Nyeri Railway.

92. The Committee did not, by this recommendation, imply that they were satisfied that departmental construction was necessarily preferable to the contract method and they expressed no general opinion on this point, but they considered that present circumstances were sufficient justification for their recommendation without investigating the larger issue in detail particularly in view of the fact that the first portion of the Nyeri line had been so constructed.

93. Among the advantages which would ensue from Departmental construction of the Nyeri Railway at the present time they instanced:—

(a) A greater portion of the loan money would be spent in the country.

(b) A considerable proportion of the tools and plant necessary was already in the country and available for the work.

(c) It would be possible to transfer the activities of members of the permanent staff, some of whom it was proposed to retrench, from recurrent to loan expenditure, thus avoiding not only the creation of unemployment but, for the time being, actual expense on pensions which would otherwise be due to retrenched officers.

(d) Owing to reduced activities by technical Departments it would be possible to employ the more experienced engineers on construction work leaving the reduced departmental work to junior officers.

(e) Work might be found for a number of unemployed men in the country generally.

94. The three last sub-sections implied that use would be made of the personnel already available in the country instead of bringing more people into the country for the same purpose. In addition to making use by this means of local experience the cost would be saved of passages both for new men coming out and for retrenched men going home.

95. The Committee emphasised the desirability of building a cheap pioneer line in the first instance, which would go as quickly and cheaply as possible towards its destination. They were satisfied that departmental construction of such a line was in present circumstances and for the above reasons, the best method.

96. The matter was referred back to the Committee by the Government with a request that they would reconsider their recommendation in the light of the fact that an experienced firm of contractors was already working on the Uasin Gishu Railway construction and that it might therefore prove economical to utilize their services on other railway work because they had the necessary personnel and plant available in the country.

97. The Committee were inclined to the view that reconsideration might be desirable and they suggested that in the first instance tenders be invited for the survey and construction of a metre gauge railway from Thika to Nyeri, a distance of approximately 80 miles. A draft notice prepared by Lieutenant Colonel J. K. Robertson containing conditions of tender was forwarded to the Government on May 17th, defining the specifications which the Committee regarded as suitable for a pioneer line and stating that the entire cost should not exceed £600,000.

Tenders for survey  
and construction.

98. In this draft notice, it was also suggested that contractors should submit alternative estimates of costs based upon the use of steel, hardwood and softwood sleepers, treated with creosote.

99. The Secretary of State was unable to agree to a contract for construction being let out or work of construction begun until a detailed survey had been made and until plans, specifications and estimates had been prepared and he thought there would be no advantage in the competitive method for the survey alone. The survey has accordingly been executed under the direction of Colonel Robertson and the report is believed now to be approaching completion.

Naivasha Stock Farm

100. In the case of the Agricultural Department, the Committee were not unanimous in regard to the Government's proposals for the abolition of the Government Stock Farm at Naivasha. A minority report by Mr. Lane, dated April 18th will be found in Appendix B. A majority, however, concurred that the Government should lease the farm in portions, the lease containing a selling clause providing for the termination of the lease at three months' notice.

101. They further urged that Government make arrangements through the Director of Agriculture for the farm to be alienated for the specific purpose of a Stud Farm.

102. The reason which led the Committee to recommend that the farm be not immediately sold were that they believed it could be leased for a period of one year or more until prices improved and that the requirements of the stock breeding community could well be met by alienating the farm as a stud farm. They considered it necessary that the farm should be maintained in the interim period until arrangements could be made for its alienation as a stud farm and for this reason recommend that it should be leased.

103. Mr Shams-ud-Deen wished it to be recorded that he did not desire the racial question to stand in the way of the disposal of the Naivasha Stock Farm. Mr. Joshi, his alternative member, was of the contrary opinion and voted against its disposal.

ment of pedigree

104. At a later date, the Committee suggested that the Government make enquiries to ascertain what facilities are offered for the importation into and movement by rail of pedigree stock in the Union of South Africa. They made this suggestion at the instance of the Stock Breeders Society of Mount Kenya who represented that owing to the closing of the Government Stock Farm, the importer must be assisted in order to prevent a deterioration in the number and quality of the class of breeding stock imported.

105. They understand, in reply, that no special rates are in force in the Union for imported stock on rail but that the Union Castle Steamship Company give special consideration to pedigree stock moving to and from the Union of South Africa

106. A 50 per cent reduction has now been effected in Uganda Railway rates on imported pedigree cattle, on production by the importer of a certificate of such importation from the Department of Agriculture. The effect of this reduction is that the charge from Mombasa to Naivasha works out at Shillings 15 76 per head as against a corresponding charge of 24 shillings in force in South Africa. The Uganda Railway horse box rates are also now lower than in South Africa.

107. In addition to this, the Committee understand that the Conference Lines have reduced shipping freights on pedigree stock from the United Kingdom to Kilindini by about 50% and that negotiations are in progress for a similar reduction to be made in the freight between South Africa and Kilindini

grading

108. The Committee also asked that Government keep a sum of £200 for flax grading in suspense during the last half of 1922, after which they agreed that there should be no further subsidy to the flax industry from Government funds. They acquiesced in the proposal to withdraw Government support from the flax industry with the greatest reluctance and only after the most careful investigation of alternative proposals put forward by the Acting Director of Agriculture. These proposals were, roughly, that all flax should be graded and given a Government brand, that two flax officers be appointed under Government control at a salary of £200 per annum each with centres at Soy and Nakuru, that the grading officers should collect and retain fees for the services they rendered and that the experiment should be conducted without Government subsidy or discontinued after the end of 1922.

109. A meeting of representatives of the flax industry was held at Nakuru on April 25th and resulted in the appointment of a Committee to investigate a scheme whereby employees in private employment could be licensed to affix the Government "K" brand to flax and tow leaving the Colony

That Committee decided unanimously:—

(a) That the Government should be requested to appoint a Flax Control Board consisting of the Director of Agriculture, the supervising grader and five other members from amongst flax growers, one representative of each of the following areas.—

(a) Plateau (b) Lumbwa and Kericho (c) Gilgal (d) Njoro and Nakuru (e) Londiani and Ravine

(b) That the Board should be empowered to grant licences to approved applicants for the grading of flax for export

(c) That such licensed graders should be under the direct control and supervision of the supervising grader.

(d) That the Board should be empowered to fix a scale of fees to be charged by licensed graders and also to levy a reasonable charge on flax graded in order to meet expenses incurred in handling the scheme.

(e) That the Board should be empowered to settle all disputes emanating from matters connected with the scheme controlled by them.

(f) That the Government should be asked to retain the services of Mr. Scott in connection with the above scheme.



(g) That a copy of the above recommendation should be sent to the Government.

A motion that the Government be strongly urged to retain the services of Mr. W. G. Scott the Senior Flax Officer was carried unanimously.

A motion in favour of compulsory grading was lost by 10 votes to 18.

110. Government grading and Government control of grading ceased on June 30th. The Nakuru Committee agreed that £200 be devoted to the transition of the present scheme to one under the control of a Board and supported by the industry. The Flax Association and Flax Growers asked that a grading or control Board be constituted. By doing so they made it incumbent on the Government to retain, at any rate for a period, the services of a Flax Expert in order that licences might be properly issued and supervision exercised.

111. The Flax Growers rejected the scheme for compulsory grading on the grounds that numerous large mills carried their own experts who had every hope of securing the licences under the above scheme and would therefore work without the full fees which would be levied by the Board if grading were compulsory.

112. The Acting Director of Agriculture was of the opinion that the proposed scheme was the cheapest substitute for the Government grading scheme; that Government should retain the services of a Flax Expert who would work on the Grading Board and act as a check over other graders; he did not think that the proposed scheme was as good as a scheme under entire Government direction; he thought that the Government should retain the right of withdrawing the "K" brand and issuing a "L.G." brand; and he held the following views on the application and development of the scheme:—

(a) The Board should consist of seven members, five to represent each of the districts, the Director of Agriculture and the Government supervising Flax Grader.

(b) All matters connected with Flax Grading, the standards and so forth, should be entirely the business of the Board.

(c) All applicants for licences should be examined by the Board or a Committee appointed therefor, whose report would be final. The Board should have power to revoke any licence.

(d) All malpractices and complaints should be directed to the Board, which body would be empowered to take the necessary steps to deal with them.

(e) The Board should be empowered to charge fees for grading and to authorize the charge graders might make for transport. A percentage of grading fees should be levied for Board funds to meet additional supervision, examination, etc.

(f) It should be the business of the Board to guide the industry so that the labour of baling and grading might become centralized. This would ultimately help to reduce the cost of grading and also of baling.

113. The Committee interviewed representatives of the flax growing community on May 22nd and recommended that the Acting Director of Agriculture's proposals be adopted with the provisoes (1) that a "K.L.G." brand should be used by licensed graders and not a "K" brand and (2) that a licence should be granted to qualified graders only on condition (*inter alia*) that the licensed grader consented to grade for other flax growers on specified occasions.

114. It was agreed to ask the Government to give the scheme an immediate trial in order that results might be ascertained before the £200 reserved for flax work had been expended. The question of the retention of Mr. Scott, which had been brought forward at the Nakuru meeting was deferred until after the establishment of the Flax Board, which was to be proceeded with immediately in order that results might be gauged before the end of the year.

115. The Committee fear that the flax industry has been suffering from low prices and that this handicap is tending to limit its expansion. They are informed that operations have in some cases been abandoned as unprofitable and it is well known that the results attending the production of flax by the large Disabled Officers' Colony have proved disastrous to them, largely because their estimates were made on the assumption of abnormal ruling prices and a heavy demand.

116. The old system of grading by the Government meant the retention of a staff and the maintenance of operations costing up to £3,000 per annum for the grading of not more than 500 tons of flax, and tow annually. The revenue under this system covered about one-third of the expenditure and growers were slowly relinquishing grading on account of the expense involved.

117. The proposals advocated by the Committee remove this charge on Government funds on which they were, in present circumstances, too great a burden. The same graders operate privately under Government licence and under control; their rates of remuneration are fixed and their income varies with their activities. If the industry is unwilling or unable to bear the expense of grading under reduced fees, or if the output is too small to warrant the graders continuing their work, then grading will automatically cease and will not be resuscitated until the normal ungraded output is sufficient to justify the resumption of grading under official control. The system advocated is at present in operation; one licensed grader is performing grading work at Nakuru. There is no reason to suppose that it will be necessary to abandon the scheme and its adoption has not only removed a charge against Government funds but has actually reduced the cost of grading to the flax-growing community.

Settlement

118. On April 13th, the Committee recommended that the Government should immediately remit the purchase price payable on all those farms alienated under the Ex-Soldier Settlement Scheme on which the development conditions, as prescribed for three years, had already been completed and should in the future remit purchase price on other such farms when such development conditions were fulfilled if within the prescribed period.

119. The Committee were of opinion that Soldier Settlers must have a "free" title if they were to carry on at all. It was impossible for them to obtain advances to see them through the period of depression unless they had a negotiable title and the result would be that a large number of them would leave the country ruined, with a total loss of the labour and capital which they had expended on development. The Committee believe that the adoption of their recommendation by the Government has been attended by excellent results and has greatly improved the position of many soldier settlers.

120. The Committee did not recommend that payment of survey and title fees be remitted and they considered that the policy which they advocated should not be introduced with retrospective effect, that is, that no refunds should be made.

121. Although the conclusion reached in regard to the remission of purchase price in consideration of development was unanimous, the argument which led up to it was not identical in all cases. Major Grogan saw no grounds for one class claiming the revision of its contract against the rest of society but, in view of the fact that the fixation of the rupee at two shillings had distorted all the premises upon which the new soldier settler had been offered his farm, he agreed to the proposal that the premia be remitted.

and pulses

122. On April 24th the Committee recommended that all cereals and pulses intended for export only which were then mentioned in Special Goods Tariff No. 4 should be placed on a lower railway rate by transfer to Schedule No. 6. They had evidence to show that there were various forms of cereals and pulses grown in Kenya which could obtain a market in India and Zanzibar if carried to Kilindini at the rate then charged for maize. The evidence given made particular reference to Bajra, Bajri, Chowla, Cheroko, Dhall, Jowari, Kunde, M'tama, Millet, Moong, Gram, Urd and Wimbi, for which no special export rate then existed, but for which a rate has now been introduced in accordance with the Committee's recommendation.

and wheat

123. Reference was made in paragraph 32 of the first interim report to the recommendation put forward on April 26th that the import duty on wheat be raised from 15% to 50% and on wheat flour from 15% to 100%.

124. The principles which led to this resolution were shortly:—

(a) That Kenya was capable of producing all the wheat it required for local consumption

(b) That a sum of nearly £140,000 was spent in 1920-21 in purchasing imported wheat and flour.

(c) That in the interim period and until the local wheat growing and milling industry was established, the cost of bread to the consumer would not be inordinately increased.

The Committee had taken evidence with a view to ascertaining:—

(d) The quality of local wheat and flour and its suitability for local European consumption.

(e) For Indian consumption.

(f) What limitations in fact existed to the local market for local flour.

(g) What would be the transitory and final financial effect to the consumer of an increase in duty on imported flour.

(h) How the milling capacity of the country could be increased so as to satisfy all local requirements.

125. (a) There was no doubt that sufficient wheat could be produced in Kenya. Some 20,000 bags of wheat were harvested during the 1921 season. All wheat growers and many other farmers were anxious to grow more wheat, and, if an assurance could be given that more wheat would be saleable, there was no doubt that the quantity could be increased to the extent desired. The only impediment to increased production in the past had been the limited demand owing to competition from outside.

(b) In 1920-21, 85,456 cwt. or 47,855 bags of wheat flour and wheatmeal had been imported. This quantity represented more than 70,000 bags of wheat and a total value before importation of £137,845. Local production of wheat had been less than local requirements by 60,000 bags per annum. Europeans consumed the equivalent of between 17,000 and 21,000 bags of imported wheat and 5,000 bags of local wheat. Asiatics consumed the equivalent of 52,000 to 56,000 bags of imported wheat. With the exception of Uganda Railway servants, they consumed practically no local flour.

(c) The Committee had evidence to show that at least 250 loaves of bread were made from a bag of 200 lbs. of flour. The increase in price of imported flour on the suggested increase of duty amounted to about 30 Shillings per bag, an increase which would be distributed over at least 250 loaves.

(d) Some varieties of local wheat had been shown to compare very favourably with the best Canadian wheats. Bakers were well satisfied with good local wheat but stated that the quality of wheat obtainable even from the same mill was not uniform. It had been very good during the previous two months, and, if this standard could be maintained, the use of imported flour need not be necessary. It had, however, been impracticable, under those conditions, for bakers to use nothing but local wheat because customers sometimes demanded imported or blended wheat bread. A prejudice, largely founded on habit, existed to some extent against local wheat. The Uganda Railway used local flour entirely in its refreshment rooms and no complaints had been received.

(e) There was known to be some prejudice among Indian consumers against local atta but this was gradually disappearing with the improved quality of flour being produced. The Uganda Railway servants had been eating local atta as rations for more than a year and a further contract for local atta had been placed. No complaints had been heard either by the head of the responsible Railway department or by the Indian Association. The Committee accepted this as conclusive proof that local atta was suitable for general consumption by the Asiatic community.

(f) The Committee therefore believed that the limitations which existed in the local market for local flour were mainly the result of a prejudice which the difference in price between local and imported flour was insufficient to remove. An increase in that difference would, in their opinion, largely overcome the prejudice and stimulate the local wheat industry with a corresponding benefit to the general community. If the purchaser insisted on using imported flour where local flour was adequate to all reasonable requirements, it was only equitable that he should have to pay more for it as a contribution to general revenue.

(g) At the worst, if no wheat were imported for local milling and until the local production of wheat exceeded the local consumption, the rise in price of the loaf attributable to the increase of duty on imported flour could not exceed 12 cents of a shilling per loaf.

(h) The Committee recommended that the duty on wheat be raised in order to encourage the local production of wheat, but at the same time they recommended that the duty on flour should be further increased in order to encourage the milling industry. They considered that this differentiation would be an additional stimulus to the firm establishment of the local milling industry and might thus minimize the effect of placing a higher duty on the importation of flour.

126. The Committee realized that their recommendation for the protection of the local wheat industry did not stand on the same footing as those they had made in respect of timber, where it was shown that the local supply exceeded the local demand and local requirements and that the milling capacity of the country was in excess of its needs, but they considered that it was the duty of every resident to live, when possible, on the agricultural produce of the country and they had ample evidence to show that the local wheat was suitable for conversion into all classes of flour for local consumption. Although the supply did not at the moment equal the requirements, the Committee were satisfied that it could be made to do so in a very short time if sufficient encouragement were given to producers and millers. Sufficient seed was available and rust-resisting varieties had been found which were in every way suited to local conditions.

127 The price for local flour was lower than that for imported, and the Committee were confident that the competition which must ensue as a result of developing the industry would eventually ensure a cheap supply of flour even if the immediate effect were to be an increase in cost.

128. In the existing state of the country's finances it was evident that the drain on its financial resources represented by the payment abroad of about £140,000 per annum in breadstuffs should be stopped at the earliest possible moment, and they observed that their recommendation was in consonance with the principle which they had previously advocated of encouraging the production and preparation for local consumption of commodities which could readily be produced locally.

129. It will be noticed that the Committee did not suggest that the immediate effect of their proposal might not be an increase in price, not only of imported but also of local flour, but that they pointed out that any such increase would only have a transitory effect on the price of local flour. The mills necessary to produce flour were not expensive and only a very short time would elapse before competition among local millers must become so strong as to ensure a cheap supply. The ultimate financial effect, therefore, and one whose realization should not be long delayed, was a reduction in the cost of flour and, although this was in a way subsidiary to the establishment of a local industry on a firm basis, it was an effect which they considered as favourable to the adoption of their proposal.

130. The Committee observed that the increased duty on flour which they recommended was represented at the worst by an increase of twelve cents of a shilling in the cost of a loaf made entirely of imported flour. This difference, although it might be sufficient to ensure a more general use of local flour, was not large enough to act as a real hardship on those whose tastes inclined them to insist on using imported flour.

131. On receipt of this recommendation, Your Excellency's predecessor caused it to be published as such in the local Press in order that a corner in flour should not be effected by a few persons who might casually obtain information that such a proposal was under consideration. This course rendered it necessary to avoid any possibility of dumping and the acceptance or rejection of the proposal by the Legislature became a matter of urgency.

132. On May 10th the Committee reported to the Government that they had reason to believe that large stocks of flour had been ordered from India in anticipation of an increase in duty. They considered that any speculation on a large scale at that time would lead to disastrous results in the already unsound state of the commercial community. A loss of revenue would also be incurred if large quantities of flour were imported before the duty was raised.

133. They had also been approached by farmers pressing for a definite pronouncement because the sowing season had begun and it was important that the policy should be decided without delay. The element of uncertainty was a serious factor in the position.

134. The main cause of delay was that owing to the Customs union action could not be taken by the Government of Kenya without the concurrence of the Government of Uganda. That Government had been approached on the subject on April 29th and it was hoped that no difficulties would arise as the promotion of local industry in either territory must have beneficial effects on the other. The Government of Uganda, however, were unable to acquiesce and it became necessary, therefore, to devise a system of rebates in transit for wheat imported into Uganda from overseas.

135. With this proviso, the proposed duties were introduced and passed by the Legislative Council on May 25th but were disallowed by the Secretary of State. The Government then decided that the Bill was to be recommitted and the Committee, to whom the matter was referred, advised that it be returned to Council for consideration of amendments providing for duties of 30% *ad valorem* on both wheat and wheat flour, duties which the Secretary had expressed his willingness to approve.

136. They gave this advice only on the understanding that His Excellency proposed to approach the Secretary of State with a request for permission to exercise the powers given by the Customs Ordinance, 1910, to prohibit the importation of wheat and flour in excess of the requirements of the Colony which were not met by the local supply and on the understanding that His Excellency proposed to make further representations by despatch explaining the position in full and urging a reconsideration of the Secretary of State's action in refusing assent to the higher duties.

137. They considered that the protection so given would not be effective and that the result would be an increased price of flour over a protracted period because the local demand for local wheat would only increase gradually if the difference between the price of local and imported flour were small. Their object in recommending the higher duties had been to ensure a cheap loaf in the shortest period by offering every inducement to consumers to purchase local material and they feared that the lower duties would not have the same effect. They suggested, however, that their intention would be equally well met if the Governor were to exercise the powers of prohibition referred to.

138. The Committee observed that their advice was given in order that the suggested amendments might form a basis for discussion and that it did not represent their considered and unanimous view in respect of the advisability of adopting the amendments referred to.

139. Duties of 30% were imposed on June 6th by the Customs Tariff Amendment (No. 2) Ordinance, 1922, the Governor undertaking to make the representations indicated.

140. The Secretary of State was unable to reconsider his previous decision and the question of imposing higher duties on wheat and wheat flour has therefore remained in abeyance. By the Customs Tariff Ordinance, 1922, the import duties on wheat and wheat flour were changed from an *ad valorem* to a specific basis at the rate of 5s and 6s. per 100 lbs respectively

141. It is unnecessary to enlarge at this stage on the arguments which led the Committee to recommend on April 29th that the Income Tax be abolished. They are given in full in paragraphs 10 and 21 of the first interim report, and the history attached to their proposal is also there given in detail. The Committee were convinced that it was necessary to remove the tax which was hampering expansion and development and they believe that its removal on May 25th bore immediate fruit in restoring confidence and in improving the general economic outlook of the commercial and agricultural community. Income Tax.

142. On May 2nd, the Committee urged that jaggree for export should be transferred to class No. 6 Special Export Tariff on the Uganda Railway. They had evidence to show that more jaggree was being produced in Kenya than could be consumed, and that there would be a market for jaggree for export to India if the rates of transport could be suitably reduced. Their recommendation, while still providing a rate which covered actual running costs meant a reduction of S. 3 per 100 lbs. on jaggree from Kisumu destined for export. Jaggree.

143. The General Manager, having consulted the Railway Council, was unwilling to introduce such a low rate. He preferred that the rate in force for sugar should be levied, *i e.*, a rate of 36 shillings per ton for consignments of ten tons or more.

144. The matter was on July 17th referred back to the Committee who considered the General Manager's representations but adhered to the recommendation they had previously put forward that jaggree for export be transferred to Class 6 Special Export Tariff on the Uganda Railway. They observed that since the date of their original resolution of May 2nd the operations of the Victoria Nyanza Sugar Company had progressed and that the possibility of establishing an export trade in jaggree would be considerably diminished so soon as refined sugar was being produced.

145. The Committee therefore recommended that a lower rate than that suggested by the Railway Council be adopted at an early date. The amount of money available to cover transport expenses was small, S. 4/17 representing the difference in price per hundred pounds between jaggree at Kisumu and at Bombay. The rate recommended by the Committee provided a margin of profit to the exporter which the rate suggested by the Railway Council did not; it also gave a rate which covered railway running expenses. The Committee considered that the low rate, namely, S. 0/90 per 100 lbs. was amply justified if an export trade could be established as a result.

146. The Government accepted this recommendation and the lower rate was imposed accordingly.

147. From the end of May until early in October, the Committee devoted the major part of their attention to the Government and Railway Estimates of revenue and expenditure for the year 1923. The difficult and distasteful task of recommending retrenchment of public servants and the diminution of public services necessarily demanded concentration and they felt that the recommendations they had put forward on the more urgent economic matters must for the time being suffice in view of the necessity of submitting suggestions in respect of the budget which had to be prepared before October. This part of their labours formed the subject of the first and second interim reports. Estimates.

Service Land  
me.

148. On June 8th they recommended the adoption of a scheme put forward to them by the Commissioner of Lands dealing with the possibility of making land grants on advantageous terms to civil servants who might be retrenched.

149. The advantages of such a scheme were that:—

(a) It would tend to prevent a decrease in the European population, and the consequent diminution of its purchasing, developing and general colonizing powers.

(b) It presented a means of alleviating hardship caused to individuals retrenched.

(c) It ensured the local disbursement of part of the pension drawn by such officers, which would otherwise be spent outside, thus effecting a greater local circulation of money.

(d) It retained experienced men in the country who would be of the utmost benefit to it, and who were available on the spot to perform duties to the state if required to do so at a later date.

(e) It relieved the Colony of certain monetary liabilities by enabling it to pay in land a proportion of its obligations.

150. The Committee unanimously recommended this scheme for adoption but the agreement thereto of two of its members was dependent on its extension so as to apply to British Indians being given similar privileges in non-debatable areas without prejudice to the political aspirations of either the European or Asiatic Community, and a majority recommended that the privilege should be so extended.

151. In regard to detail, the Committee suggested that the scheme be applied to all European officers on the permanent staff who retired from active service or who were retrenched between April 1st and December 31st, 1922, both dates inclusive, provided that no one should be eligible who

(a) was not a British subject,

(b) was not on the permanent staff,

(c) had not performed satisfactory service.

152. Those eligible were by this means divided into two categories, *viz*, those who had and those who had not qualified for pension. The Committee devised a formula applicable to both categories which they explained as follows:—

(a) '*Contractual obligations*' were defined to include pensions, gratuities, passages and other disbursements which the State is bound to make to retired civil servants. Those were to be assessed in the form of a pecuniary liability on the basis of the Expectation of Life statistics given in Whittaker's Almanac for 1922 in respect of the United Kingdom, present worth being calculated at 5% interest.

(b) '*Moral obligations*' were for the purpose of the scheme, but without being regarded in any way whatsoever as a precedent, to be considered as existing in respect of officers retrenched. The Committee suggested that the extent of that moral obligation be assessed at the pensionable emoluments of an officer on retrenchment less one-twentieth of those emoluments for every year's service completed.

(c) The value of available farms was to be assessed at a fair present day market rate.

(d) Officers eligible were to be given the option of taking farms at half the assessed value against either contractual or moral obligations or both. In the case of '*moral obligations*' the allotment of the farm was to be subject to development and residential conditions; in the case of '*contractual obligations*' there were to be no such conditions, but the amount of pension payable was to be decreased in the proportion borne by half the value of the farm to the assessed obligation.

(e) If the value of the farm exceeded twice the value of the obligation the difference was to be paid in cash within three months of allotment.

(f) In the case of '*moral obligations*' the option to take a farm in the scheme was to be full satisfaction of such obligation. No satisfaction was to be offered in any other form and a refusal to accept a farm under the scheme was to cancel such obligation entirely.

(g) Applications were to be registered at any time up to December 31st, 1922 and there were to be two allotments, *viz.*, on September 1st, 1922, and January 1st, 1923.

153. The Committee suggested that the scheme, if approved, be published at once in order that early intimation might be given to the service that concessions were to be made to officers on retirement or retrenchment.

154. If the scheme were eventually to be made applicable to retrenched Asiatic civil servants, the Committee suggested that the 'moral obligations', be assessed at the pensionable emoluments on retrenchment less one-thirtieth of those emoluments for every year's service completed.

155. The Government approved the introduction of this proposal in principle on the understanding that the scheme was to be entirely optional and that refusal to participate in it or to take up the farm offered involved no sacrifice of pension. The Government's approval was limited to the commutation of 'contractual obligations' only and was not extended to any additional recognition of 'moral obligations' in the case of retrenched officers as had been suggested by the Committee. In addition, it was considered desirable that development conditions should be imposed. Steps have been taken to invite applications by retired and retrenched civil servants to participate in the benefits of the scheme.

156. On June 22nd, the Committee suggested that Veterinary Officers should be instructed to advise the natives among whom they worked in the proper methods of preparing ghee. They had evidence to show that very good ghee could be made in Kenya particularly by the Akamba and that the only impediment to the expansion of a local ghee trade had been the inefficient manner of its preparation. They made this suggestion not only in order to protect and encourage a local industry but also to enable native stock owners who derived benefit from veterinary assistance to pay for services rendered such as inoculations in a commodity of which they could easily produce ample supplies in cases where they were unable to make payment in cash. By giving advice on such matters, the veterinary officers would serve the double purpose of establishing the ghee trade and of increasing the revenue. Ghee.

157. This recommendation was subsequently followed by a suggestion that steps be taken as soon as possible to encourage the preparation of ghee in all native areas, by arranging for competent Akamba to give instructions to the natives in other parts of the Colony and by distributing to district officers pamphlets showing how ghee could best be made and preserved, how it should be packed and how the greatest degree of cleanliness could be maintained throughout.

158. The Committee were strongly of opinion that the production of ghee could be stimulated with great benefit to native stock-owners. Ghee is easily made, easily transported and has a ready market both in and out of the Colony. Ghee to the value of £40,000 was imported into Kenya in 1920-21. A duty of S. 1 per lb. having been imposed on ghee imported into Kenya by the Customs Tariff Ordinance, 1922, an opportunity had been created for establishing the local industry on a firm footing with a view to future export. The greater part of ghee imported into Kenya had hitherto come from Tanganyika and the Committee trusted that if early steps were taken, local production might be increased so as to satisfy local requirements before competition from Tanganyika again became operative.

159. Mr Mangal Das expressed the opinion that the Indian Association would willingly co-operate in any scheme for increasing the production of a good quality of ghee by asking that their members in the native areas should give every assistance and advice within their power in regard to methods of preparation.

160. The Committee desire to emphasize the importance of establishing a local ghee industry in the Colony. With the passing into law of the Customs Amendment Ordinance (No. 2) of 1922 free trade in locally produced commodities has been effected with the neighbouring Tanganyika Territory from which ghee has been imported into Kenya for many years. The Committee can imagine no reason why better ghee can be produced in Tanganyika than in Kenya and they regard it as eminently necessary that the cattle which are owned by natives in Kenya should produce a commodity which has a ready sale outside the Colony, is easily made and transported and possesses considerable market value. The native inhabitants of the Colony are known to be short of cash; the Committee believe that, particularly in the case of pastoral tribes such as the Masai, this state of affairs could be remedied with ease if more attention were devoted to fostering a trade in ghee, which would not only bring money to the natives but would render to the country some return on the capital assets locked up in the vast accumulations of stock which have, under present conditions, no other readily attainable outlet. They are pleased to learn that a commencement has been made by the Government on the lines suggested by the Committee.

le Commissioner.

161 On June 26th they recorded their agreement with the decision taken by the Government to make no contribution towards the expenses of a Trade Commissioner for East Africa. They considered that the expense of a Trade Commissioner appointed primarily to further the interests of the Home exporter should not be borne by the funds of this Colony, that such a procedure would constitute a dangerous precedent and that in any case, the sum required could not be met from the Colony's finances in their impoverished state.

162 In continuance of the policy of promoting local industries which they had advocated from the first, the Committee recommended that the claims of the nascent sugar industry at Miwani should be considered when the revision of Customs tariffs took place. They were informed that the manufacture of sugar at Miwani would commence during September or October and they considered that the Government should be in a position to protect the local sugar industry from foreign competition from the date when local sugar of suitable quality was first produced in adequate quantity.

163 They therefore recommended on July 5th that legislation be prepared for the imposition in due course of a specific duty of twelve shillings per hundred pounds on imported sugar, in substitution of the import duty of 15% *ad valorem* which was then in force. They were of opinion that the duty proposed, which was that recommended in the majority report of the Customs Tariff Conference (and which had since received the concurrence of the Uganda and Tanganyika Governments) afforded sufficient protection and they saw no reason for recommending any alternative figure. They did not consider that it was necessary to impose the specific duty until a sufficient local supply was available but they suggested that effect be given by legislation to their recommendations at the first convenient opportunity afforded by a Session of the Legislative Council irrespective of action which might be taken in regard to the other recommendations of the Conference.

164 They made this recommendation after discussion with the Managing Director of the Victoria Nyanza Sugar Company, who informed the Committee that if adequate protection was given to local sugar his company were prepared to sell their No 1 sugar at the maximum rate of £40 per ton (with a special discount of 5% to all purchasers of ten tons or over) delivered free on rail at any Railway Station in Kenya provided that the present rates for carrying Country Produce sugar on the Uganda Railway were not increased. Mr. Mayers stated in evidence that the quotation of £40 per ton was made when the F.O.B. price of sugar in the country of origin was £13 10s per ton and the C.I.F. price London was £19 10s. per ton. He was prepared to make a *pro rata* reduction in his price in the event of a fall in the world's markets or in the event of a reduction in the Uganda Railway rates.

165 The terms of this undertaking became operative when an import duty of twelve shillings per 100 lbs. was imposed upon sugar by the Customs Tariff Ordinance, 1922. The maximum price quoted by Mr. Mayers is considerably less than the price paid for sugar imported under the old duties at places up-country and the Committee believe that an equitable degree of security has therefore been afforded to the purchaser of sugar produced locally. The price now quoted by the Company is £38 per ton in lots of ten tons or over.

166 The Committee are pleased to observe that permission has been granted by Ordinance to the Victoria Nyanza Sugar Company to construct and maintain a tramway with subsidiary lines connecting their factory with neighbouring sugar fields and they trust that the assistance which has been afforded to the Company in this and other directions may lead to the establishment of the local sugar industry on a sound and permanent basis.

dini Pier.

167 The Committee had constantly had in mind the need for economy in the expenditure of loan funds on capital works. In paragraph 5 of their first interim report they have recorded their opinion that the detailed allocation of loan expenditure requires immediate and careful investigation with a view to ensuring the maximum expenditure on the most productive and remunerative items.

168 On July 6th, in view of the large fall in the price of material including steel work which had taken place since the contract for the Kilindini Pier' was entered into and of the necessity for obtaining the maximum amount of remunerative services from the expenditure of loan money—a necessity which was becoming increasingly evident as the work of the Committee progressed they asked the Government to consider whether negotiations could not be entered into with the contractors for a revision of the contract so as to secure serviceable pier facilities at a reduced cost (without necessarily affecting the contractors' profits) and to release the amount thus saved to Government for further railway construction into Kavirondo and towards the cotton fields beyond.



169. On July 13th a telegram from the Secretary of State was placed before the Committee suggesting that attention be devoted to the question of export facilities in the form of cold storage and a grain elevator, the services being retained in the hands of the Government. The expenditure suggested was, for the time being, £25,000 for cold storage and £100,000 for a grain elevator.

170. The Committee agreed that investigations should be made into the cold storage and grain elevator proposals as a Government enterprise, and suggested that arrangements be made for an expert from the Union of South Africa to visit Kenya at the earliest opportunity and advise on sites and the operation of the system.

171. A careful reconsideration of the finance of the deep water pier scheme in the light of the altered financial position of the Colony, of values and of the quantities of exportable produce, indicated that the existing scheme would for some time impose a minimum financial overhead charge on traffic over the pier of £1 per ton plus handling costs. The reduction of capital outlay to provide two berths, with storage and handling facilities, was therefore a matter of paramount necessity. The Committee had reason to believe that savings amounting to £300,000 to £400,000 could still be effected, giving the same effective service if prompt action were taken. Part of these savings could be re-allocated to other urgent port improvements which might include grain handling and cold storage. The Committee urged that the pier problem be reconsidered from a financial point of view and suggested that the Crown Agents should enter into negotiations with the consulting engineers and contractors with a view to obtaining a modification of the original contract, securing a cheaper type of work affording the same services. The Committee did not suggest that the present form of pier was not the best from an engineering point of view, but they considered that the alteration in the financial position necessitated a review from other aspects. In view of the financial position, they considered that the economical outlay of capital was of more importance than the cost of maintenance.

172. They represented that the matter was very urgent if a waste of money was to be avoided. A modification of the contract need not affect the gross profits of the contractors. The essential feature was to reduce overhead charges on the working of the pier and the Committee believed this could be done, so that the provision of cold storage and grain elevator services could be considered without diminishing the mileage of new railways to be built out of loan monies and savings on the Uasin Gishu Railway, which were earmarked for the Nyeri and Kitale extensions and which, with additional savings from the Kilindini Deep Water Pier, gave a possibility of being able to extend the Plateau main line into Kavirondo and towards the cotton areas of the Lake.

173. Representations to this effect were made by the Government to the Secretary of State who, on making enquiries from the consulting engineers, replied that such savings could not be effected and that, taking all the circumstances into account, the continuance of the pier in accordance with the specifications already agreed on appeared to be the most satisfactory and eventually the most economical mode of procedure.

174. The Committee inspected the work in progress on the pier during their visit to Mombasa and discussed the question of grain elevators and cold storage. The question of making provision for grain elevators is under consideration by the Government at the present moment: sites have been reserved in the deep water pier scheme for cold storage facilities.

175. In regard to the question of cold storage facilities on ships, the Committee were informed that all Union Castle passenger steamers which visit Kilindini have cold storage cargo accommodation in addition to the ship's cold chamber, which can frequently be made available for small amounts of export produce. The cargo cold storage chambers vary in capacity from 25 to 150 tons and can be made ready for the reception of cold storage produce on demand provided a sufficient quantity of such produce is guaranteed by any one ship and due notice thereof is given. Cold storage on ships

176. The last month of the Committee's labours, before the adjournment on October 25th was occupied almost exclusively with the question of the Government Deep Water Pier at Kilindini. This most intricate problem was debated at length and produced the only instance wherein the Committee showed a distinct cleavage of opinion. Deep water pier at Kilindini.

177. Evidence was taken on September 20th from Mr. Follett Holt whose advice was to the effect that the Mbaraki pier provided ideal facilities for export traffic, that work on the Government pier should be suspended and that the Mbaraki Estate should be acquired by the Government with the savings effected thereby. A statement of Mr. Holt's experience of railway and commercial undertakings appeared in the second interim report. A record of the evidence given by him before the Committee on the subject of the harbour at Kilindini, which has already been published, is attached to this report in Appendix C.

178 As a result of preliminary discussions following Mr. Holt's evidence and consideration of the opinions and statements which had been placed before them on the occasion of their visit to Mombasa the Committee recommended on October 5th that, as the cost of works on the deep water pier at Kilindini was increasing daily, the Government take steps to ascertain on what terms they could withdraw from the contract either

(1) on the basis suggested by Mr. Holt viz. by payment of interest on the anticipated profits during the suspension of the work, or

(2) by the diversion of the contractors' activities on to other public works of a productive nature such as the Nyeri Railway,

compensation to the contractors being thus arranged either in money or in other work. As the Committee might recommend, after further consideration that the Government acquire the port at Mbaraki, they also suggested that the Government enter into negotiations with the proprietors of Mbaraki to ascertain the terms and conditions on which they would be willing to dispose of it

179 In order fully to understand the intricate nature of this problem it is necessary to refer to the past history of proposals for the improvement of the Kilindini Harbour by the provision of a deep water pier.

180. The desirability of so improving the Port at Kilindini was recognised early in the present century. In 1906, £80,000 was allowed for the purpose, but the scheme was abandoned, extensions being restricted to the provision of accommodation for handling cargo in lighters at a cost of £55,000. In 1911 £100,000 was reserved for a deep water pier out of the £250,000 loan. Further investigation proved that this scheme was impracticable.

181. After examination of local conditions by Mr. Wilson, the consulting engineers (Messrs. Coode, Mathews, Fitzmaurice and Wilson) prepared in 1913, a scheme for the construction, on Government land, of a continuous quay providing for seven 500 feet berths. They recommended in the first instance the construction of four berths at a total estimated cost of £700,000. A sum of £610,000 was included in the summary of proposed expenditure against the £1,868,000 loan in 1916. None of this money was actually spent.

182 Steps were taken to obtain tenders for this work from four experienced firms, but before the tenders could be completed the war reached such a stage that the matter was postponed till its conclusion.

183 Consideration of the scheme was renewed in 1920, but modification was necessary because the expected cost of four berths had risen to at least £1,400,000. It was therefore suggested that a portion of the scheme with a length of quay sufficient to provide at least two berths and with corresponding storage accommodation, be constructed for £1,000,000.

184. Consideration of the question in 1920 was complicated by an alternative proposal for the construction of a deep water pier on land owned by Major E. S. Grogan at Mbaraki. This proposal was discussed at the Colonial Office and in the Legislative Council at Nairobi where a resolution was carried on July 14th, 1920, by a majority of 26 votes to one "that in the opinion of this Honourable Council the Government Deep Water Pier be proceeded with at once and that no encouragement be given to the Mbaraki Scheme."

185. The accuracy of a statement of the position which was tabled before the debate was challenged by Sir George Buchanan on his arrival in the country in September, 1920. He drew public attention to these inaccuracies, replied to criticisms of the Mbaraki Scheme which had been mentioned, contended that the Government scheme was framed on too expensive a specification and would probably cost £1,500,000 and that it would be far better to abandon the project and let private enterprise build the Mbaraki pier, keeping loan money for development of communications by road or rail.

186. These contentions led to reconsideration of the specification of the Government pier and to a suggestion that a ferro-concrete pile wharf would answer the same purpose as a solid wall. The consulting engineers were strongly of opinion that in view of the extra cost of maintenance, a solid wall would be more economical than a re-inforced concrete pile wharf. Lieutenant Colonel Hammond, the Special Commissioner for Railways, was consulted on his arrival; his opinion supported that given by the consulting engineers.

187 No further debate on the subject took place in the Legislative Council; plans were prepared, the tender of Messrs. Pauling and Company Limited was accepted; a contract for the "construction of a quay wall and reclamation with other works" at a cost of £1,018,010 was signed on July 11th, 1921, and money was made available by the Specific Loan Ordinance which received assent on October 15th, 1921.

188 The position was then that the Government pier was in course of construction and would, if completed according to contract, be finished by June 21st, 1924. The Mbaraki Port Company had constructed one deep water berth on a modified plan which was all but ready to receive shipping. Hitherto, lighters had performed all loading and landing work at the Port.

189. The alteration in Kenya's financial position and the completion of a deep water pier at Mbaraki materially affected arguments upon which the decision to construct the Government pier was based.

190. The problem was divided into two parts, practically independent of each other, namely, whether work on the Government pier should be continued, suspended or abandoned and whether the Government should acquire Mbaraki pier or estate.

191. In considering the first problem, the relevant factors were:—

(1) Could the traffic which was likely to pass through the port at Kilindini be dealt with adequately and expeditiously by the lighters and the pier at Mbaraki? On this point the Committee had obtained the opinion of Mr. Follett Holt, who had had extensive experience of Railway and Port development in South America. Mr. Holt stated that the pier was not at present necessary to the welfare of the community. With Mbaraki and the present lighter wharf he thought there should be ample accommodation for all produce the Uganda Railway could carry for the next few years. He said that the matter might require reconsideration if the Railway were called upon to carry say 1½ million tons per annum of which 600,000 tons were for export, but it was nothing to deal with 150,000 tons a year; that amount could easily and economically be handled with the present facilities.

It had been estimated that the total export traffic from Kilindini in 1923 exclusive of timber and Magadi soda would amount to 103,000 tons, and the total imports to about 70,000 tons. There could be no doubt that a considerably greater quantity than this could easily be handled without assistance from the Government pier.

(2) What prospects were there of the Government pier, when completed, being able to pay its way?

The financial aspect of the Government pier scheme was considered both in 1913 when four berths were to be constructed for £700,000 and in 1920 when the proposal was for two berths costing £1,000,000.

In 1913 figures prepared by Major H. B. Taylor as a forecast for the year 1915-16 worked out as follows:—

	£	
Interest @ 3½% on £700,000	24,500	Expenditure.
Sinking Fund @ 1%	7,000	
Maintenance 2% on £500,000	10,000	
Salaries of Port Staff	2,500	
Labour and handling of 100,000 tons export @ 6d.	2,500	
70,000 tons import @ 1s.	3,500	
<b>Total Harbour expenditure</b>	<b>£50,000</b>	

	£	
Consolidated Harbour Dues on 905,000 tons net registered shipping		Revenue.
@ 2½d. per net ton per 24 hours	10,000	
ditto. for the second day for half the total shipping	5,000	
Cargo Dues (landing, cramage, etc.) 100,000 tons export @ 2s 6d. (the then prevalent charge)	12,500	
70,000 tons import @ 5s.	17,500	
Miscellaneous Revenue	5,000	
<b>Total Harbour Revenue</b>	<b>£50,000</b>	

In 1920 his figures for the year 1925 were as follows:—

	£	
Interest @ 6% on £1,000,000	60,000	Expenditure.
Sinking Fund @ 1%	10,000	
Maintenance @ 2% on £600,000	12,000	
Salaries of Port Staff	5,000	
Labour and handling of 150,000 tons export @ 1s.	7,500	
100,000 tons import @ 1s 6d.	7,500	
<b>Total Harbour Expenditure</b>	<b>£102,000</b>	

Revenue	Consolidated dues on 905,000 tons @ 5% per net ton per 24 hours and half the shipping on the second day cargo dues (landing, crannage, etc.)	...	...	...	...	...	30,000
	50,000 tons export @ 5s.	...	...	...	...	...	37,500
	100,000 tons import @ 7s. 6d.	..	..	..	..	..	37,500
	Miscellaneous Revenue	..	..	..	..	..	5,000
							£120,000

These figures were challenged by Sir George Buchanan who said that £30,000 for port dues could not be levied as a legitimate charge against wharf or dock construction and would be strongly resisted by all shipping companies. In any event, it was clear that such a charge would come back on to the exporter or importer in the form of freights increased in consequence. Sir George Buchanan's estimate made in September, 1920 and accepting the tonnage figures for 1925 was—

Expenditure.	8% interest and sinking fund on £1,250,000	..	..	..	..	..	£100,000
	Working expenses, including staff and maintenance @ 2s 6d. per ton	..	..	..	..	..	31,750
							£131,750
Revenue.	250,000 tons @ 7s 6d	..	..	..	..	..	£93,750
	Dues on vessels and change, say	..	..	..	..	..	5,000
							£98,750
							£33,000

The General Manager supplied to the Committee further particulars which, on the same tonnage basis, were summarized as follows—

Expenditure.	Interest @ 6% on £1,250,000	..	..	..	..	..	£75,000
	Sinking Fund at, say, 1½%	..	..	..	..	..	21,000
	Maintenance	...	..	..	..	..	5,000
	Salaries of Port Staff	..	..	..	..	..	9,950
	Labour and handling	..	..	..	..	..	15,367
							£126,317
Revenue.	150,000 tons export @ 15s	..	..	..	..	..	112,500
	100,000 tons import @ 20s	..	..	..	..	..	100,000
							£212,500
							£86,183

If 150,000 tons exports and 100,000 tons imports were to pass over the pier annually, such high charges would not be necessary to cover expenditure. Charges of 8s on exports and 14s. on imports would suffice. On the other hand, it was inevitable that a part of the total traffic would not go over the Government pier which provided for only two berths. If, as frequently happens, more than two ships were to be in harbour at once, other methods of handling cargo must be resorted to. It was impossible to estimate what proportion of the whole would go over the Government wharf, and figures based on the anticipated tonnage must in any case be unsatisfactory.

The charges imposed on exports for lightering alone were 6s, 5s and 4s. per Bill of Lading Ton according to the class of commodity exported. To this must be added S 2 40 per Bill of Lading Ton for crannage and wharfage. The charge for imports was 12s 6d. per Bill of Lading Ton. The General Manager estimated that on the average one dead weight ton was equal to two Bill of Lading Tons. On this assumption, the rates which he quoted were 7s 6d for exports and 10s for imports per Bill of Lading Ton. The estimated cost at Mbaraki, including administration, maintenance, renewals, power, light, stores, labour and £10,000 per annum interest charge on a turnover of 200,000 Bill of Lading Tons or four-fifths the capacity of the present Mbaraki wharf was 2s 8d per B L Ton.

Mr H W D Fludd, Agent for the Union Castle Mail Steamship Company Limited in evidence before the Committee at Mombasa, considered that 3s. 6d. per bill of lading ton would be a suitable charge at the Government wharf. On this basis, for 250,000 tons traffic, the annual loss would be nearly £40,000.

It was therefore clear that, if charges at the Government wharf were to be low enough to stave off competition or to satisfy the requirements of the cargo handled, the State would, for some years at least, be called upon to contribute to the cost of working and interest charges on the pier.

(3) Could the Government withdraw from the Kilindini Pier contract, compensating the contractors either in money or in other work? The question of compensation to the contractors fell under three heads:—

- (a) Payment in full for work already done including out of pocket, unallocated and administrative expenses.
- (b) Compensation for plant and machinery.
- (c) Settlement of contractors' anticipated profits.

Estimates of payments to be made indicated that, for purposes of calculation, £340,000 was an approximate figure under the first two heads, while the contractors' anticipated profits could be estimated at, say, £100,000. It was possible, however, that the payments of profits could be met either by an annual payment of interest on the anticipated profit during the suspension of the work or by the diversion of the contractors' activities on to some other undertaking of public importance and of a productive nature such as the Nyeri Railway so that the contractors might reap the same benefit from the performance of other work.

It was, therefore, evident that a direct loss might eventuate to the earning capacity of loan funds amounting to about £440,000 that is to an interest and sinking fund charge of £35,000 per annum ceasing in 1957, and it was probable that the remainder could be devoted to productive work which would directly repay investment.

192. That the Government should make every endeavour to withdraw from the contract was definitely the opinion of Mr. Follett Holt, who thought that the pier as proposed, at the immense cost of £1,250,000 for two berths would lead rapidly towards bankruptcy. He suggested that the project should not be abandoned, but that it should be suspended for a few years, because the Colony could not meet the expenditure now. He said there would be little loss as a result of deterioration if the work were suspended and that this could be done without detriment to completion of the pier in the future. In his opinion, nothing but a callous disregard of the financial stability of the Kenya community would stand in the way of the suspension, for the time being, of the work on the Government wharf. The interest on the money which might still be saved by suspending the work for a few years must make a vital difference.

193. Mr. Holt also recommended that the Government should acquire Mbaraki which he described as an ideal site and as giving ample facilities for all likely quantities of export produce for a great number of years. He thought that the ownership by the Railway of Mbaraki was vital to the country's future and that it would be far better in the public interests to acquire Mbaraki at present than to complete the Government pier.

194. There were four main points of advantage in respect of the Mbaraki pier:—the high level had been preserved, so that grains, timber, coffee and the majority of the country's export produce could be loaded by gravity; there was ample high level accommodation for stores, sheds, ware-houses, offices, etc; the deep water pier was practically ready for use at a time when every effort was being made to foster the production of low valued produce for export; and the estimated costs of handling at that pier were very low.

195. The view has always been held that control of the port should be vested in the Government; private ownership of wharves and quays has been known almost invariably to lead to insurmountable difficulties, and the only chance that the Government has of obtaining control of the port at Kilindini in competition with Mbaraki is by offering better facilities and lower rates. It was obvious that lower rates could not be charged over the Government wharf for many years to come without subsidy from the State, and it was admitted that the space available for storage at high level and the ease with which exports could be handled by a conveyor system were advantages which lay definitely with Mbaraki.

196. Furthermore, Mbaraki being ready for use nearly two years before the Government could hope to complete their Kilindini pier, the time factor appeared in its favour. Traffic could and would be handled from Mbaraki almost at once, and with two years start, a habit might be engendered which must have the effect of diminishing the proportion of traffic which would be handled by lighters and the Government pier.

197. Preliminary details had been prepared of a proposal to erect a simple conveyor system at Mbaraki enabling maize and other suitable produce to be transported from the high level to the ship. The estimate of cost was about £30,000 and the capacity of one conveyor appeared to be adequate to the Colony's

requirements for many years. Such a system would be difficult at the Government pier where the high land was being cut away to a distance of 200 yards behind the sea wall and it was obvious that some such system of cheap transportation was desirable in respect of a low valued commodity such as maize

198 The primary function of the Mbaraki pier was to be that of an export wharf with gear especially designed to export timber in dimension. Full advantage had been taken of the natural formation, so that the capital cost especially of storage space had been kept down, thus enabling mass movement and storage of low value exports, such as timber, wattle bark, hay, maize, and cotton seed at a minimum cost. Extensions had been designed to deal with general inter-port business which required large areas of cheap accommodation as the preliminary to oversea despatch to markets

199 In the event of the Government acquiring Mbaraki pier it was thought that it would probably be necessary to replace the pontoons at present in use by a continuous wharf placed on piles. The cost of this work was estimated by the superintending engineer at £10,000 while £17,000 would be necessary to finish off the work as it stood by the provision of accessories such as wire, ropes, a concrete floor to the shed, extra bollards, a Customs office, fenders, sanitary arrangements and a heavy lift gantry. For a sum of £57,000 in all, the pier could be made entirely ready and a special maize conveyor could be erected. It was also estimated that the facilities could be extended so as to provide another berth adjoining that in existence for the sum of about £30,000.

200. The opinion had been expressed by the Port Advisory Board that Mbaraki Pier was inadequate for the immediate needs of shipping at the Port of Kilindini. The Board felt that the present Mbaraki scheme would be unpractical to work; it afforded one berth only and that was of such a nature that a steamer could not work all hatches at one time on the shore side; it provided no cranes, all the work having to be done by the ship's gear and in the case of imports from 2 to 10 tons in weight it would be impossible to land them at Mbaraki

201 This opinion had not been supported by evidence from any competent engineers heard by the Committee. In considering the question of acquisition by the State, it had to be assumed that Mbaraki pier was navigable and workable.

202. An offer had been made by the Mbaraki Company providing for the acquisition by Government on terms either of the low level and pier only at a price of £150,000 payable in any number of instalments not exceeding fifteen, or of the whole estate of approximately 200 acres with two reservations for a sum of £35,000 annually for one hundred years and a rent of £700 per annum payable for a portion of the estate to a ground landlord.

203 It was obvious that the main purpose of acquiring the pier, namely the facility of loading grains, etc from the high level would not be met by the former alternative. The acquisition of the pier together with the high level in part or in whole was therefore the only problem that required consideration. Mr Holt advised that as much land as could be obtained should be acquired near a port and it was considered best therefore to confine attention to the acquisition of the whole estate. The reservations mentioned were one of ten acres for depot and creosoting purposes connected with the export of timber, and another block for offices and houses for the Equator Saw Mills, Limited. Neither of these reservations appeared to affect the general utility of the site.

204 The annual cost of acquiring and maintaining the whole estate and effecting the improvements and additions suggested was therefore as follows —

	£
Consolidated payment	35,000
The item of rent	700
Interest and Sinking Fund at say 8% on £27,000 immediate improvements	2,160
£30,000 for a grain conveyor	2,400
Depreciation, Maintenance and Renewal charges, excluding Railways, say	4,740
Total per annum, say	£45,000

205 The capacity of the wharf, excluding the grain conveyor was about 96,000 weight tons per annum. Working costs were estimated by the Engineer at S. 2/50 per weight ton. The actual cost of putting cargo over the pier itself was therefore S. 11 a weight ton inclusive of all charges, and exclusive of any return received from the acquisition of a valuable estate of some 190 acres. There could be little doubt that the acquisition of that land with 10,000 feet of water frontage was worth at least £20,000 per annum to the State; if this were admitted the cost per ton would be halved.

206. By prosecuting the Government pier scheme to its conclusion, the interest, sinking fund and maintenance charges amounted in all to £105,000. By abandoning that scheme at once and purchasing Mbaraki, the cost with improvements amounted to £15,000 plus the loss on abandonment. That loss might amount to £35,000 per annum, a dead charge of 8% on £440,000 unproductive expenditure. There were also two factors which could not be disregarded, viz:— that the Government pier being of superior workmanship and engineering perfection, must add to the value of the port, and that continuity of policy in this matter, as in the case of the Uasin Gishu Railway, was of considerable importance. The monetary value of these two factors could not, of course, be assessed.

207. There were four possible lines of action open:—

- (a) Abandon the Government pier and acquire Mbaraki.
- (b) Abandon the Government pier without acquiring Mbaraki.
- (c) Proceed with the Government pier without acquiring Mbaraki.
- (d) Proceed with the Government pier and acquire Mbaraki.

208. If it were to be decided that the State should remove the possibility of competition from Mbaraki pier by buying the estate, the question of purchasing the lighter interests must also be considered in order that the State might obtain control of the working of the whole harbour. No estimate of the cost of such a step was available.

209. If, on the other hand, it were decided that the State should not acquire Mbaraki, the consequences of allowing that pier to fall into the hands of shipping or other companies whose business it would be to divert traffic thereto must be taken into account. A clear field for two years with low charges might easily have a considerable effect on the amount of cargo that would be left for the Government pier, and there could be no doubt that Kenya could not afford to construct two expensive berths merely to provide improved facilities for passengers.

210. After the most careful consideration of the evidence, facts and figures which had been at their disposal, a majority of the Committee advised:—

(1) that Government should proceed with their deep water wharf scheme at Kilindini in the terms of their contract with Messrs. Pauling and Company,

(2) that Government should not acquire or lease Mbaraki Pier or any portion of the Mbaraki estate,

(3) that should any person, company or association wish to work Mbaraki Pier Government should afford every reasonable facility in the interests of trade until such time as the Government wharves were in a position to cope with the whole of both the imports and the exports of the Colony.

(4) that the Government deep water wharf should not be considered to be a separate undertaking, standing financially on its own merits, but should be regarded as an integral part of the whole Uganda Railway system and that therefore the wharfage charges should not necessarily be so high as to cover interest charges and working expenses.

(5) that Government should announce the policy outlined above at the earliest possible opportunity, in order that the present uncertainty as to the future might be allayed and the development of the land adjacent to Kilindini harbour proceed without fear of any change of programme.

Lord Delamere and Mr. Coney submitted joint minority recommendations, which are attached to this report in Appendix B.

Major Grogan and Major Fletcher were absent during the deliberations on this matter and their opinions were not recorded.

211. The majority of the Committee were of opinion that the Government scheme, though possibly more expensive in its initial stages, was by far the sounder proposition. They attached the greatest importance to the factor of determination and would regard any "policy of wobble" as highly detrimental to the interests of the Colony and to the successful floating of the forthcoming or any future development loan.

212. They considered the comparatively easy grade of the approaches to the Government wharf and the large flat area immediately behind the seawall to be assets of very great value when compared with similar facilities at Mbaraki.

213. They were convinced that the Government scheme lent itself to future extension to a far greater extent than Mbaraki.

214 They considered that too much importance had been attached to the capital cost of the two berths now under construction and that the fact that the Colony was responsible for only a very small proportion of the total cost of the railway system had been ignored.

215. They believed that it was possible, mainly by a reduction of salaries and wages so to lessen the cost of railway working including interest on all capital works for which the Colony was responsible as not only to effect a general reduction in freight charges and to provide an adequate annual contribution to a "betterment fund" but also to enable the wharfage charge to be fixed at a figure which could be met without hindrance to trade. Even were this not the case, they considered it would be justifiable for the railway to be subsidised if necessary from General Revenue.

216 In considering the financial position there were several points to be considered, *e g* ;

(a) In 35 years' time the cost of the Government wharf would have been wiped out and the loan repaid by means of the sinking fund.

(b) The land in the vicinity of the Government wharf was Government freehold.

(c) Very little of the land adjacent to Mbaraki was held on lease from Government but was leased by the present concern from other freeholders to whose successors it would eventually revert.

(d) As regards the suggested terms for leasing the Mbaraki estate, it must be remembered that Government would be continuing to pay rent to the present owner after the latter's leases had expired, and would have in the meantime been obliged to come to terms also with the freeholders of the estate.

(e) Whatever the facts might be, it was certain that prejudice existed with regard to the Mbaraki Pier structure and they thought it quite clear that a considerable sum would have to be spent on it before ships would come alongside. A very thorough investigation by independent engineers would have to be made before any idea of what expenditure was necessary could be arrived at. This would entail considerable delay and expense whether the Government project were temporarily suspended or not.

217 In the unlikely event of trade increasing to such an extent before the Government wharf was ready so that the existing Government facilities could not cope with it, and at the same time of Mbaraki not being exploited by private persons, they believed it would be possible for the necessary temporary facilities to be provided by means of additional lighterage and storage accommodation at a comparatively small cost or that, alternatively, it might be possible, if so desired, then to come to terms with the owners of Mbaraki for the use of their pier as a makeshift lighter wharf.

218. If Government left Mbaraki alone it was possible that it would be developed as a private timber wharf. They saw no objection to such a scheme which should be encouraged in every reasonable way.

219 They did not believe that any one would develop it as a general or export wharf if it was clearly understood that Government intended to proceed with its own project.

220 The Government's decision to proceed with the construction of the deep water pier at Kilindini in accordance with the terms of the contract entered into with Messrs Pauling and Company in July, 1921, was announced in the Legislative Council on November 6th.

wood industry.

221 A special report by Professor Troup regarding the possibilities of developing the cedar wood industry in Kenya was placed before the Committee in July. Professor Troup drew attention to the fact that East African cedar is the sole source of supply of pencil cedar in commercial quantities in the British Empire and that some of the cedar forests are within accessible distance of the railway. The Conservator of Forests drew up a memorandum showing in detail how this industry could be developed. The Committee recommended that effect be given to his proposals and they understand that negotiations are now in progress to this end and await discussion with the Conservator of Forests when he reaches England in March.

Land and Agricultural Bank.

222. A proposal was placed before the Committee for the establishment of a Land and Agricultural Bank for the assistance of farmers who were in financial difficulties. The proposal was to the effect that the Government should advance funds which, when the land was already mortgaged to a Bank, would be secured



on second mortgage, repayment of advances being deferred until the debts to the Bank had been paid off. An additional suggestion was that the Government might obtain the necessary funds by arranging with the Banks to make further advances under a Government guarantee.

223. As the Government was not itself in a position to find funds for this purpose out of revenue, and as it had been found impossible to borrow money for this object in the form of an additional loan, the suggestion that the Banks should make the further advances was the only possible solution. The Committee discussed the scheme with the managers of the Nairobi Banks who could not see their way to support it and the Committee were therefore unable to recommend it.

224. They are of opinion that a Government Land and Agricultural Bank is very desirable but they are unable to devise a method by which such a Bank can be instituted if the Government is unable to find funds for the purpose which could be lent on the best available security, that is on first mortgage. The proposal which they discussed involved a guarantee of anything up to £1,000,000, on which the annual interest charge could not lightly be undertaken in view of the Colony's financial situation, while the security offered in return was not such as appeared to the Committee adequate for the investment of public funds. The Committee observed also that, while a Land Bank was without doubt still necessary, the position in respect of securities had been altered in a great number of cases by the remission of the purchase price on developed Soldier Settlement Farms.

225. With a view to making the Colony more attractive to the investment of new capital, the Committee considered an application for financial assistance from the Kenya Land Settlement Advisory Committee whose object was to give advice to prospective settlers, to assist new comers on their arrival and to enable them to see the country for themselves. On the understanding that the Advisory Committee did not propose to interfere with established interests, such as those possessed by Land Agents in regard to the sale of land, or themselves to act as agents for would-be vendors, the Committee considered that the objects in view were worthy of Government financial support and recommended that a grant of £500 be made to them from public funds at the earliest opportunity. The Government accepted this recommendation in principle and on a motion by Lord Delamere on October 24th the Legislative Council approved the immediate grant of £1,000 to the Land Settlement Advisory Committee, which has since received the sanction of the Secretary of State

Land Advisory  
Committee

226. On August 5th the Committee recommended that the Government make a more extended use of local firms in placing orders for stores. The procedure adopted by the Government has been that of indenting for almost every article on the Crown Agents, who buy in England on a commission basis: goods are imported free of Customs duty.

Local purchases

227. It has been contended that this method is cheaper than buying from local firms and a statement prepared in the Treasury on April 4th was placed before the Committee purporting to show that this was the case. There were, however, three considerations which limited the value of this statement and which prevented it from being accepted in proof of the contentions:—

- (1) Local rail charges had not been included.
- (2) No account had been taken of Government local overhead charges, including interest on stocks held pending disposal.
- (3) The local quotations were obtained in an unsatisfactory manner, no tenders being invited and the quotations asked for being at best for casual consignments and without notice.

228. In order to obtain favourable local quotations the Committee held that it was essential that the widest publicity to the Government's estimated requirements should be given in advance thus ensuring competition, that a Government purchasing agency, such as the Central Tender Board, should invariably be made responsible for obtaining the best terms, and that some guarantee should be forthcoming that the Government would continue to make use of local firms. Low quotations could not be expected in respect of small orders given without notice

229. The commercial community was in need of support and every step to increase the turnover must be of material assistance. The Committee did not suggest that there were not some articles that could best be obtained through the Crown Agents but they believed that an alteration in policy whereby it was provided that tenders should be called for locally for the vast majority of articles would lead to greater expedition in obtaining supplies with a consequently diminished necessity for locking up capital in stores, and that there was every prospect of obtaining quotations locally which compared favourably with the Crown Agents figures provided that the local commercial community were assured of continued support on these lines

230. The only essential loss to Government by the adoption of this principle was caused by the Customs union with Uganda whereby a definite percentage of the duty paid on imported articles was not credited to the Kenya Government. By purchasing goods locally this Government would lose about one-third of the duty which had been paid on them and which must be taken fully into account in considering prices relative to the Crown Agents' quotations. The Committee suggested that that difficulty could be overcome by a book transaction whereby the full amount of duty paid on an article imported by a local firm and subsequently purchased by the Government of Kenya would be removed from Customs receipts, thereby disappearing from the Customs revenue of which Uganda received one-third, while not decreasing the revenue which Uganda expected to receive from that source

231 This loss, however, is no longer entailed by the adoption of the principle recommended. By the Customs (Amendment) Ordinance, 1922 which received assent on December 30th, 1922, arrangements have been made whereby the sum payable to Uganda in Customs revenue is based on the actual nett duty collected on goods imported into Uganda and not on any fixed percentage of the total revenue. It therefore follows that Uganda derives no benefit from the duty paid on goods imported into Kenya and that the Government of Kenya is suffering no essential loss on this account by purchasing imported stores from local merchants.

232 Representations were made to the Committee while at Mombasa to the effect that the coconut industry was in danger on account of the lack of control of theft from the plantations. They accordingly recommended that the Government investigate the possibility of introducing amendments to the Coconut Ordinances with a view to preventing theft of coconuts

233 They had been informed that the Coconut Ordinances which had been passed into law had never been enforced on account of the expense of administration but they believed that it might be possible to introduce effective legislation without the incurrance of great expense and they recommended that the position be investigated afresh with this end in view. This question is now under consideration by the Government, who have recently deputed a Special Service Officer to make certain investigations into administrative matters on the Coast with particular reference to the requirements of the coconut industry.

g facilities at  
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234 On October 10th the Committee invited the attention of the Government to the agreement made with lighterage companies at Kilindini Port which was being interpreted as giving them a monopoly in respect of the handling of passengers' baggage to and from the ship, if this interpretation was correct, they urged that the form of agreement be revised as the procedure in force caused delay and inconvenience to passengers who desired to make their own arrangements for the expeditious landing of their baggage, and they recommended that the fees charged for the registration of boats as laid down by the Mombasa Port Regulations, 1912, be revised on the grounds that the owners of such boats, having suffered a serious diminution in the work they could find to do owing to the monopoly referred to, could no longer afford to pay a fee which was laid down in more prosperous times and which had since been increased by 50%, as a result of the change in currency. The Committee understood that such a reduction was urgently necessary as licences were due for early payment. The Government took immediate action on this recommendation and halved the fees charged, the revised schedules appearing under the Mombasa Boat Regulations, 1922, in the Official Gazette of November 15th

s awaiting  
ration.

235 Having passed in review the various recommendations which they were able to present to the Government during the year 1922 the Committee wish now to allude to other matters which they have had under consideration but upon which their conclusions have not reached a similar degree of finality

economic  
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236 In the first place, they wish to express their regret that a large number of the economic products of the Colony have not as yet received attention in concrete form. The Committee were so pressed for time that they had necessarily to confine their deliberations to a limited number of products to which they believed it necessary to encourage immediate attention, and while they attempted in addition to consider difficulties which were brought to their notice in respect of other commodities they were unable to do more than reserve for future discussion questions affecting products which appeared for the time being to be capable of looking after themselves and to require less urgent assistance

y rates

237 The principal direction in which such other products may require assistance is naturally in respect of the charges levied by the Uganda Railway on the exportable commodities sent to Kilindini and on those levied in an upward direction on machinery and articles used in their manufacture. The Committee believe that a satisfactory adjustment of railway rates in general is one of the most important factors in the economic prosperity of the area served by the Uganda Railway system, and they trust that, when the new General Manager has become

conversant with the full requirements of the situation, he will cause a thorough investigation to be made into this matter with a view to the stabilization of railway rates on a basis in consonance with the decrease in Railway expenditure which it is hoped he will achieve.

238. The Committee are not yet ready to present a comprehensive report on this matter and the observations foreshadowed in paragraph 41 of their second interim report cannot yet be put forward. Before the revised railway rates are finally decided it is necessary to discover what economies can be effected in the working expenses and they believe that the question of such general revision must therefore be delayed for a few months. They are confident that, in any proved cases of hardship or disability, suitable adjustments can be made without such delay.

239. Such products as bacon, butter, chillies, coffee, cotton, cotton seed, dairy produce, gold, ground nuts, linseed, rice, sisal, timber for export and wattle bark have been noted for further discussion and the Committee trust that representations on these or other economic subjects will be made to them by persons interested in their production if disabilities are known to exist which appear capable of remedy.

240. Although they have not as yet put forward any definite recommendations on this subject, the Committee regard it as imperative for the full development of the resources of Eastern Africa that some overseas market be found for the surplus products of the millions of head of cattle located in this part of the world. Kenya alone has some two and a half million head of cattle; the annual increase by breeding must be in the neighbourhood of 400,000 head, while it is accepted as an axiom in the stock industry that bullocks to the extent of one-tenth of the total herds can be consumed annually without damage to the industry; yet the total ascertainable value of exported cattle products for Kenya and Uganda combined in 1921 was only £30,000 of which hides represented all but £1,000. The inevitable result is that wasteful methods of cattle conservation are employed by native stock owners, that there is no incentive to improve the class of cattle bred and that money spent in preserving life and eliminating disease is not at present rendering a full and adequate return. While aware of the efforts which have already been made by the Government in this direction, the Committee urge that no opportunity be neglected of attracting to this country some firm of repute which will offer facilities for the export of the surplus meat supply of Eastern Africa in the form of meat extract or otherwise. They are confident that, if this were done, the future of the cattle industry would be assured and the increase in local prosperity would be astounding

Cattle industry.

241. The Committee received from the Laikipia Farmers' Association a request that the fees for double inoculation of cattle against rinderpest might be decreased and were investigating the practicability of making recommendations to this effect when they adjourned. The position as they understand it is that a flat rate charge of half a crown per head is levied irrespective of the unit of serum used, which depends on the age, class and weight of the beast. Calves under six months old are not branded A M and these must be re-inoculated the following year at the same charge to ensure immunity. The Committee readily understand that dissatisfaction is caused by this procedure which leads to expense without compensating benefits and they recommend that the matter should be reconsidered with a view to reducing the charge in such a way as to make its incidence more equitable.

Inoculation fees.

242. The Committee assume that the continuation of their labours will be directed in part towards a reconsideration of the position of Government revenue and expenditure in connection with the Budget for 1924. Among matters which were noted for further discussion at a future date in examining the 1924 Budget were the conditions of Government service generally, which are now under consideration by a Select Committee of the Legislative Council who may be expected to put forward a comprehensive report which will render it unnecessary for the Committee to prosecute further investigations on this particular subject

Conditions of Government Serv

243. The Committee have had in mind three important innovations in the principle of remuneration to Government servants, one being that it may prove possible to inaugurate what may be termed a local service for employees in certain branches of activity such as Public Works Department Foremen, Stock Inspectors, Agricultural Instructors and certain Railway servants, appointments being made locally on short contracts which do not include the provision of passages and leave out of the country as do the more permanent contracts entered into with men appointed from England. The Committee believe that it would not prove difficult to work such a scheme in practice, that many local residents who are amply qualified for such work could from time to time be found ready to undertake the duty for a short period on an inclusive salary without tying them down to the public service as a lifelong avocation and without the normal leave, passage or pension privileges

Local Service

Professional  
appointments.

244. In the second place, they have been considering whether the interests of the service might not best be served by providing that technical men, whose value is not entirely dependent on the extent of their local experience and who, to be efficient, must keep up to date in their professional knowledge acquired in England or elsewhere, should not be placed on the pensionable staff as a matter of course. The Committee believe that efficiency would be best attained by engaging such specialists on short terms and by the State retaining complete freedom of action in regard to their retention at the expiration of that term or to the immediate termination of the contract on either side if the appointment does not prove satisfactory. Such men have a value in the world's markets as professional men and the Committee not only regard it as desirable that they should not be held down to permanent service under Government conditions but consider it preferable that the full value of the Colonial appointment should be made apparent to applicants in a way which enables it to compete in attraction with the salaries offered in other non-pensionable appointments. In this manner, they believe that service in the Colony will be made more attractive without additional cost to the State, that the field from which such men are drawn will be widened and that the Government will be able to exercise increased control over its professional servants, whose efficiency depends largely on their continued study of modern developments outside the Colony.

Consolidated pay.

245. In the third place, the Committee have been considering the advisability of framing the conditions of service on a basis of consolidated pay. On this matter they have not yet come to any clear decision. The advantages which are advocated for this basis are that the value of the appointment is thereby clearly stated and rendered more attractive, that a great deal of accounting, supervisory, repairing and menial work could be dispensed with, thus reducing the necessity for many officers, clerks and artisans, and that the civil servant would be able to spend the wages due to him as he likes without having part of them spent, as at present, by the Government on his behalf.

246. Privileges such as houses or house allowances, furniture, passages to England and back, travelling and outfit allowances, and the like are all part of an official's emoluments, all cost money to the State which in fact defrays the expense incurred on behalf of the civil servant concerned. They do not appear in the bare statement of what an officer's salary is and yet they form a very material part of the value of his appointment. Colonel Hammond in his report on the Railway (paragraph 133) estimated that 'the official costs the Railway on an average approximately 135 per cent more than his quoted salary for the year for every year's actual work which he performs'. The Committee believe that a similar state of affairs pertains in the case of other than Railway servants.

247. The Committee believe that further investigation might shew that economies in the Secretariat, Treasury and Public Works Departments could be effected by a simple system of consolidated pay, which, while preserving the pensionable privileges on the present basis, would increase an officer's substantive pay and give him a greater degree of independence in making his own arrangements in respect of housing, furniture, passages, and so forth.

248. The Committee consider that the policy in respect of officers' quarters requires revision. Cases have been brought to their notice where houses have been erected by the Government at an extravagant cost for the accommodation of an officer whose house allowance, based on 15% of his salary, was immoderately lower than the rental value of the house. The difference can hardly be regarded as constituting anything but an unnecessary increase in his privileges, the State is providing more than it contracted to provide and the excess capital outlay brings in no return by way of interest on the money spent. In general terms, the Committee consider that the cost of erection of an officer's house should bear some near relation to the substantive salary of the officer for whom the house is intended.

Training of Natives

249. The Committee would have liked to devote attention to the question of the training and education of natives to perform duties for which they may be fitted in the economic life of the country. They regard this as an essential item in framing the policy of the Colony and they consider that many of the difficulties and much of the expense of the local administration could be avoided in the future if a more extended use could be made of the native in all branches of the public service. They are informed that a Committee specially appointed to investigate this question has recently presented a report and they trust that development on these lines may proceed as rapidly as possible.

250. They have had evidence to show that of the few natives who have progressed sufficiently to receive appointment in the more responsible positions in the civil service, a number have been graded for purposes of pay on lines similar to the rates in force for Asians. They believe that this policy requires reconsideration. While it is undoubtedly the intention that natives shall eventually oust non-natives from certain positions in the Government service there seems to be no

adequate reason for encouraging natives to expect rates of remuneration which are paid to servants of another race who must, for the time being, be imported from overseas. The formulation of definite terms for a native service is now under consideration and the Committee believe that even before those terms are accepted the necessity for providing that the native service shall be inexpensive should be borne in mind. One of the great objections to the present imported service is its expense: that objection should not be allowed to persist also to the native service which it is hoped will eventuate.

251. The Committee believe that, when they resume their labours, investigation of the economic condition of the Colony will show a very much healthier state of affairs than was evident a year ago. They believe that, during the last twelve months, confidence has been restored, that trade has improved, that a spirit of economy has been engendered, that increased attention has been paid to local products and local opportunities and that the amount of produce shipped overseas is considerably greater. They trust that the best results will attend the investigations made by the South African Commission into the possibility of opening up trade between East and South Africa. They believe, in fact, that the corner has been turned, that the Colony is now on the sure road to prosperity and that it requires only continued action directed towards economy, production and utilization of local material to make that prosperity permanent. The policy of developing communications by new railways and the construction of an efficient deep water pier at the port are factors which will operate at an early date on the facility with which produce can be handled and marketed, and the Committee have no hesitation in believing that in three or four years' time, the severity of the crisis of 1921 and 1922 will not readily be understood or believed. Improved position.

252. Yet that crisis was very real; it had many subsidiary causes, but the main cause was undoubtedly the fixation of the rupee at two shillings. No matter what problem was under consideration—Government expenditure, Customs duties, Railway rates, costs of production and labour, native and non-native taxes—the currency fixation had its effect on all. Without the complication of a currency question, it is probable that Kenya would have suffered comparatively little; that in the place of wholesale retrenchments and restriction of activities all that would have been necessary would have been a careful revision of the Estimates at the end of the boom period and that the acute financial distress in the native areas would never have occurred. The currency fixation.

253. The work of the Committee has been directed in financial matters towards a gradual but final rectification of this question. Although the introduction of a shilling currency may have tended to a reduction in local prices, more than that is necessary and the Committee urge that no time be lost in bringing down all taxes, costs and expenditure, wherever the Government is concerned from a two-shilling to a sixteen-penny basis. They have referred in detail to this matter in their first interim report but they have reverted to the point because they feel so strongly that the removal of the last remaining effect of that fixation is an essential preliminary to the stabilization of local values on an uninflated basis. If the cost of living is low, labour is cheap and production profitable. The cost of living was increased by the fixation and cannot fully descend until the effects of the fixation have been eliminated.

254. They feel also that Kenya cannot be regarded as having surmounted its economic difficulties until a settlement has been reached on the important political question of the status of British Indians in this Colony. They trust that a satisfactory solution of this difficult problem will soon be reached on lines calculated to promote the economic development of the Colony. Delay in its settlement not only retards progress, it inspires a lack of confidence in the future, creates a sense of insecurity throughout the country among both commercial and farming communities and acts as a real obstacle to the investment of capital. The Committee have reason to believe that there are large sums of money recently introduced into the Colony which are lying idle purely because this question has not yet reached a settlement. The Indian question.

255. Before concluding this report the Committee desire to place on record an expression of their great indebtedness to Your Excellency and to your Excellency's predecessor for the support and encouragement they have received throughout their deliberations. They are not unmindful of the fact that by appointing his Private Secretary to be their Secretary, the late Governor gave the Committee an initial impetus which was of very real value and which tended to maintain the closest bond between His Excellency and themselves. Acknowledgment.

256. The continuance of their labours after August was greatly assisted by Your Excellency's sympathy and consideration, and the Committee owe a real debt of gratitude to Your Excellency for the manner in which continuity was preserved on Your Excellency's assuming the Government of this Colony at a

critical period of the attempt to place the economic and financial situation on a sound basis, when drastic alterations in policy were under consideration and when the situation was so desperate that indecision might well have proved fatal.

Committee's  
Secretary.

257. The Committee do not consider that this report would be complete without some special reference to the work of their Secretary. Throughout their sittings Mr. Sandford has displayed a remarkable capacity for the duties that were entrusted to him. The very able manner in which he recorded the minutes of their meetings—amounting in all to some 610 pages of manuscript, under more than 8,000 paragraphs—compiled statistics, and prepared statements and summaries for their consideration and the general interest he took in their deliberations greatly facilitated the despatch of business.

258. The terms of this report were considered at a meeting held on March 5th, 1923 at which the Chairman, Lord Delamere, Mr. Coney, Mr. Lane and Mr. Ambrose Smith attended. Mr. Shams-ud-Deen, who returned to the Committee for the purpose, was unable to be present but put forward his comments in writing. Major Fletcher was also absent. Major Grogan left for England in December, 1922 and it has not been possible to consult him. This report is, therefore, signed by the Chairman on behalf of those members who considered its terms.

C. C. BOWRING,

*Chairman.*

Nairobi,

5th March, 1923

## APPENDICES.

A.—A summary of the total actual European production, of the estimated native production surplus to local needs and of the value of produce exported from Kenya during the year ending June 30th, 1921.

B.—Minority reports.

- (1) By Mr. C. R. W. Lane on the abolition of the Government Stock Farm at Naivasha.
- (2) By Mr. Shams-ud-Deen on the salaries of Asian Civil Servants.
- (3) By Lord Delamere and Mr. J. E. Coney on the Government and Mbaraki wharves.
- (4) By Mr. Mangal Das in connection with the first interim report.

C.—Evidence given before the Committee by Mr. Follett Holt, M.Inst.C.E. on September 20th, 1922 on the subject of Port Development.

D.—Index to the interim reports and to the report of proceedings during 1922.

## APPENDIX A.

A SUMMARY OF THE TOTAL ACTUAL EUROPEAN PRODUCTION, OF THE ESTIMATED NATIVE PRODUCTION SURPLUS TO LOCAL NEEDS AND OF THE VALUE OF PRODUCE EXPORTED FROM KENYA DURING THE YEAR ENDING JUNE 30TH, 1921.

4th April, 1922.

THE HON. COLONIAL SECRETARY.

I submit herewith schedules drawn up from statistics in this office as requested.

A globular figure has been arrived at and the twenty per cent variation either way suggested by Major Grogan has to some extent been avoided. Members may interpret the figures to suit themselves, the process of calculation being shewn.

Rates have been based on Nairobi prices, taking a below value where it was considered the rate was unduly high.

The tonnage figures are estimates in that they comprise a combined actual return (European) with an estimated return (Native).

Excess exports for the year over actual production from that year must be read in the light of a carry over

Figures for hides and skins have not been enumerated, the Customs dues on export of such being the only indication of production. The hide production of the past year has not yet been moved but represents wealth in that the stocks may be moved if export dues are reduced, which would be advisable as the product does not keep well.

I trust that the information will meet the requirements of the Committee and if it is possible to help further, the Department is desirous of doing so.

E. HARRISON,  
*Acting Director of Agriculture.*

## SCHEDULE 1.

## EUROPEAN PRODUCTION, 1920-1921 (JULY-JUNE).

<i>Crop.</i>	<i>Total production</i>		<i>Total value</i>	<i>Rate</i>
	<i>1st July, 1920-</i>	<i>30th June, 1921.</i>		
	<i>Tons.</i>	<i>£</i>		
Maize ... ..	14,975	110,815	-	4s. per load.
Wheat ... ..	1,174	17,375	-	8s. per load.
Barley ... ..	138	2,298	-	9s. per load.
Oats ... ..	76	1,547	-	11s. per load.
Beans ... ..	149	453	-	5s. per load.
Peas ... ..	24	266	-	6s. per load.
Potatoes ... ..	345	1,277	-	2s. per load.
Coffee ... ..	4,494	296,604	-	£66 per ton.
Sisal ... ..	6,191	179,539	-	£29 per ton.
Flax Fibre ... ..	1,853	281,515	-	£65 per ton.
Flax Tow ... ..	2,478			
Linseed ... ..	2,203	31,943	-	290s. per ton.
Sugar Cane (Sugar) ... ..	105	1,960	-	6s. per frasila.
Copra ... ..	39	663	-	£17 per ton.
Wattle (Bark) ... ..	752	4,512	-	£6 per ton.
Fruit ... ..	78	2,912	-	4d. per lb.
Vegetables ... ..	141	1,316	-	1d. per lb.
Eggs, doz. ... ..	16,894	1,689	-	2s. per doz.
Milk, gall. ... ..	249,996	24,999	-	2s. per gall.
Butter, lb. ... ..	214,165	21,416	-	2s. per lb.
Cheese, lb. ... ..	58,094	4,357	-	1s. 6d. per lb.
Bacon and Bacon products, lb	216,281	16,221	-	1s. 6d. per lb.
Ghee, lb. ... ..	8,791	549	-	45s. per frasila.
Wool, lb. ... ..	176,331	8,817	-	1s. per lb.
Coconuts, No ... ..	348,091	1,044	-	6s. per 100.
	<b>Total</b>	<b>£1,014,087</b>		

## SCHEDULE 2.

ESTIMATED SURPLUS NATIVE PRODUCE (AFTER HOME REQUIREMENTS ARE SATISFIED)  
AVAILABLE FOR SALE DURING TWELVE MONTHS ENDING 30TH JUNE, 1921.

<i>Crop</i>	<i>Total estimated</i>		<i>Total value.</i>	<i>Rate</i>
	<i>available</i>	<i>produce</i>		
	<i>Tons.</i>	<i>£</i>		
Maize ... ..	84,252	545,531	-	3s. 6d. per load.
Scorghums, Millets ... ..	65,566	363,841	-	3s. per load.
Sim-Sim ... ..	4,251	63,765	-	£15 per ton.
Rice ... ..	614	22,718	-	£1 per load.
Miscellaneous Grains ... ..	49,292	364,761	-	4s. per load.
Other Pulse crops ... ..	7,067	65,369	-	5s. per load.
Beans and Peas ... ..	10,590	117,549	-	6s per load.
Potatoes including Sweet				
Potatoes ... ..	25,063	92,733	-	2s. per load.
Ground Nuts ... ..	54	810	-	£15 per ton.
Cassava (Muhogo) ... ..	947	10,512	-	6s per load.
Cotton ... ..	268	22,512	-	9d per lb.
Copra ... ..	161	2,737	-	£17 per ton
Chillies ... ..	3	93	-	10s. per frasila.
Sugar Cane ... ..	537	537	-	£1 per ton.
Jaggery ... ..	11	205	-	6s. per frasila.
Ghee ... ..	1	140	-	45s. per frasila.
Tobacco ... ..	13	728	-	6d. per lb.
Coconuts, No ... ..	2,575,200	7,726	-	6s. per 100.
Bananas, Bunches, No ... ..	5,250,159	262,508	-	1s per bunch.
	<b>Total</b>	<b>£1,944,775</b>		



**SCHEDULE C.**

**SUMMARY OF THE TOTAL ACTUAL EUROPEAN PRODUCTION, ESTIMATED NATIVE PRODUCTION AND ESTIMATED VALUE OF TOTAL PRODUCTION IN THE COLONY AND PROTECTORATE OF KENYA COMPARATIVE WITH QUANTITIES AND VALUES OF EXPORTS AS FURNISHED BY CUSTOMS RETURNS FOR A PERIOD OF TWELVE MONTHS ENDING 30TH JUNE, 1921.**

(A and B equals gross consumable production during 1920-21, July-June).

Product.	A.	B.	C.	D.	E.	European production value.	Native production value.	Total country production value.	Export value	Value of produce consumed or standing in the country	Excess export to credit 1920.
	Actual European production 1st July, 1920 to 30th June, 1921. Tons.	Estimated native production surplus to local needs ditto. Tons.	Total country production gross. A. & B. Tons.	Total exports 1st July, 1920 to 30th June, 1921. Tons.	Balance standing in the country June, 1921. Tons.						
						A.	B.	A. & B.	D.	E.	
						£	£	£	£	£	
Maize ... ..	14,975	84,252	99,227	6,722	92,505	110,815	545,531	656,346	49,742	606,604	
Wheat... ..	1,174	—	1,174	22	1,152	17,375	—	17,375	326	17,049	
Barley... ..	188	—	188	—	188	2,298	—	2,298	—	2,298	
Oats ... ..	76	—	76	—	76	1,547	—	1,547	—	1,547	
Rice ... ..	—	614	614	—	614	—	22,718	22,718	—	22,718	
Millet... ..	—	65,566	65,566	399	65,167	—	363,841	363,841	2,214	361,627	
Sim Sim ... ..	—	4,251	4,251	1,868	2,383	—	63,765	63,765	28,020	35,745	
Miscellaneous Grains	—	49,292	49,292	9	49,283	—	364,761	364,761	67	364,694	
Beans ... ..	149	10,282	10,431	317	10,446	453	—	453	—	453	
Peas ... ..	24	808	832	—	832	266	—	266	—	266	
Other pulses ... ..	—	7,067	7,067	303	6,764	—	65,369	65,369	2,803	62,566	
Potatoes ... ..	845	25,063	25,408	3,936	21,472	1,277	92,733	94,010	14,563	79,447	
Sisal ... ..	6,191	—	6,191	6,128	63	179,539	—	179,539	177,712	1,827	
Flax ... ..	4,331	—	4,331	456	3,875	281,515	—	281,515	29,640	251,875	
Linseed ... ..	2,203	—	2,203	—	2,203	31,943	—	31,943	—	31,943	
Coffee ... ..	4,494	—	4,494	6,368	—	296,604	—	296,604	420,288	—	—123,684 - Due to carry over.
Cassava ... ..	—	947	947	—	947	—	10,512	10,512	—	10,512	
Copra ... ..	39	161	200	312	—	663	2,737	3,400	5,304	—	—1,904 Due to carry over
Cotton... ..	—	268	268	—	268	—	22,512	22,512	—	22,512	Export figures not available
Sugar Cane ... ..	—	537	537	—	537	—	537	537	—	537	
Jaggery ... ..	105	11	116	—	116	1,960	205	2,165	—	2,165	
Wattle ... ..	752	—	752	306	446	4,512	—	4,512	1,836	2,676	
Tabacco ... ..	—	13	13	5	8	—	723	723	280	443	
Fruit ... ..	78	—	78	—	78	2,912	—	2,912	—	2,912	
Vegetables ... ..	141	—	141	—	141	1,316	—	1,316	—	1,316	
Wool, lb. ... ..	176,331	—	176,331	84,560	91,771	8,817	—	8,817	4,228	4,589	
Eggs, doz. ... ..	16,894	—	16,894	—	16,894	1,689	—	1,689	—	1,689	
Milk, gall. ... ..	249,996	—	249,996	—	249,996	24,999	—	24,999	—	24,999	
Butter, lb. ... ..	214,165	—	214,165	150	214,015	21,416	—	21,416	15	21,401	
Cheese, lb. ... ..	58,094	—	58,094	1,520	56,565	4,357	—	4,357	114	4,243	
Bacon and Products	216,281	—	216,281	33,936	282,345	16,221	—	16,221	3,438	12,783	
Ghee, lb. ... ..	8,791	2,240	11,031	—	11,031	549	140	689	—	689	
Coconuts, No. ..	348,091	2,575,000	2,923,291	147,568	2,775,723	1,044	7,726	8,770	442	8,328	
Bananas, bunches ...	—	5,250,159	5,250,159	—	5,250,159	—	262,508	262,508	—	262,508	
<b>Total</b>						<b>1,014,087</b>	<b>1,943,872</b>	<b>2,957,959</b>	<b>744,551</b>	<b>2,338,996</b>	<b>—125,588 - Due to carry over.</b>

## SCHEDULE 4.

## FOODSTUFFS CONSUMED BY "LABOUR" EMPLOYED IN PRODUCTION ENUMERATED IN SCHEDULE 1.

	<i>Units.</i>	<i>Tons.</i>
Average number of men employed monthly in agricultural industries	55,938	
Consumption <i>per month</i> at 45 lb. per unit ... ..	2,517,210 lb.	
Consumption per year	30,206,520 lb.	13,485

*Note.*—Women and children are not included in above for production purposes.  
*Note.*—Probably 1% of men do not receive "posho" but no deduction has been made.  
*Note.*—Tonnage on posho can be assumed as maize and maize product only.

## APPENDIX B.

## (1) MINORITY REPORT BY MR. C. R. W. LANE ON THE ABOLITION OF THE GOVERNMENT STOCK FARM AT NAIVASHA.

P.O. Box No. 424,  
 NAIROBI,  
 18th April, 1922

SIR,

I have the honour to submit this my minority report on the question of the abolition of the Government Stock Farm at Naivasha.

I disagree with the other members of the Committee on the ground that the farm has fully justified its existence and that it will continue to do so, at no cost to Government, under the following conditions, which I understand from enquiry are practicable.

1 The farm can be managed single-handed provided.

(a) All but the pure bred cattle are sold.

(b) All sheep except the recently imported merinos are sold.

This would result in a considerable reduction in wages and cost of upkeep.

2. This year's estimates provide for

	£
A manager and local allowance ..	900
2 stockmen and local allowance ...	750
Upkeep Vote ... ..	2,500
Purchase of stock .. ..	1,000
Insurance, freight, etc ...	250
	£5,400

I propose that the Upkeep Vote should be reduced to one half and the sums spent on stockmen and the purchase of stock be cut out

Next year's estimates would then be:

Manager and local allowance at 25% ...	750
Upkeep Vote .. ..	1,250
	Total ... £2,000

3. Leaving out of the question the sum which would be realized by the sale of the cattle and sheep mentioned in paragraph 1, it can be presumed that the sale of surplus stock already arranged to be held at the end of the year will realize fully the sum required

4. At very low prices (lower than the average realized last December) this sale should realize:—

About 35 bulls at £30 each	...	...	1,020
„ 40 Hereford cattle (entire herd)	...	...	300
„ 25 cows and heifers at £12	...	...	300
„ 500 sheep at £1 each	...	...	500
„ 20 Donkeys at £6 each	...	...	120
„ 150 Angora goats at S. 10 each	...	...	75
			<hr/>
	Total	...	£2,315
			<hr/>

The results of all previous sales will show higher average prices than the above.

5. The reduction of the number of breeding cattle left on the Farm would result in a smaller number of bulls being offered at next year's sale, but as they would be all pure bred the average prices would be higher and their value would be greatly enhanced by the fact that they would be sold with full particulars as to their dams milking records.

At the low estimate there should be 25 bulls offered averaging £80 each, realizing a total of £2,000.

6. With the reduction of stock the whole farm would not be required and half might be let together with the manager's house (he would move to the stockman's house nearer the boma).

7. Any surplus realized on the estimates might be expended on the purchase of stock to replenish the existing herds, and if a portion of the sum realized by the sale of these cattle and sheep not required for the nucleus herds were expended in the purchase of dairy stock from England, the future prosperity of the Farm would, I feel sure, be assured, both as a financial proposition and as an asset to the country.

8. It has been stated that the farm competes with the local farmers but this is, I venture to submit, open to question. There are only a few farmers in a position to purchase grade stock, but the majority are unable to do so owing to financial difficulties and these farmers will, as they become more prosperous, look to Government for help in this direction.

It cannot be disputed that the present time is the least favourable for the sale of stock or land, apart from this it is proposed to sell a farm which is the finest stock farm and the best situated in the country. I feel, therefore, confident that the Government should retain it more especially as it can be worked to cover all expenses.

The value of the land will not depreciate, on the contrary, it is probable that it will be enhanced to more than double its present value in the near future.

I would, therefore, recommend that the farm be retained. It is valued by the farming community as a source from which first grade stock can be obtained at a moderate price.

I would state that I discussed the question with the manager of the Government Farm who informed me that he was prepared to carry on the farm unassisted and that he was confident that it could be run at a profit.

I have the honour to be,

SIR,

Your obedient servant,

C. R. W. LANE.

The Chairman,

The Economic and Financial Committee,

Nairobi.

## (2) MINORITY REPORT BY MR SHAMS-UD-DEEN ON THE SALARIES OF ASIAN CIVIL SERVANTS.

Resolution No. 27 dated June 1st, 1922.

“Resolved that the Government be urged immediately to restore the rate of permanent emoluments paid to the Asiatic members of the Kenya Civil Service and Uganda Railway to the terms of the original intention of the contracts covering the Asiatic Service coupled with a temporary ‘local allowance’ to be paid on the same basis as that paid to the European Civil Servants; and further that all such contracts be so standardized forthwith, the effect being that S 20 will in future be paid in lieu of every 15 florins forming the present substantive salary.”

See paragraphs 86 to 89 of the first interim report.

NAIROBI,

8th June, 1922

The Chairman,  
Bowring Committee,  
Nairobi.

SIR,

MINORITY REPORT ON RESOLUTION No. 27.

1. Whilst anxious to support the Committee in devising measures for the reduction of Government expenditure in every Department including the Uganda Railway, I regret I find myself unable to agree with the majority of the Committee which passed the resolution whereby it is proposed to revert the salaries of the Asian Civil Servants to the Rupee basis as it stood before the fixation of the local currency

2. Although at first sight the effect of reducing the salaries of Asian Civil Servants by one-third would appear to be a measure calculated to bring about a saving of £60,000 a year, I have come to the conclusion that such is not the case and a closer examination of the facts will reveal that the actual result will be an increase in the expenditure under this head.

3. All the members were unanimous in holding that an arbitrary reduction of this nature would amount to a breach of the contractual obligations which exist at present as between the Asian Civil Servants on the one side and the State on the other

4. The only other conceivable method of reducing salaries is that of a variation of the existing obligations with the consent of the Asian Civil Servants, giving the members who are unwilling to accept reduced salaries an opportunity to retire on pension, or on receipt of the privileges or gratuities to which they would be entitled on being retrenched.

5. From the evidence before the Committee it is perfectly clear that most of the senior members of the Service who are entitled to pensions or gratuities would retire if given the option to do so, rather than accept the reduction of salary. This would obviously mean the promotion of lower grade clerks to occupy the posts vacated by senior members of the Service and, therefore, the amount of money to be found for pensions, gratuities and promotions of grades (even at the minimum salary of the higher grades) will exceed considerably the amount saved by the proposed reduction of salaries.

6. In order to avoid the result shown in paragraph 5, the Committee have finally decided to offer the members of the Asian Civil Service the option of two alternatives, viz, (1) To accept two-thirds of their present salaries with a temporary local allowance of 25% as paid to the European staff which will be taken away by the end of this year; (2) To retire without pension, gratuity or any other privileges to which they would have ordinarily been entitled if permitted to remain in service for another four or five years.

7. Personally I cannot imagine that any Government with a due sense of honest dealing, would approve of such a scheme and it was not without some hesitation that the official members agreed to the resolution, one of them at least being more or less forcibly persuaded to vote for it, on the somewhat predatory plea “That necessity knows no law”.

8. If it is admitted, and I have no doubt that it is, that the arbitrary reduction of salaries by a stroke of the pen is a breach of contract, then I am fully convinced that by driving the Government servants into a position in which they must either accept reduced salaries or go without pension and other well-earned privileges, Government will be committing a gross breach of faith.

9. A large number of Asian staff have or nearly have completed two-thirds of the period towards their pensionable service and for the Government deliberately to deprive them of their privileges is an action which is bound to have effect in shattering all sense of security or faith in that Government and will transform those of the Asian staff still left in employment into an army of very discontented subordinates and will naturally react on their efficiency.

10. The only justification for the Government to ask its Asian staff to accept reduced salaries, in my opinion, lies in its inability to balance the Budget, and that in order to achieve this end there is no alternative other than the one of drastic retrenchments specially in the higher posts. I would add that I still believe that vast savings of money could be effected by acting on the principle that highly paid Europeans should be appointed to fill the very high administrative posts, which it is thought inexpedient to be entrusted to Asians; otherwise the Asians should fill most of the intermediate posts, the lower posts being filled by natives of the country whenever possible.

11. There are admittedly many Departments which have come into existence since the war, and which have developed into huge concerns. These would go on ramifying *ad infinitum* unless an immediate check is administered and I believe that several of these Departments could be entirely abolished without any inconvenience to the public service of the Colony.

12. The Government have by law fixed the Rupee at two shillings and having done so is precluded from advancing any arguments based on the fluctuations of any currency outside the Colony. These fluctuations may in theory have benefited the Asian staff or may be, the Government, for payment of salaries to its staff. I would urge that salaries of the Asian staff must be accepted by the Government as a rupee liability which, in accordance with the law has been converted into a Florin or Shilling liability at two shillings to the rupee. This is the law applicable to the general public and must, therefore, apply also to Government servants. The acceptance of the majority resolution amounts to a virtual repudiation of the law stabilising the Rupee at one Florin or two Shillings.

13. I would emphasise at this point that there is not and never has been, any analogy between the salaries of the European and Asian staff. Both these branches of the service had their definite terms of contracts expressed in sterling and rupees respectively, and the argument that is advanced that the European local allowance has been reduced and therefore the Asian salaries must be reduced is not at all a sound one. I desire further to point out that in order to secure the immunity of the European staff to the effect of the exchange market, they were given liberal allowances, over and above the legal commitments, but no such consideration was ever extended to the Asian Civil Service. In this connection, I would point out that actually when the local currency was fixed at two shillings to the Rupee the wages of the Asian staff were virtually reduced by 25% and although at the time very strong representations were made to the Government to compensate them by a local allowance, no such alleviation was granted to them.

14. Had the Government at that time recognised the principle of compensation for the Asian staff by granting them a local allowance to relieve them of the adversity of the exchange or had it ever reduced the salaries of the European staff when they drew nearly double the amount of their salaries owing to the favourable exchange, then could it be reasonably argued that now as the exchange is favourable to the Asian staff, they would be expected to accept reduced salaries.

15. In order more clearly to emphasise my point as to the benefits enjoyed by the European Civil Service for a number of years including the benefit derived from the exchange I append hereto a comparative statement marked "A" from which it will be readily seen that for some time they actually were in receipt of double the amount to which they were legally entitled, and even when the local currency was fixed they still received 50% more than their salaries whereas in comparison the Asians had to be content with three-quarters of their salaries at this very period.

16. In August, 1920 the scales of salaries of the European and Asian members in the Government Service were revised (*vide* Government Circulars Nos. 46 and 48 of 1920) by which a substantial increase of 60% to 67% was granted to all grades of the European Clerical Staff, the corresponding increase granted to the various Asian Clerical Grades being only 11% to 16%. This will be seen on reference to a comparative statement attached hereto and marked "B".

The revised scale of salaries introduced in the Uganda Railway in the commencement of 1921 were so anomalous that it hardly improved any scale, on the other hand it proved to be prejudicial in several instances. This will be seen by a reference to appendix "C"

17 It is quite clear that 50% allowance granted to European clerks was in addition to the increase of 67% of substantive salaries granted by the revised scales and might only be regarded as super-bonus which was given temporarily on the plea of increased cost of living but on the distinct understanding that it would be withdrawn by the end of the year 1922.

18 This fact is further demonstrated by a reference to a debate on the subject of 50% allowance, which took place in the Legislative Council on the 31st January, 1921 during which debate certain unofficial members vigorously opposed the 50% allowance on the ground that the salaries of the European Civil Service had already been substantially increased

19 The majority resolution further remarks that the standard of living as exemplified by statements placed before the Committee appeared to them to be disproportionately high. I am personally aware of the fact that in fact it is not correct and that the particulars contained in the statements placed before the Committee constitute the minimum expenses to which an Asian subordinate is actually put at the present time and a reduction could not be made consistent with decency and respectability according to which a subordinate must live. I know of no boarding house in Nairobi where one could obtain food for lesser amount than shillings 100 per month. Further the increased taxation in the form of Customs Duties recently increased, would greatly enhance the domestic budget of these individuals

20 It is within the knowledge of the Committee that in the case of such members of the European Civil Service who are entitled to retire on pension, a standing offer has been made to them whereby they will be entitled to 30% more pension than they would be ordinarily entitled to, provided that they retire before the end of 1923. Exactly the reverse of this principle has been recommended by the Committee in the case of Asians

21 Summing up, I would like to state

(1) That the relation between the rates paid to Europeans and Asians was distorted in August, 1920 as stated in paragraph 16 when the salaries of European clerks were enhanced by over 50% in comparison to the relation which then existed between the two branches of the service and therefore any attempt at further reduction in the salaries of Asians will be extremely unjust and will aggravate the disparity of the relation that already exists in the two branches of the service

(2) The above remarks and comparisons refer only to the Asian and European subordinate staff, and have no bearing in regard to the general terms of the higher European Service, but it is safely estimated, that, with the various liberal allowances and privileges (family passages, etc.) allowed to Europeans, which are not extended to Asians, the cost of each European employee to the State is double the nominal salary drawn by him

(3) It would be extremely hard and unjust to cut the salaries of the Asian Staff because by reason of the very slow incremental scale allowed to them they will not be able to regain their present rate of salaries during the next 10 years. They have only attained their present salaries after a long and approved service averaging about 20 years

(4) The measure will be economically unsound and the standard of efficiency of the Government staff will be affected as the members will undoubtedly be disheartened and lose interest in their work.

22 Finally this measure will affect Asians with unexpected suddenness, whereas in the case of Europeans they were definitely and clearly told that the local allowance was purely temporary and liable to be taken off at not a distant date

I have the honour to be,

Sr,

Your obedient servant,

SHAMS-UD-DEEN.

## "A"

A comparative statement showing the relative value in sterling and Indian Rupees of the respective salaries paid locally to a European clerk drawing £20 and an Asian clerk drawing Rupees 300 respectively and the varying effect of the fluctuation of exchange value of the Rupee thereon

*A European Clerk entitled to draw a monthly salary of £20 per mensem according to the original intention of his contract.*

	Salary according to the intention of the contract.		Salary actually paid.		Effect of exchange in value of the Rupee.	
	£20	Rs. 300 or £20	£20	Rs. 300 or £40	Paid in excess of the original contract.	Paid less
Prior to the rise of the Rupee value ... ..	£20	Rs. 300 or £20	£20	Rs. 300 or £20	Nil.	-
When the value of the Rupee rose to 32 pence or 2s. 8d. prior to the local fixation of the Rupee ... ..	£20	Rs. 300 or £40	£20	Rs. 300 or £40	100%	-
When the rupee was locally fixed at 24 pence or 2s. or Rs. 10 to the pound ...	£20	Rs. 300 or £30	£20	Rs. 300 or £30	50%	-
When the Rupee was locally replaced by the Florin ...	£20	Fls. 300 or £30 (with 50% local allowance)	£20	Fls. 300 or £30 (with 50% local allowance)	50%	-
When the Rupee was locally replaced by the Florin .	£20	Fls. 250 or £25 (with 25% local allowance)	£20	Fls. 250 or £25 (with 25% local allowance)	25%	-
When the Rupee was locally replaced by the Florin ...	£20	Fls. 200 or £20	£20	Fls. 200 or £20	Nil	Nil.

*An Asian Clerk entitled to draw a monthly salary of Rupees 300 according to the original intention of his contract.*

	Salary according to the original intention of contract.		Salary actually paid.		Relative value in Indian Rupees of the salary actually paid.		Effect of exchange in the value of the Rupee.	
	Rs. 300	Rs. 300	Rs. 300	Rs. 300	Paid in excess of original contract.	Paid less than the original contract.		
Prior to the rise of the value of the Rupee ...	Rs. 300	Rs. 300	Rs. 300	Rs. 300	Nil.	Nil.		
When the value of the Rupee rose to 32d. or 2s. 8d. prior to the local fixation of the Rupee ...	Rs. 300	Rs. 300	Rs. 300	Rs. 300	Nil.	Nil.		
When the Rupee was locally fixed at 24d. or 2s. or Rs. 10 to the pound the value of the Rupee being still 2s. 8d. in the markets of the world as well as in India	Rs. 300	Rs. 300	Rs. 300	Rs. 225	Nil.	25%		
After the Rupee was replaced by the Florin and the value of the Rupee fell to 16d. or 1s. 4d. in India	Rs. 300	Fls. 300	Rs. 300	Rs. 450	50%			

## "B"

## STATEMENT SHOWING THE RATIO OF INCREASES GRANTED TO EUROPEAN AND ASIAN CLERKS.

*European Clerks.*

	<i>Pre-War.</i>	<i>Present.</i>	<i>Increase</i>	<i>Decrease.</i>
Junior Clerks	Minimum £150	- £250	- 100—67%	- —
	Maximum £250	- £400	- 150—60%	- —
Senior Clerks and Office Superintendents	Minimum £250	- £400	- 150—60%	- —
	Maximum £400	- £500	- 100—25%	- —

*Non-Europeans.*

	<i>Pre-War.</i>	<i>Present.</i>	<i>Increase.</i>	<i>Decrease.</i>
IV Grade	Minimum Fls. 90	- Fls. 70	- —	- 20—22%
	Maximum Fls. 120	- Fls. 120	- —	- —
III Grade	Minimum Fls. 125	- Fls. 125	- —	- —
	Maximum Fls. 155	- Fls. 180	- 25—16%	- —
II Grade	Minimum Fls. 160	- Fls. 180	- 30—19%	- —
	Maximum Fls. 220	- Fls. 255	- 35—16%	- —
I Grade	Minimum Fls. 235	- Fls. 260	- 25—11%	- —
	Maximum Fls. 300	- No fixed	- —	- 40—13%

maximum  
and no increments granted  
since 1920.

## "C"

## STATEMENT SHOWING THE RATE OF INCREASES GRANTED TO EUROPEAN CLERKS AND OFFICE SUPERINTENDENTS, UGANDA RAILWAY.

	<i>Pre-War.</i>	<i>Present.</i>	<i>Increase.</i>	<i>Decrease.</i>
Junior Clerks	Minimum Up to £200	- £200	- —	- —
	Maximum Up to £200	- £200	- —	- —
Clerks	Minimum £160	- £250	- 56%	- —
	Maximum £240	- £400	- 66%	- —
Senior Clerks and Office Superintendents	Minimum £400	- £500	- 25%	- —
	Maximum £400	- £500	- 25%	- —

## STATEMENT SHOWING THE GRADES AND RATES OF NON-EUROPEAN CLERKS OF THE UGANDA RAILWAY.

	<i>Pre-War</i>	<i>Present.</i>	<i>Increase</i>	<i>Decrease.</i>
Head Clerk	Rs	Special Grade		
Minimum	170	Fls. 280 upwards	—	13% on maximum.
Maximum	300			
Accounts Clerk, 1st Grade		"A" Grade		
Minimum	200	Minimum 190	—	5%
Maximum	280	Maximum 255	—	9%
Accounts Clerk, 2nd Grade		"B" Grade	Decrease which cannot be figured there being two different grades which have now been merged into one.	
Minimum	120			
Maximum	180			
Senior Clerk, 1st Grade		Minimum 125 Maximum 180	—	
Minimum	130			
Maximum	160			
Senior Clerk, 2nd Grade		"C" Grade		
Minimum	90			
Maximum	120			
Junior Clerks		Minimum: Maximum: }	By 7/50 up to 120.	
Minimum	50			
Maximum	85			



(3) MINORITY REPORT BY LORD DELAMERE AND MR. J. E. CONEY ON THE  
GOVERNMENT AND MBARAKI WHARVES AND THE FINANCIAL POSITION  
OF THE COLONY IN CONNECTION THEREWITH.

The majority recommendations, dated October 25th, 1922, are given in paragraph 210 of the report.

The question of the Port must be divided under two heads:—

1. Whether the Government wharf should be proceeded with or whether it should be suspended.
2. Whether Government should or should not acquire Mbaraki by lease or purchase.

It seems clear from the figures before the Committee, that whatever action Government decides to take about Mbaraki, it is against the interests of the Colony to proceed with the Government wharf at present.

It is evident that whether Mbaraki is worked by Government or by private enterprise, whether as a lighter or deep sea wharf, it must take away a large tonnage from the Government wharf and that the tonnage calculated by Government to make the Government wharf pay interest and sinking fund and working charges, given reasonable rates, without demanding a subsidy from the Colony, will not be available for several years to come.

Also at the new Government wharf that facilities are being provided which are not necessary as the tonnage can be handled over the present lighter wharf plus Mbaraki, whether the latter is used as a Deep Water Pier or as a Lighter wharf.

Provided that an arrangement can be come to with the contractors under which Government could suspend the work on anything like reasonable conditions we are sure that this step should be taken for the following reasons.—

1. It is evident that the Government wharf will require a large subsidy from the Colony for several years after it's completion.

2. If, say, £800,000 could be withdrawn from this work and put into Railway development in the richest districts of the Colony, say Kavirondo as an addition to the Uasin Gishu Railway, there is no doubt that the financial position of the Colony would be very much improved because the money would be taken from what is certain to be a non-productive work for several years, and put into a railway which would change the Uasin Gishu Railway from a railway with it's terminus more or less in the air in country which has still to be fully developed by European settlement, into a railway which would extend right through the richest native districts of the Colony, possibly as far as the Uganda border, where the bulk of export could be immediately increased out of all knowledge, with the certainty that the import traffic must follow.

3. The money already expended on the wharf is likely to be dead money, as far as interest earning capacity is concerned, for several years to come and does not affect the immediate financial issue, which is whether the Colony is going to be able during the next few years to bear the interest and sinking fund on £8,000,000 worth of loan money, plus interest on a cash overdraft at the Crown Agents of nearly a million plus any loss on working of new railways at first.

4. Evidence has been given to the Committee by the General Manager of the Uganda Railway, that about 300,000 weight tons a year could be handled over the present lighter wharf, and Mbaraki is estimated to be able to handle to-day on a 24 hour day and 150 working days, nearly 200,000 weight tons, provided that in both cases the lighters are available, and it seems certain that a tonnage of half a million weight tons, that is, say, a million bill of lading tons will not be reached for some considerable time to come on any calculation put forward.

It must be remembered that the Magadi Soda Company have a small conveyor port of their own without any wharf over which they propose to handle probably 160,000 tons a year, so that it is evident that the bagged and baled exports of the Colony could be provided for in the same way if congestion occurred, so that even if the tonnage increased above all possible expectations during the next ten years, no risk whatever is being run of failure to handle it. It is therefore difficult to find reasons for an expensive wharf at present

5 Two berths cannot in any case accommodate more than a proportion of the ships coming into Kihndini, so that no calculation based on the full railway in and out tonnage, can be in any way correct.

To sum up, it seems that to expend the £800,000 or so still unspent on the Government wharf instead of on productive railway development, means spending large sums of capital in providing facilities which are not required, and neglecting the vital necessity of the country which is to increase exports, in this case by providing transport facilities

It means that the Colony will have embarked on three schemes at once none of which are likely to be quickly productive, and that large sums in interest and sinking funds and possibly to cover working expenses, will have to be found by the Colony, or by the Uganda Railway, which is the same thing.

- 1 The Uasin Gishu Railway.
- 2 The Government deep water wharf.
- 3 The Nyeri Railway

By transferring two-thirds of the capital from No 2 to No 1 the likelihood is, that the Uasin Gishu Railway would shortly be profit bearing, and the money required to meet interest on that part of the loan from revenue, could be transferred to paying interest on capital for other productive works

The position of the Nyeri Railway is identical in either case

We have argued on the assumption that the Colony can get out of the Government wharf for, say, £400,000 Personally we believe that if the negotiations with the contractors are properly carried out direct, the sum would be considerably less especially if the profit can be transferred to other work The figures given to the Committee by Mr Fforde, the Supervisory Engineer to the Government, on the cost of abandoning the port scheme are as follows:—

	£
1 Permanent work executed and materials on ground up to October 31st, 1922	86,400
2 Estimated value of plant	190,000
3 Estimated value of temporary works and building rents and preliminary expenses	30,000
4 Profit 10% on £1,000,000	100,000
5 Compensation to staff for breaches of contract, etc and sundries . .	35,000
Total	£441,400

Add the amount of fees due to the Engineers in chief and other incidentals (unassessed)

Mr Fforde said that he thought the Engineers in Chief would be unlikely to claim their fees

The first figure of £86,400 must be taken as approximately correct. The second figure of £190,000 is the full estimated value of the plant, and it is impossible to suppose that Government would be called upon to meet the full amount

The committee has evidence from Major Hiekes, who was in the employ of Messrs Paulings for several years, that he thinks some of this plant could be disposed of in any case, and that if Messrs Paulings have not yet bought their plant for working the wharf contract at Lobito Bay which they have just entered into, it might be possible to dispose of a great deal of it.

In any case it is certain that the contractors could not expect to write off the full cost of plant on one contract so that the figure of £190,000 is very excessive in calculating the sum to be arranged for.

The item of £100,000 for profit could presumably be transferred to other work provided the contractors accepted it, the Nyeri Railway for instance, and the Colony would only actually be out of pocket to the extent of the profit on the capital already expended on the wharf Adding this up the figures would appear to stand something like this:—

	£
1. Work done	86,400
2. Say 75% of value of Plant	142,500
This figure is probably much too high.	
3. Temporary works, etc	30,000
4. Profit on say, £300,000 at 10%	30,000
5. Compensation, etc.	35,000
Total	£323,900

On the surface there appear to be numerous further savings on the above figures if the negotiations are properly carried out and use made of buildings, etc., by Government which is at present hiring buildings at Mombasa and Kilindini.

The particular contractors are above all railway contractors especially in Africa and it would be all to their advantage to take railway work offered by Government in this Colony, provided their estimated profit on the wharf is assured, rather than to force Government to continue a work which is not at present required. Big Government contractors would, we are sure, not wish to take up such an attitude, and we are sure that the suspension of the Government wharf works is purely a question of the best terms procurable on behalf of the Government, provided Government makes up its mind and the consulting engineers and the contractors realise that this is so.

If this amount of £323,900 had to be paid from loan funds, it would mean that interest and sinking fund at 8% would amount to £25,912 and £323,900 would have to be deducted from £1,250,000. But the Committee has it in evidence from Mr. Follet Holt and Major Hickes, that the contractors would probably be willing to accept interest on the money outstanding if the work were only suspended and if other work was provided.

If this could be done at 6%, the charge on the Colony would be about £20,000, say a fifth of the charge to be found if the work were proceeded with.

The Committee has it in evidence from Mr. Fforde and Mr. Fillet Holt that no very great deterioration would take place in most of the permanent work done on the Government wharf. Mr. Fforde estimates that £63,000 worth of work would not depreciate much in five years.

If it could be arranged with the contractors that they would take interest or interest and sinking fund on their money instead of payment in cash, nearly the whole amount of the £1,250,000 would be released for the extension of the railway system of the Colony, and the fostering of tonnage.

It has been made clear that the carrying of an enormously increased tonnage on the present main line, is only a question of the provision of rolling stock and crossing stations. In addition to Mr. Follet Holt's very clear evidence on this point, evidence was given by Mr. Lawley before the Economic Commission and in fact, any intelligent man can work it out for himself. This being the case, the vital necessity of the Colony is not port facilities which are not required, but Railway extensions which are. It must be called to mind that Sir George Buchanan, whose opinion is now being taken on the harbours all over the Union of South Africa, considered that the country would not have sufficient tonnage to justify the present Government scheme for some years to come, and that Mr. Follet Holt held the same opinion. The estimated tonnage for 1923, excluding Magadi Soda which has its own private facilities for shipment, is 70,000 tons imports and 103,000 tons exports. Of the latter it is estimated that 35,000 tons will be maize and 20,000 tons cotton seed. Any large increase in these two commodities cannot in any way help the Colony towards interest on the capital expended on the Government deep water pier, as they will not stand anything but the lowest rates, in fact it is doubtful if the rate that can with advantage be charged on them at present, would cover working expenses. In the Union of South Africa, maize is carried from any station on the railway into ship at 10s. a ton of 2,000 lbs. or 1s. a bag of 200 lbs. Cotton seed is in the same position owing to its low value and the long haul from Uganda. This brings the total estimated tonnage for 1923 that is any use for purposes of calculation, down to about 120,000 tons export and import combined.

One contra advantage has been suggested if the Government Wharf were available; that insurance would be less. As only a proportion of ships coming into Kilindini harbour would be able to lie alongside the two berths, it is difficult to see how this could be arranged to any great advantage, at least in the case of imports.

With regard to Mbaraki, the immediate financial position of the Colony is evidently not improved if Government takes steps to acquire this wharf and the land behind it now.

Fairly low rates at Mbaraki would be assured in any case by the competition from the Government lighter wharf, and if Government decides to consider the suspension of the work on the Government wharf, it should be possible to make an agreement with the owners of Mbaraki, that if the Government wharf is suspended, and until it is finally built, certain maximum rates only shall be levied on different classes of goods passing over Mbaraki wharf.

The issue is a broader one. It is whether Government is wise to allow a competing port and the land behind it, to remain in private hands when the railways are controlled by Government. Also how far it is desirable or necessary to acquire a site which owing to the proximity of the high level at the top of the cliff to deep water below can be adapted for comparatively small sums to the cheap handling of all baled and bagged export produce by gravitation from the high level, direct into the hold of the ship.

With regard to the first of these issues, it seems evident that if the Colony could afford it, this port and the land behind it should be acquired by Government, provided the price asked were within reason.

But from the Colony's point of view, this is modified by the financial position of the Colony and also by the fact that the land on which the port itself is situated, amounting to about 52 acres, will revert ultimately to the Colony as it is on a 99 years lease. Major Grogan, representing the company which owns Mbaraki, has offered the whole of the 200 acres of land, except a ten acre plot reserved for timber export and a plot for offices, and also the port as it stands to-day, to Government for a hundred yearly payments of £35,000, the Government also to pay ground rent on land leased from a private owner amounting to £700 a year.

Major Hickes, who built Mbaraki, estimates that £17,500 is required to finish the present facilities and meet the requirements of the Medical Officer of Health, *etc.*, to put concrete floors in sheds, to add a large Gantry crane, to install proper sanitary arrangements, and to supply ropes, fenders, *etc.*

He further stated in evidence that he thought that, in order to overcome what may be either prejudice or partly justifiable criticism of the present continuous hinged pontoon against which it is proposed that ships should lie, it would be advisable to expend a further £10,000 on erecting a steel pier along the front in place of the pontoons.

He estimates also, that a second berth like the present with similar facilities, could be added to the present single berth at a cost of £30,000, and that something under a further £30,000 would add a steel structure with a gravity conveyor and a third place for ships to lie (no wharf) for the handling of bagged and baled export cargo.

Considering the present handling facilities at the Government lighter wharf and at Mbaraki as it is to-day, it does not seem that the two latter are any immediate necessity, so that the immediate outlay to make Mbaraki fit for use, and to remove prejudice which might be otherwise overcome and part of which would not be required if Mbaraki was used as a lighter wharf, would appear to be £27,500 which at 8% would add £2,200 a year to the £35,700 a year so that £37,900 a year would have to be found. In addition there is something like £4,500 a year for maintenance and renewals which brings the total to £42,400 a year at least.

This is interest and sinking fund on a capital of about half a million, and in our opinion would be better expended on paying interest on capital for railway extension in view of the financial position of the Colony, and in view of the fact that the Port ultimately reverts to the Colony, and that we believe that it should be possible to make arrangements with the owners of Mbaraki so that Government could procure an option over Mbaraki.

If the Colony could afford the money, it would be wise to acquire Mbaraki but not under present conditions of finance. It does, however, appear that Government should approach the Company owning Mbaraki and try to arrange something like the following terms —

1 That Government will suspend the building of the Government wharf till 1932.

2 In consideration of the above, the Mbaraki Company to agree to the following —

(a) To provide till 1935 adequate facilities for any tonnage which cannot be carried by the present Mbaraki and Government lighter wharf combined.

(b) Not to charge more than certain maximum rates on different commodities passing over the wharf till 1935. (Such rates to be modified by agreement, and some method to be set up for arbitration in case of disagreement)

(c) To give Government an option till 1935 to lease or purchase the low and high level port, or such land as it required or both, at prices to be fixed to-day, plus cost of any agreed new improvements to the port on consideration of Government not starting operations except maintenance, on the Government wharf till 1932.

There appears to be no doubt that the Colony would gain by an agreement of this sort, because the Colony will be able to use its capital on more productive expenditure. The Colony will be able to judge by 1935 whether it must acquire Mbaraki or not, and in the meanwhile maximum rates will be fixed.

If Mbaraki, as it appears certain it will, turns out to be suitable for loading direct into ships, facilities will be afforded for easy export of cheap products in bulk, and the later development at Mbaraki of a cheap level gravity system such as that in use at Magadi Pier, will be assured.

The Mbaraki Company gain by the agreement in that they are exempted from the competition of the Government wharf for a term of years. This competition would be serious if, as must be the case, the Colony bore the interest on capital in order to lower rates over the Government wharf. The company will be able to improve its port facilities unhampered by serious competition.

There appears to be one risk, *i.e.*, that the Company might not be able to raise the money for improving its facilities to keep pace with any quite unlooked for increase in tonnage, or to lease to a produce company that could do so. This seems unlikely if Government competition is eliminated for a term of years and at the end of that term the Government will possibly purchase—but if Government were satisfied with the terms of the option to purchase or lease, there seems no reason why the Colony should not advance the £50,000 or £60,000 required, at interest to the Company, in which case the facilities for dealing with the tonnage would be assured.

In our opinion, before any other steps are taken, Government should immediately approach Major Grogan to find out whether satisfactory terms can be arranged on the lines indicated. If they can be so arranged then the Government wharf work should be suspended pending agreement with the contractors on the lines suggested, and the capital diverted to railway extension through developed and paying areas.

The main result of stopping the work on the Government wharf and an agreement with Mbaraki, would be to stop providing wharf facilities which are not required and using the capital on Railway development which is required if increased production is to be sufficiently encouraged.

At the worst £26,000 a year would be scrapped and £74,000 a year made available for paying interest on productive capital. It always requires courage and foresight to cut a big loss but it is terrible to contemplate the near future of this Colony with all its available capital sunk in unproductive expenditure, and a vista of years before it when all its available revenue goes out in charges on capital, and no chance is in sight of the possibility of raising any more capital.

It will be asked why all this was not thought of before, when the question of the Kilindini wharf came up in the Legislative Council and before Government. The reasons were as follows:—

1. The people who had all the facts and figures didn't use them and those who might have used them hadn't got them all.
2. The Government issued a statement to the Legislative Council, founded on the opinion of the consulting engineers which was based on incorrect information.
3. No one thought of cost at that time.
4. Sir George Buchanan's statements were looked upon as biased because he was interested in the building of the Mbaraki wharf.
5. No other opinion worth anything could be got by doubters to support any wish they might have to get at the facts.
6. The currency muddle had not then taught us to trust to our own judgment, and only to appeal to experts for advice on technical facts on which to found that judgment.

The above minority report is founded on evidence given before the Economic and Finance Committee both in Nairobi and Mombasa, on Sir George Buchanan's memorandums, on a personal inspection of both wharfs, and on facts and figures got out by the secretary of the Economic and Finance Committee. We feel very strongly that all these facts and figures, including the extracts from the despatches showing the original intentions of the Government and on what a different financial basis they rested, should be made available to the public and to those who will make a decision as to the future of the port.

There is another recommendation which may not be looked upon as a proper matter for a minority report as it has not been before the Committee, but we feel that time is the essence of everything in a matter where large sums are being spent daily, also that the Committee are not likely to meet in time. So we strongly recommend that every effort should be made at once to get Sir George Buchanan's opinion on the port position, and if necessary, on the steps that should be taken. He is passing through Mombasa some time during this month (November), and such a chance should not be missed, so he should be communicated with by cable.

It should be pointed out that the present Mbaraki wharf is not the one designed by Sir George Buchanan, and that therefore his opinion on the subject can be looked upon as quite disinterested.

If such a step is decided on and Sir George Buchanan agrees, copies of all the data, etc about both the wharfs that have been collected, should be forwarded to Kihndini to meet him on his arrival, so that he will be at once put in touch with any alterations in figures, facts, etc , which have taken place lately.

DELAMERE.

JOHN E. CONEY

*Received.* 2-11-22

(4) MINORITY REPORT BY MR MANGAL DAS IN CONNECTION WITH THE FIRST INTERIM REPORT.

While agreeing in the main with the terms of the interim report, I have to make comment on the system prevailing in most Government offices of creating posts for Europeans.

Up to the year 1908 nearly all the posts of head clerks, correspondence clerks, accountants and cashiers were held by Asiatics. They were cheap and efficient. Since 1908 a large number of junior European officials have been appointed in every Department. This has entailed a considerable extra burden on the resources of the Colony, without in any way bringing about additional efficiency and expedition of public business.

This point would be better illustrated by quoting a few instances. Until a few years ago the Cashier in the Treasury was an Asiatic on a salary of £240 per annum. This official performed his duties most efficiently, as has been testified by the various Treasurers under whom he worked. Since his death a European Treasury Assistant on £500 a year and a Lady Clerk on £250 have been appointed to the Cash Department. The actual work of the Cashier is still being performed by an Asiatic.

The Railway inward goods shed used to be run by an Asiatic goods clerk with 3 assistants. Now the same amount of traffic is being handled by 2 European goods clerks assisted by 9 Asiatics.

The same applies to all departments including the Uganda Railway.

Two things are worthy of special notice in connection with this system. One is that almost invariably the junior European officials take a long time to learn their work, thus entailing a considerable loss of public money while they are learning their duties. The other is that immediately they get into their work they start asking for Asiatic Assistants.

Under this system the efficiency of public services has a strong tendency to deteriorate. The newly appointed Europeans consider it below their dignity to do any but supervisory work in the presence of Asiatics. The latter, when they see, in many instances after long and meritorious service, young lads brought over their heads to become their "bosses," lose all heart and their interest in their work is bound to wane.

I am confident that if careful enquiries were made in this direction it will be found that considerable saving could be effected and better efficiency ensured by eliminating many unnecessary and ornamental posts.

With reference to paras. 86 to 89, Mr. Shams-ud-Deen has already sent in a minority report protesting against the reduction of salaries of Asiatic Civil Servants. I subscribe to all that he has said on the subject.

MANGAL DAS.

Nairobi

21st October, 1922.

## APPENDIX C.

EVIDENCE GIVEN BEFORE THE COMMITTEE BY MR. FOLLETT HOLT, M. INST C E ON  
SEPTEMBER 20TH, 1922 ON THE SUBJECT OF PORT DEVELOPMENT.

Mr Holt was asked his opinion of the Government Pier and the new pier at Mbaraki; the former costing £1,250,000, providing accommodation for two ships, and allowing of an extension (not included in this price) to seven berths and a dry dock.

Mr. Holt said that he had been round the old and new wharves but had not seen the plans. He had been informed that there was a possibility of exporting grain from Kenya in large quantities and of the proposal to erect elevators.

He thought that elevators and the shipment of maize in bulk, from a handling point of view, would not be necessary at Kilindini for many years to come. In the Argentine, elevators are not used at many ports where there is an export of hundreds of thousands of tons of maize, wheat and linseed. He had no documents of any sort with him as he was only passing through the country but from memory he would say that at least a million tons of grain go out from the Argentine each year without ever having seen an elevator. There are thousands of miles of railways in the Argentine that have neither up-country nor port elevators

Elevators for the purpose of handling and storing are very costly affairs and maize cannot stand high costs. In this country high railway or port costs fall on the producers, not on the investors as is largely the case on Argentine railways where private capital has been invested to the amount of £250,000,000. If wasteful or immediately unnecessary expenditure is incurred on the Anglo-Argentine railways the loss falls on the shareholders.

The port as proposed at present at the immense cost of £1,250,000 for two berths would lead, in his opinion, rapidly towards bankruptcy. He would cut the loss on the pier. He would not cancel the project, but merely suspend it for a few years. The Colony cannot meet the expenditure now. There would be little loss as a result of deterioration if the work were suspended. The concrete blocks already made would not deteriorate and he had not noticed any vast amount of machinery. The main cost appears to be excavating, dredging and concrete blocks. Dredging has not yet started, and the sheds have not yet been begun. Work could be suspended without detriment to its completion in the future.

He was convinced that the pier was not necessary to the welfare of the community at present. It was a luxury that should not be indulged in in these very critical times. He had examined the Mbaraki pier and thought that Major Grogan had built an ideal wharf with a very fine shed and that the work had been admirably carried out. He imagined that the people responsible for the idea and for starting the new permanent pier had no idea that the Mbaraki scheme would ever be carried out, but it is now completed and exists. In his opinion, nothing but a callous disregard for the financial stability of the Kenya community would stand in the way of the suspension, for the time being, of the work on the Government wharf. In making this statement Mr Holt mentioned he neither had nor would have any interest direct or indirect in the port of Mbaraki

With Mbaraki and the present lighter wharf there should be ample accommodation for all produce the Uganda Railway can carry for the next few years. The matter might require reconsideration if the railway was called upon to carry say 1½ million tons per annum, of which 600,000 tons were for export, but it was nothing to deal with 150,000 tons a year, and this amount could easily be handled with the present facilities, and economically.

The interest on the money which might still be saved by suspending the work on the new Kilindini pier for a few years must make a vital difference.

He strongly advised the Committee to take every possible step to prevent the Mbaraki wharf going into any hands except those of the railway. It is not economical to work with separate staffs and waste comes back on the producer. He advised them to put up a great fight to keep the new pier and its working in the hands of the railway.

The new wharf on the high and low levels had plenty of room for sidings.

If the position in respect of the Government wharf is handled boldly an immediate saving of perhaps £750,000 cash or more may be effected. The contractors should be satisfied in respect of their profits and the new wharf (*i.e.*, Mbaraki) should be purchased if possible so that ample facilities in the hands of the community may exist for all likely quantities of export produce for a great number of years.

He believed the wharf was not now run by the railway. It should be run by the Railway. It is as necessary for the railway to work the port as it is to work its locomotives and wagons. Railwaymen know what is required at the port and it is their duty to keep time with its developments. That is the system employed in South Africa and everywhere where practical people are in control.

In the Argentine the railways are doing all they can to control the ports. The Buenos Aires Great Southern Railway has its own port and dock at Bahia Blanca and Buenos Aires, and the Pacific Railway its own port at Bahia Blanca. The principle is that of dealing with one rather than two administrations. Good economical working depends on this.

In Kenya the producer pays for waste, not the shareholder as in the Argentine. Many millions have been lost in Brazil and in the Argentine in unremunerative British-owned railways. All this comes out of the shareholders' pockets. Here it comes out of the producers' pockets. He strongly advised that we should cut the loss on the Government pier and acquire Mbaraki if this is possible.

Lord Delamere asked about the Mbaraki currents which are stated to be four knots in the Admiralty charts, but which had been gauged by Major Grogan's engineers at a lesser figure.

Mr. Holt could not believe that these currents would cause any difficulty. He had built a train ferry service on a railway system of 1,500 miles, over the Parana River, and a heavy traffic runs over this ferry system destined for Buenos Aires, carried 50 miles on the ferries. The Parana is at times a four knot river and there are also high winds. The ferries are very large and carry 800 tons on their decks and have made thousands of entries into their docks without difficulty and without any aid from tugs. In any case, tugs could put steamers against any wharf.

He would advise acquiring as much land as possible in the neighbourhood of the port. In the Argentine in many cases too little land had originally been acquired, and enormous sums were subsequently necessary to get extra land.

Mr. Ehas agreed with this view.

Major Grogan's holding near Mbaraki was said to extend to 150 or 200 acres.

Mr. Holt said that if £75,000 could be saved on the Government pier to-day, this represented an annual saving of £52,000 with interest at 7%. He thought that £150,000 would probably be an outside figure for purchasing Mbaraki and the necessary land, the interest on this would only be £10,500.

He thought that the ownership by the Railway of Mbaraki vital to the country's future and it would be far better in the public interests to acquire Mbaraki at present than to complete the Government Pier. That could be done when the world and the community were richer than at present and when the need arose.

In dealing with the contractors and assuming what he would consider in present circumstances as an outside profit of 15%, the profit on £750,000 would amount to about £110,000, which would not accrue for two years. He suggested that the contractors should be given 6% on this supposed profit during the suspension of the work; this is £6,600 a year; thus the contractors would be satisfied, a suitable port would be secured and £35,000 a year would be saved. There are times of crises when you must cut a loss, and where a country's progress and financial position are at stake no argument should be allowed to stand in the way.

Mr. Ehas thought that maize production figures were too vague. 25,000 tons by the end of March was not much, but in ten years or so there might be congestion. He thought a guarantee necessary that the work on the Government pier would proceed if required.

Mr. Holt said the capital released temporarily from the port works could be earmarked for the completion of the port at a later date if this course was considered to be in the best interests of the community. There is an excellent shed in Mbaraki which could accommodate more than 6,000 tons, in his opinion, as maize can be stacked right up to the roof.

Mr. Ehas said that a third of the space was wasted owing to the necessity for having each bag accessible for testing.

In the Argentine, said Mr. Holt, maize is generally stored in galvanised iron sheds at the wayside station or even in the open covered with tarpaulins and not taken down to the port until the ship is in sight, because storage at the coast is not available in sufficient quantities, and is, in any case, expensive. Maize should be stored up-country until the ship is in sight, with sufficient at the port to keep the ship going. Special trains should be arranged when the maize is required at the port. Maize to-day cannot stand high storage expenses.



Mr Harrison said that climatic conditions in Kenya prevented open air storage for any length of time. There had sometimes been as much as 21% loss by stacking in the open air.

Mr. Holt said that in the whole of the Union the annual export of maize only amounted to 100,000 tons.

Mr. Holt said that according to his recollection in a good year the Argentine exported 3,000,000 to 4,000,000 tons.

Mr. Holt said that as far as handling was concerned elevators were not needed and would not be needed for many years to come. Maize has a very finely cut market and the volume of maize exports would not justify any expensive system of elevators.

Mr Harrison said we could not condition maize in bags. A small elevator system was essential, to be used at the port for the conditioning of maize. Mr. Holt said that this was another matter. He had been referring to the handling of maize at the port as apart from conditioning. His point was that all the maize produced or likely to be produced for many years could be shipped in bags over the existing wharves and without difficulty.

Mr Holt said that the sites for sheds or elevators at Kihindini were magnificent, with a 60 foot cliff all round the island. He described how a corrupt Minister of Public Works had ruined similar advantageous conditions in another country and how the conversion of a natural high level port into an artificial low level port had led to a 60% increase in the costs of shipment and had prejudiced deeply the river port and community concerned.

In South America cereals are carried at a fairly low rate on the Railways, but not so low as in South Africa. Mr Elias said that in South Africa one shilling a bag covered the cost of maize into the ship's hold from any station on the system.

Mr. Holt said that in his opinion the application of this low rate was a most statesmanlike proceeding and would cause a large increase in exports from the Transvaal and Rhodesia.

He advised that the rate in Kenya should be equally low in order that Kenya maize might commence to go freely into the markets of the world.

Mr. Harrison said that the same acreage produced three times as much in Kenya as in South Africa.

Mr. Holt said so much the better. Exports were wanted urgently and were essential to the country's welfare, and to re-establish the financial equilibrium of the Colony. This low rate encouraged exports. The matter could be investigated again when the export trade had been established.

The Chairman explained the subsidy system through low railway rates in force in Kenya. Mr Holt said that increased tonnage handled by the railway meant lower costs of handling per ton but the heavy export tonnage must be obtained at all sacrifice.

Mr Elias said that the South African maize rate was a losing rate which had to be adjusted out of imports. The chief trouble, in his opinion, was storage at the port. Maize cannot be rushed to the port at the last moment. It must be stored there pending the arrival of the ship.

Mr Holt said that galvanized iron sheds were cheap and should be built cheaply and lightly on the umbrella system with a concrete floor to guard against rats.

He thought £92,000 for a shed an impossibly high figure—probably the suggestion of some contractor. Certainly it could not have been suggested by anyone called upon to pay for it directly or indirectly. He had done all his work with competent assistants and small local contractors.

He thought that railwaymen should do all future railway and port development. He would have no dealings with large contractors. Railwaymen have to use the works when constructed, and know best how and when they should be carried out. Large contractors' profits (spent outside the Colony) should be avoided and extravagance prevented but you must have a good and sound man at the head of affairs.

He said that sheds could be erected to any extent behind Mbaraki and maize could be shot over or through the present sheds. Conditions were ideal for maize export.

## APPENDIX D.

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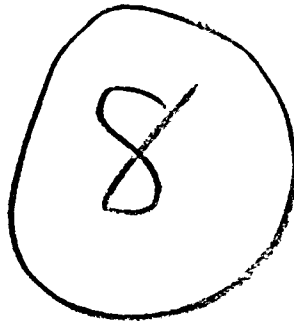
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1923.

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## CHAPTER I.

### HEADQUARTERS.

#### ADMINISTRATION SECTION.

Mr. G. V. Maxwell, Chief Native Commissioner, was in charge of the Department throughout the year.

2. Lieut. Col. O. F. Watkins, C.B.E., D.S.O., Deputy Chief Native Commissioner, was on duty throughout the year.

3. Mr. J. W. E. Wightman was attached to the Department for secretarial duties from January 1st to February 5th, when he was relieved by Mr. M.R.R. Vidal, who in turn proceeded on leave on May 15th.

4. Mr. S.V. Cooke was attached to the Office from May 30th to July 11th. He was relieved by Mr. C.J.J.T. Barton, who was on duty until the end of the year.

#### LABOUR SECTION.

5. Mr. S.F. Deck, Principal Labour Inspector, was in charge of the Labour Section from January 1st to February 27th, when he proceeded on leave. He returned to duty on October 28th. During Mr. Deck's absence his duties were performed by Major Gray, Chief Registrar of Natives.

6. Mr. W.P. Shields, Labour Inspector, was on duty throughout the year.

7. The following Administrative Officers were seconded for duty as Labour Inspectors and Railway Magistrates on the Uasin Gishu Railway construction, namely :—

Mr. R.F. Palethorpe, throughout the year ;

Mr. J.D. McKean, from January 1st to November 1st.

Mr. B.J.F. Francklin, from January 1st to March 1st.

#### REGISTRATION SECTION.

8. Major H.W. Gray, O.B.E., Chief Registrar of Natives, was in charge of the Registration Section throughout the year. He also performed the duties of Principal Labour Inspector from February 27th to October 28th.

9. Mr. A.E. Imbert, Assistant Registrar of Natives, was on duty from January 1st to March 18th, when he proceeded on leave. He returned to duty on October 18th.

10. Mr. G. H. Booth, and Mr. G. Wedderburn, European Clerks, were on duty from January 20th to December 31st and January 1st to October 13th respectively.

#### FINGER PRINT BUREAU.

11. Mr. W.W.C. Burgess, Officer-in-Charge, and Mr. S.F. Taylor, his Assistant, were both on duty throughout the year.

#### ADMINISTRATIVE STAFF IN THE PROVINCES.

12. In the course of the drastic reductions in expenditure which were undertaken in 1922, as a result of the serious financial straits in which the Colony was struggling, the Staff of Administrative Officers was reduced to a point which it has made it extremely difficult to carry on, and which has operated adversely to any general expansion of the activities of these officers towards a closer administration of natives or the development of their resources. No margin was left for reliefs to replace Officers who fell ill or did not return from leave on the dates expected. These contingencies always occur and have, of course, occurred frequently, and many Districts have had to be left for long periods without the complement of Officers which even the reduced strength should allow. This has seriously hampered administration and the greatest credit is due to the District Commissioners and their Assistants for the manner in which they have coped with the situation. They certainly have not spared themselves in doing so.

13. Simultaneous reductions in other Departments have had the inevitable effect of adding to the work of Administrative Officers, and a reorganisation by the Treasurer of the system of keeping accounts and dealing with cash makes

Staff was so greatly reduced. It is, of course, the duty of District Commissioners not only to act as sub-accountants, but to co-operate with all Departments of the service and assist them in every possible way, but care must be taken that essential work has not to yield place to a mass of office routine. I am convinced that in many instances reduction of the Administrative Staff has proved a false economy, and I am further of the opinion that the time has come when the Treasury work in many stations should be taken over by accounting Officers, not necessarily European, who should be part of the Treasury Staff, technically under the Treasurer but seconded to the District Commissioners for duty.

## CHAPTER II.

### POLITICAL AND GENERAL.

The year 1923 has happily been free of any serious political unrest among the native population.

#### KIKUYU.

2. A few adherents of the Kikuyu agitator, Harry Thuku, who was deported after his activities had culminated in the riot in Nairobi in 1922, still endeavour to carry on propaganda, but their activities are of course pursued with greater secrecy. There has been no overt act of sedition from this source, and in the face of varying opinions on the subject it is difficult to estimate the depth of the movement. There is reason to believe that Thuku still carries on a continuous correspondence with his principal sympathisers through the medium of Indian shop-keepers at Kismayu, but in the Kikuyu Native Reserves (in the Districts of Kvambu, Fort Hall, and Nyeri) the Chiefs and Headmen are actively loyal, and both they and their people as a whole seem happy, prosperous and contented.

3. The Kikuyu are essentially an agricultural tribe but they also have considerable herds of cattle and very large flocks of goats. On the whole they are extremely peaceable and loyal, but the proximity of some of their Reserves to Nairobi has made them particularly accessible to mischievous propaganda from outside sources, but these, happily, have only affected a few. They are intelligent, but also avaricious. They are great wanderers and roam all over the Colony, some in order to take employment and earn money, others merely in search of fresh forest land for cultivation. They are incorrigible destroyers of forest and having completely destroyed the forest that previously existed in their own country they are always anxious to squat on forest land in other Districts in order to obtain virgin soil for each successive year's food crop. Steps are being taken to return to the Reserves Kikuyu who are unlawfully squatting on Crown land and on farms.

#### EMBU, EMBERRE AND CHUKA.

4. The Embu District is populated by five tribes: the Embu, Emberre, Chuka, Muthambi, and Mwimbe; the last two are closely related; the others are quite distinct and alien to one another, although they all speak dialects of the Kikuyu language. The District is divided into the three sub-divisions of Embu, Emberre, and Chuka, the last of which includes the Muthambi and Mwimbe tribes.

5. The Embu are the least primitive of these peoples and are showing a desire for improvement and progress, especially towards increased agriculture. The other tribes are more conservative and less energetic. In all three sub-divisions, however, Advisory Councils have been formed, all of which have shewn interest in matters concerning the Government of their tribe, and have been the means of re-organizing the Njama ya Anake or Council of young men, and through this Council of putting a check, if not a stop, to the drinking habits of the young men. Drunkenness among young men and women was most prevalent before the institution of these Councils. It is now a rare occurrence.

6. Tribal discipline was lax, but shows distinct signs of improvement. Unfortunately, with few exceptions, the Chiefs in the Chuka portion of the District are lazy and incompetent. In Embu and Emberre the Chiefs are a better type and are more anxious to help Government and administer their people.

7. In the Embu sub-division there was considerable discontent against the judicial Council of Elders. On investigation it was shewn that the grievances were real. The clerk was convicted of extortion, and new Elders were elected in accordance with native custom. The attitude of all the tribes is loyal towards Government.

## MERU.

8. The Meru Native Reserve consists of four divisions ; 1. IMENDI, comprising those Locations which lie adjacent to the Government Station and along the Embu road to the Border ;

2. TIGANIA, between Imendi and the Nyambeni Hills ;

3. IGEMBE, comprising the peoples living on the Nyambeni Ridge and its slopes ;

4. THARAKA, comprising the Locations in the neighbourhood of the Tana River.

9. The natives are, on the whole, tractable, but steeped in superstition and given to all sorts of pagan practices. They are firm believers in witch-craft and have secret guilds known as the "Njuri Ncheke" and the "Njuri Pingirri" which exercise considerable power and influence over these ignorant natives who regard them with superstitious fear. These guilds have a habit of imposing a "curse" (kirumi) on anyone who does not please them or fall in with their wishes, and a kurumi can only be removed by a payment of stock to the Elders of this guild.

10. There is also in existence in the Igembi division a poisoning league called "Mdnio", but needless to say, it is extremely difficult to collect any evidence on which to take action.

11. The Meru practise both circumcision of youths and cliterodectomy of girls, but in neither case is the operation performed until considerably after puberty. Every girl, however, on attaining puberty acquires a lover, who is in the position of affianced husband and with whom she cohabits. While this practice does not appear to be condemned by local native opinion it is nevertheless considered a disgrace for a girl to have a child before she has undergone cliterodectomy, or to undergo the operation when she is already enceinte. The result is that when the girl finds herself pregnant her lover takes her to a native "expert" to have abortion effected. In some cases the result is the death of the girl ; in many others the girls, after repeated pregnancies and miscarriages, become incapable of giving birth to a living child. The consequential effect on the birth rate is serious. Some convictions have been obtained recently and strong efforts are being made by the Administration to check the evil.

12. The people are backward, and are fortunately not sufficiently sophisticated to engage in politics.

13. The headmen are, in most cases, extremely ignorant, and they are either unable or unwilling to assist Government in effecting the arrest of criminals. This is probably due largely to fear of having a "curse" put on them by the man's relatives.

14. The population of the District is about 120,000. There is no Government school or Medical Officer in the District.

LUO. (*Nilotic Kavirondo*).

15. The unrest which manifested itself among the Luo (Nilotic Kavirondo) in the Nyanza Province in 1921 and the early part of 1922, and which was to some extent worked up by Thuku and his "East African Association", appears to have completely passed away, but while there have been no further indications among this tribe of ill-feeling against Government or Europeans generally, considerable resentment has been evinced in some Locations against the native official Headmen, and many vague charges of extortion and corruption have been brought. Careful investigation has only produced masses of conflicting statements and attempts to resurrect old private feuds of years ago without any definite evidence to support the allegations made. It is well known that most of the charges are worked up by a notorious native who is employed as a lawyer's tout and for whose removal from the Province an unanimous request was made to the Governor by the Chiefs and Elders of Central Kavirondo at a Baraza held at Kisumu in February last. No action could be taken at the time as a criminal charge against this native was then sub-judice.

16. Although the charges of corruption against Chiefs have not been substantiated, it is feared that in some cases there was a measure of truth underlying them, and in this connection it is to be observed that many of these native officials receive only small stipends, out of which they are expected to pay a large number of subordinates. This, in my opinion, is quite wrong. The natural result amongst a people only now emerging from primitive barbarism is that if the Chief does pay his subordinates he will resort to oppression and extortion to supplement his income, and that if he does not pay them the subordinates will themselves make up the deficiency by resorting to those means which naturally occur to the native mind in such circumstances. A list of Kavirondo Chiefs, showing their pay, the population of the Areas, the direct

tax paid by their people, and the number of subordinates who they are respectively supposed to pay, was submitted as an appendix to the Memorandum submitted by me on the 5th September last. A copy is attached to this report for reference. (*Appendix "A"*.)

17. At the time of writing an amendment to the Native Authority Ordinance making provision for the establishment of Local Native Councils and Local Native Funds has been passed by Legislative Council, and it is hoped that by providing these Councils with definite forms of revenue, including an adequate allocation from the native direct tax, means will be found for correcting the above, among other evils and for establishing a proper staff of necessary subordinate native officials, paid at fixed rates from local funds.

18. A new "religion", or "devil-worship", known as "Suba", came to notice during the year among the Luo of Central Kavirondo. It appears to be of recent introduction but it may be connected with, or a revival of, the old Luo religion of "Sumba". Investigations are being made.

#### BANTU KAVIRONDO.

19. Among the Bantu of North Kavirondo there has been a marked tendency to strive for the appointment of local petty chiefs as official headmen as against those of the Wanga sub-tribe which has been the ruling family in the past. The more prominent of the Wanga chiefs, such as Mumua Nulama and Murunga, have, however, maintained their prestige and authority, and it is to be hoped that they will continue to do so. Mumua is getting very old, but Mulama and Muruga are two of the most intelligent, capable and progressive Chiefs in the Colony.

#### LUO of South Kavirondo

20. The Luo of South Kavirondo show but little sign of energy or progress, and their Chiefs, with few exceptions, are lazy and incompetent. This regrettable condition is possibly due to the fact that they come less into contact with the outside world than their relatives in Central Kavirondo.

#### KISII.

The Kisii, on the other hand, show a marked spirit of progressiveness. Their young men are anxious to acquire education and to earn money, and they are assiduous cultivators.

#### NANDI.

21. In September there occurred considerable excitement, with possibilities of an active disturbance, among the Nandi tribe, stirred up by one Arap Kimanye, the chief "orkoiyot" of the tribe. The "orkoiyot" or "Laibon" is a sort of pagan high-priest, and is also supposed to be a religious recluse. Arap Kimanye, a son of the Laibon Kotalal, who was killed during the Nandi rebellion of 1905, has been working upon the feelings of the tribe over certain grievances which were keenly felt, (chief among the latter being the wholesale alienation of their land), and had been disseminating anti-Government propaganda, and instigating the commission of stock-thefts. He had also called a great Meeting of the "Moran", or warriors of the tribe, ostensibly to perform the "Sagata-ap-eito", a ceremony which has not taken place for over twenty years, by which the warriors of one age take over the guardianship of the country from the warriors of the previous age. Peremptory messages had been sent to all Nandi of warrior age, including those out at work on farms, to be present; there were threats of dire consequences to any who failed to attend, and wild rumours were in circulation as to what would happen when the Meeting took place. Large quantities of native liquor had been brewed for the occasion, and there is little doubt that it was the intention of the "orkoiyot" to take advantage of a time when the young men were excited by drink to incite them to action which would probably have resulted in grave disorder. Information was obtained which enabled proceedings to be taken under the Deportation Ordinance. Arap Kimanye was arrested in the nick of time and has been deported to Meru.

22. The removal of the "orkoiyot" had the immediate effect of allaying the unrest. Since then the native tax has been well paid, an increased number of the young men have gone out to work, and stock-thieving—an old and favourite pastime of the Nandi—has considerably diminished. The system of administering the tribe has been re-organised by enrolling the "Kaptiyen", or leaders of warrior companies, as recognised and paid assistants to the official Headmen.

23. Mr. Castle Smith, the Acting District Commissioner, acted, in my opinion, with firmness and sound judgment in a situation of considerable difficulty.

#### LUMBWA.

24. Among the Lumbwa tribe the year has been quiet politically, and stock-thieving, at which these people are adepts, is reported to be decreasing. It is reported, however, from the Masai Reserve, that there have been a number of murders of young Masai boys herding stock on the Masai-Lumbwa border. The matter is now engaging the close attention of the Administrative Officers.

#### MASAI.

25. The chief problems of the year in the Masai Reserve have been those arising out of the disturbance which occurred in December, 1922, namely the pacification of the Area, the arrest and trial of the offenders, and the collection and disposal of the fine of stock. The Masai Elders have acted with conspicuous loyalty; all the offenders, except nine who cannot be found, were arrested by them and surrendered for trial, and cattle for the fine were voluntarily brought in. With the exception of Seggi, who has had to be deposed from the position of paramount Chief, the Chiefs of the Masai have responded well to all calls made upon them for administrative action, and the Native Councils throughout the Reserve have worked satisfactorily. For the first time in history the attitude of the Moran, or warrior age, has become friendly, and they are proving far more amenable; so much so that the most influential of them have enrolled as Tribal Retainers, and have done splendid service throughout the year in assisting to bring in recalcitrant offenders of their own age. On my recent visits to the Reserve I have been greatly impressed by the spirit of cordial friendliness which has manifested itself, and the improved conditions which are apparent reflect the utmost credit on the tact, ability, and influence of the local Administrative Officers.

#### UKAMBA.

26. The general attitude of the natives in Ukamba Province has been remarkably good. No disturbances of any sort have occurred, and the Akamba have discharged their obligations to Government with their customary good will. This tribe is, unfortunately, excessively addicted to drunkenness, and conditions in this respect reached such a serious stage that the Chiefs unanimously petitioned the Governor to take steps to regulate the traffic in "Jaggery", a form of raw sugar which was being manufactured in large quantities by non-natives, to the Akanba who convert it into a potent form of liquor. The Sugar Ordinance was passed in October and has already had a beneficial effect.

### CHAPTER II.

27. The Akamba are keen traders and very clever handicraftsmen. Their metal work is wonderful for a primitive people using primitive tools. Their general standard of life is low, and there is reason to believe that in remote places where Officials can visit them but seldom, barbarous customs are still carried on with the approval of the Elders. On the other hand, there are increasing indications of the advance made by those natives who have had opportunity of coming more into contact with civilising influence.

28. I am glad to say that the Akamba are not influenced by political propaganda from any other tribe.

#### TAITA.

29. The Wataita, of Voi District, differ in many respects from the Wakamba. They are more ready to accept ordinary manual employment and are but indifferent traders. Their land is well suited for agricultural development and is particularly fortunate in Railway facilities but much has yet to be done to induce this tribe to bestir itself and to use its exceptional opportunities of acquiring wealth. They are a pleasant people with great possibilities, but conservative and little influenced by missionary efforts.

#### UASIN GISHU MASAI.

30. The political situation among the smaller tribes inhabiting the Kerio Province has been universally satisfactory, and their relations with Government and the public most cordial. Since the removal of a large proportion of the Uasin Gishu Masai to the Southern Masai Reserve, the Reserve in the Kerio

Province has proved ample for the requirements of those that remain, and it is satisfactory to report that not a single case of stock-theft by these people has been reported. Tax has been well paid, and the tribe has supplied paid labour for road-work, and their work has been well reported upon.

#### KAMASIA.

31. The conduct of the Kamasia has been excellent on the whole and stock-thefts have been few and far between. The same remarks apply to the Njemps. There was a boundary dispute between these two tribes, but with the assistance of the Administrative Officers and Elders of both sides, an amicable settlement has been effected, and the boundary has now been marked out by intervisible cairns of stones.

#### KABARNET.

32. The Suk of Kabarnet District are of a peaceable and law-abiding nature. In the past they have been raided periodically by the Turkana, but happily no raid has occurred during the year. This improved condition is attributed to the occupation of Kapeddo Post by the King's African Rifles. During the year the Officer Commanding Troops issued orders for the closing of this post, and the transfer of the officer and men to Kolosia, but on urgent representations by the Administration arrangements have been made to keep a permanent patrol of one Native N.C.O. and twelve men at Kapeddo. It remains to be seen whether this small force will suffice to check the raiding propensities of the warlike Turkana, and the situation is viewed with considerable apprehension by the Suk.

There is, unfortunately, ill-feeling between the Suk and the Njemps over a mutual boundary at the North end of Lake Baringo. The boundary is settled, but the friction still remains.

#### ELGEYO.

33. There has been considerable improvement in social conditions among the Elgeyo. Native Tribunals have done better, and there has been satisfactory progress in agricultural development. The boundary between the Reserve and the Uasin Gishu farms has been defined by furrows. The Reserve is considerably overstocked, but this is due to the fact that these people, like many others, in the security afforded by Government against raids by other tribes, have enormously increased their herds. The cattle of the Elgeyo, which in 1907 were some 6,000 head, are now estimated at 45,000 head. In the absence of any market for the sale of these stock they are not an economic asset, and I have had to tell the Elgeyo that Government cannot provide them with further land for the accommodation of this new and useless acquisition, and that they must do their best to dispose of the surplus.

#### MARAKWET

34. Excellent progress has been made with the Marakwet tribe which is poor in resources and the most recent in the Province as regards coming under Administration. The attitude of the Headmen and Elders is friendly and confiding, and in their discussions with the Administrative Officers they display an encouraging degree of intelligence. An unprecedented number from this Reserve went out to the Labour markets during the year, and great strides have been made as a result of active propaganda by the Administration in connection with increased production.

#### SUK OF KACHELIBA.

35. In contradistinction to the year 1922 the past year has been free of raids between the Suk and Karamojong, and, except for two minor incidents, relations between them have been friendly. The cutting of the boundary was almost completed. In August a somewhat serious raid upon the Suk was carried out by Turkana who were accompanied by Abyssinians. One Suk was killed, and 1,737 head of cattle, 227 donkeys, and 345 sheep and goats were taken. Arrangements have been made for the exaction of compensation from the Turkana, and a number of stock have already been collected by the Officer Commanding Troops, Turkana.

36. With the improvement in relations between the Suk and their Karamojong neighbours it has been possible to do more for the internal administration of the Suk. The system of roads through their area has been considerably extended, and a number of camps built. Several native Tribunals have been established, and the attitude of the Headmen and the performance of their

duties has been satisfactory. The Suk are now providing porters for Government safaris in their Reserve.

#### NYIKA TRIBES.

37. These tribes are still backward. They are completely under the influence of guilds of Elders in which, by ancient custom, membership can only be attained by initiation ceremonies which certain people only can perform. Among the Duruma in Vanga District no initiations had been carried out for many years, and the Ngambi, originally a very large body, had dwindled down to four survivors. The official Headmen were not members, and for this reason, apparently, the Ngambi members who wield a powerful secret influence over the people, used that influence towards passive resistance to all Government efforts in native administration, with the result that the authorised Headmen and Native Councils were ignored by the people as a whole. This position has now been altered. The ineffective Headmen have resigned, and the appointment of the surviving Ngambi Elders as Headmen has been very favourably received by the Duruma. Further initiations are being held so as to restore the native organisation to its proper strength. The Headmen now in office are men of undoubted prestige and have undertaken to give their loyal support to Government. Though elderly men, they all have sufficient vitality to take charge of the Native Councils; they are recognised by the people as their proper leaders, and will have no difficulty in making their orders effective.

In Malindi District the Giriama Native Councils are working satisfactorily.

#### COAST.

38. The difficulties which confront the Administration in the Coastal area do not arise from any tendency on the part of the inhabitants to disloyalty, lawlessness, or political agitation, but rather from their inveterate apathy and apparently ineradicable improvidence. With the exception of the Duruma, who are badly reported on for drunkenness and evasion of their obligation to pay tax, the conduct of the natives on the whole has been good, but their general want of enterprise, their indifference to their own interests, and their hopeless incapacity to derive any benefit for themselves from agriculture, trade, or any business undertaking, are such as to defeat the best endeavours of their District Officers.

#### ARABS.

39. The vestiges of extensive cultivation all down the Coastal strip, the ruins of the cities of Manda, Tundwa, Patte, and many others, and the stately palaces still existing in Lamu and Malindi, all point to the vanished glory of the Arab occupation, and indicate that here was formerly the granary of a large part of Arabia. One of the main difficulties in the way of restoring some part, at least, of this former prosperity, is the apathy of the Arabs themselves, who, too proud to work, bow before the will of Allah and make no effort to adapt themselves to the conditions of competitive commerce which have been thrust upon them, or to the circumstances consequent upon the liberation of the slaves upon whose labour they formerly relied. There are, however, grounds for expectation of better things from the Hadramut and Sheheri Arabs who are more recent immigrants. In this connection the Resident Commissioner, Mombasa, writes as follows:—

“The Hadramut and Sheheri community justify in an increasing degree the attention that has been given. Unfortunately, trade depression and the decrease in the dhow traffic have reduced the number of immigrants this year. Longer experience only strengthens my belief that with these people lies the future prosperity of the Coast. Their commercial instinct has made them keen competitors with the small Indian shopkeepers, while their independence of character renders them unresponsive to political propaganda.”

40. The Arab community is now presented on the Legislative Council by an elected member in addition to the nominated member, but this grant of elective representation appears to have excited very little interest in Mombasa, and none whatever in Lamu and Malindi.

#### SWAHILI.

41. The Swahili are thriftless and generally idle. Cheerful workers for short periods, they seem to prefer casual labour at Mombasa and Kilindini Harbours to any work of a more permanent nature. Owing to the high rate of pay obtained for labour of this kind, they are able to earn enough in a few days to keep them in idleness for the remainder of the month. This seems to

be the kind of life which satisfies their aspirations, and it is feared that in not a few cases these people are addicted to low forms of vice.

#### BAJUNS.

42. The natives of the Bajun Islands have many of the characteristics of the Swahili, but while they are more energetic they are still more improvident. Hardy agriculturalists, they regularly mortgage their harvests before the crops are even sown. Fearless and expert sailors, they have invariably borrowed and spent the entire prospective earnings of the voyage before the vessel is ready for sea. The majority are in complete bondage to non-native capitalists, from whom they borrow on the security of their personal services, giving to the mortgagees the right to demand their labour indefinitely. A Bajun sailor is frequently so heavily in debt to his employer that he has ceased to entertain any hope of escaping from bondage unless a fresh employer is willing to purchase the right to his services by taking over his liabilities. It will be readily understood that labour under these conditions is unsatisfactory. In 1923 a Committee which sat at Lamu attempted to remedy the evil by introducing a form of agreement which limited the amount of recoverable advances to the money earned by the sailor, and restricted the period of the contract to one year. The remedy has not, however, proved popular with either the capitalists or the sailors, because it means that the former have no longer a definite hold on the latter, and the latter see themselves deprived of one of their main objects in life, namely, the right to borrow indefinitely.

43. As agriculturalists they have had much to contend with in the way of animal and insect pests, but each visitation is taken quite cheerfully and they go on hoping for the best. They always go more or less hungry from April to July, and regard it as inevitable that they should do so.

44. The most disquieting feature in the situation at present is the apparent decrease in the native population. In the absence of a proper census or any system of registration of births and deaths, only estimates of the population are possible, but such figures as are obtainable show a total decrease of 23,000 as against the 1922 Returns, Lamu showing 5,000, Malindi 6,000, and Kilifi 12,000. Much of this is doubtless due to movement of population.

#### POKOMO.

45. The Pokomo are a friendly and peaceful, but timid and unenterprising tribe with an estimated population of some 14,000, inhabiting a 500 mile stretch on the banks of the Tana River, where they live in perpetual terror of the Somali tribes. For these reasons they now have all their villages on the right bank of the River though they cultivate on both sides. It is said they were formerly a pastoral people but were driven to the River by Hamitic tribes from the north-east, and thus compelled to adopt an agricultural life. A curious corroboration of this story is to be found in the fact that many of the very old people cannot swim, whereas the younger generation are almost amphibious. They have very little tribal organisation but such as does exist takes the form of a semi-secret society in which initiation is contingent upon the payment of substantial fees. The senior members exercise a considerable amount of undefined authority over their neighbours. It is feared that the tribe is decadent. The population which in 1909 was estimated by Messrs. Hollis & Ainsworth at between 25,000 and 35,000 is now estimated at only 12,000.

46. The Pokomo have recently shown an unfortunate tendency to leave their villages and live in small family groups in their rice fields. This practice has resulted in wanton immorality, inbreeding, and even in incest. Moreover, parents have developed a practice of demanding for their daughters higher dowries than the average suitor can pay, and the result is that the girls form promiscuous and impermanent unions, and they with their children remain under their father's authority instead of setting up homes of their own.

47. The people live in conditions that must be very antagonistic to health. The River water is said to be full of mica and the whole area is infested by mosquitoes in myriads. In times of very heavy flood the villages are several feet in water in which the women have to stand while they cook their food on raised platforms, while the men live in their canoes. Moreover, the vitality of the tribe is being seriously undermined by Yaws, a disease which is acquiring a terrible hold on the entire population. In view of the fact that this disease is readily curable, it is much to be regretted that the only medical facilities available for this tribe are such as can be afforded by a native dresser at Kipini (at the mouth of the River), or by the Sub-assistant Surgeon at Lamu, to which latter place the really bad cases cannot, as a rule, be transported.

48. Their principal crops are rice and bananas. Maize is also grown in considerable quantities. The upper part of their country is excellent maize land, but transport expenses are too heavy to admit of this crop being grown



economically for export. For their rice they are entirely dependent upon the flooding of the River, which, being dependent on the rainfall at the head waters from Mount Kenya and the Aberdares, is irregular and unreliable. In 1923 an unusually heavy flood destroyed many hundreds of acres of growing rice, and disappointed well-grounded anticipations of a record output.

49. There is scope for a far closer administration of these people. They are a tribe which needs to be shepherded, and it is no easy task for one Officer alone distributing his activities over some 500 miles of country, to carry out measures to arrest their decline and to guide them along the lines of progress and development.

#### JUBALAND SOMALI TRIBES.

50. Jubaland consists of the four Districts of Kismayu, Afmadu, Alexandria, and Serrenleh. In the last named area the duties of District Commissioner are performed by the Officer Commanding the garrison of King's African Rifles. The tribes, on the whole, have been quiet, and there has been an almost total absence of raids and inter-tribal fighting.

51. The Tribal Councils have been carrying out their duties to a greater extent than heretofore, and policy of strengthening these Councils has been maintained, and steps were taken towards the formation of a General Council composed of representatives from all sections in the Province. A noticeable indication of progress towards peaceful administration is the fact that all sections are now opposed to the compounding of the offence of homicide by the payment of blood money.

### GENERAL.

52. In the Colony as a whole, and especially in the more closely administered areas, everything now points to an all-round improvement in native affairs and to a brighter future. At least one item of good emerged from the unfortunate controversy between the representatives of the European settlers, and the Indian community: that was that both sides suddenly awoke to the fact that there is another numerous and important community in Kenya, namely, the Natives, to whom both the colonizing and the immigrant communities have serious obligations which must not be overlooked, and in respect of whom His Majesty's Government, both here and in England, have undertaken a sacred duty of trusteeship. During the past two years I have been gratified to notice a marked swing of the pendulum, and a steadily progressive movement of non-native public feeling towards a sympathetic realisation of the fact that the native has not always received his due share of consideration in the past, and that all sections of the community must see to it that more must be done for him in future.

53. There can be no doubt that the more enlightened of the native tribes now take a keen interest in politics and are watching the course of events with critical interest. They followed every phase and episode of the Indian controversy, and received with great delight and relief the notable declaration of policy made by His Majesty's Government in the White Paper of July last. That document will live in history as their Magna Charta, and they look forward to the implementing of its provisions in respect of many matters unconnected with Asiatic immigration.

54. I have been greatly impressed by the spirit of friendliness and confidence in the administration which has been manifest at the many meetings which I have had with Native Chiefs and people in the course of my tours in native areas during the year, and it presents a marked contrast to the attitude which I found among some of the tribes on my arrival in the Colony in 1921, and in the early part of 1922.

#### CHAPTER III.

### NATIVE DISTRICT COUNCILS.

Among the more intelligent native tribes Native Advisory Councils have increased in value although progress has undoubtedly been slow. In the Kikuyu Province they have worked satisfactorily on the whole, and natives who have been invited to sit on these Councils have felt an added dignity which it is hoped will lead to a greater sense of responsibility.

2. A striking example of the value of such institutions was afforded by the Masai Council, which assisted Government to an extent previously unheard of among that tribe, by bringing in offenders who had been responsible for the disturbances of 1922, and in collecting the fines and stock which had been imposed in respect of the outbreak.

3. At the time of writing a Bill has passed through Legislative Council

authorising the Governor-in-Council to establish local Native Councils with definite duties and responsibilities. The Bill also provides for the establishment of local Native Funds and the levying of local contributions for purposes of common benefit. This measure has been hailed with great satisfaction by the more advanced native communities and great things are expected to result from its application. The Bill, however, awaits the sanction of the Secretary of State.

#### CHAPTER IV.

### NATIVE TRIBUNALS.

Native Tribunals have, on the whole, done satisfactory work during the year. The main difficulties with which the Administration has to contend in connection with these Tribunals are, firstly, the possibility of corruption when small tribunals are operating in scattered locations, secondly, the scarcity of really reliable native clerks available for keeping proper records, and thirdly, the difficulty of executing judgments in the absence of a rural police force for native reserves.

2. In the Nyeri, Fort Hall, and Kyambu Districts of the Kikuyu Province, where native Tribunals have jurisdiction over extensive areas, the work of these Courts has been very satisfactory, but in Meru and Embu Districts, owing to the ignorance and superstition of their Elders and the absence of a proper sense of responsibility, the work has not been so good.

3. In Nyanza Province an experiment has been made in the South Kavirondo District of concentration of judicial authority in three Central Native Tribunals where twenty-seven petty tribunals formerly existed. The scheme is working well, and it is hoped that such concentration will be effective in minimising the possibility of bribery and corruption.

4. In view of doubts which have been expressed by Judges of the Supreme Court as to the validity of the Native Tribunal Rules of 1913 under which these Courts work, a Draft Bill for the establishment of Native Courts has been submitted by me for the consideration of Government.

#### CHAPTER V.

### TRADE.

There has been a slight improvement over the trade conditions of 1922.

2. In the Nyanza Province there was a distinct improvement which was evinced by the ease with which natives were able to pay their tax during the year, and the increase in sales of produce was most satisfactory and encouraging.

3. The trade in hides was stagnant during the year and that in live stock was considerably hampered by quarantine restrictions.

4. In the Province of Ukamba the Trade Returns showed an import of 576 tons of jaggery (crude sugar) which is used by the natives almost exclusively for the manufacture of intoxicating liquor. By the introduction of a Sugar Ordinance and its application to the Districts of Machakos and Kitui it is now possible to regulate this traffic.

5. In practically every native Reserve the native trade is in the hands of Indians, and any European firms encounter keen competition.

6. On the Coast severe trade depression continues, and the activities of native dhows are said to be discouraged by the port dues that are charged.

7. In the Highlands the appointment of Agricultural Supervisors has resulted in improved methods of sowing and cultivation, and many natives are keen competitors in the Grain market. Both in Kikuyu and Nyanza Provinces they have followed this up with a demand for Flour Mills, and are grinding their own flour and showing a tendency to market it without the assistance of the non-native middleman. Outside the produce market the native is struggling to take his place also as a trader, but the small shops are handicapped by lack of capital without which he finds it impossible to buy at wholesale prices, whilst up to the present attempts on the part of the Administration to induce wholesale houses to finance selected native traders have not met with success.

#### CHAPTER VI.

### EDUCATION

Educational facilities for Africans still remain very inadequate. No new Government schools in Native Reserves have been established during 1923, with the exception of some small out-schools attached to the Machakos Government School.

2. The Masai School at Narok, which is entirely maintained at the expense of Masai funds in the Natives Trust Fund, has continued to do excellent work

and has evoked high commendation from those who have visited it. The Tribal Elders take a keen interest in the School, and the advances made by the pupils in all branches of their work reflect great credit on the Head-master, Captain Brereton, and on Mrs. Brereton, who is a voluntary helper. In this School reading, writing, Kiswahili, arithmetic, drawing, geography and general knowledge are taught, and the pupils are also given instruction in dairying, agriculture, and carpentry. A tannery is in course of construction. The object of the education given at this school has been to develop the minds of the young Masai boys along lines that will tend to make them useful to their tribe in their own Reserves, and not to create students of a more ambitious type who might not deign to help themselves or their tribes by any efforts connected with manual labour.

3. The Government Technical School for natives at Machakos has had an average attendance of 168 during the year, and the work done has been most successful. The Akamba children show great intelligence and keenness when once they begin to attend school and the general desire for education is indicated by the increased attendance at out-schools.

4. In the Ulu District where the attendance at these schools aggregated 200 children in 1922, the numbers in 1923 had risen to 747, and it is hoped in the near future that further out-schools will be established which will enable the average attendance to reach 1,000.

5. In the Coast Province there are four small Government Schools in the Malindi District, and a Government Technical School at Waa. The aggregate average attendance at the four schools in the Malindi District was 210, and at the Waa Schools 131. Until the teaching of the Koran was introduced the attendance at the Malindi Schools was very poor but since this innovation the full accommodation at these schools is being utilised, and until further accommodation can be provided and the shortage of trained teachers overcome, no more pupils can be enrolled.

6. Apart from the Government Schools mentioned above and the Arab Schools at Mombasa, the education of natives has been left almost entirely to the enterprise of Missionary bodies, who in some cases receive Government grants.

7. For details and figures relating to native education it is necessary to refer to the Report of the Director of Education, from which it will be gathered that 42,071 Africans have been attending Schools of various kinds during the past year. Of this number 39,155 are being educated at smaller schools or out-schools. There are 911 of these schools of which 897 are conducted under the auspices of Missions, but of the latter number 285 are in receipt of Government grants. Government funds are being expended in connection with the education of 12,986 pupils, of whom 10,788 are being taught in village schools. Figures for previous years are not available for comparison, but no one in touch with natives can fail to be struck by the remarkable progress in native thought and the rapidly growing demand for education.

8. On the technical side the expansion of knowledge has manifest itself in the desire of some of the more progressive Chiefs for brick or stone houses which are exhibited to the visitor with pride as having been built entirely by Africans.

## CHAPTER VII.

### INDUSTRIAL TRAINING OF AFRICANS.

The Agricultural Department receives about 30 natives as pupils at the Scott Laboratory near Nairobi for instruction in agricultural methods and for a certain amount of elementary instruction in reading and writing. It is hoped that after a course of two years such pupils will be able to render useful service to their tribes as agricultural instructors in Native Reserves.

2. Pupils are also received for training as agricultural instructors at the new experimental farm which has been established at Bukura in the North Kavirondo Native Reserves.

3. The technical training which natives receive in the Railway and Public Works Departments is of the greatest value. During the year many non-natives were replaced by natives in the Railway workshops, and at the present time some 850 natives are employed there in all branches of construction and repair, of whom some 580 are employed on work requiring a considerable degree of skill. A further 120 have been indentured as Apprentices.

## CHAPTER VIII.

### MEDICAL.

Reports from all Provinces urge the very real and pressing need of more Medical services in Native Reserves.

2. The Masai, who pay tax at a higher rate than any other tribe, are still without the services of a Medical Officer or even of a sub-assistant Surgeon, the only medical services available being those of two native dressers. The Masai are keenly appreciative of the benefits of medical treatment, and at every meeting that I have held with them they have renewed their request for medical assistance. There is much sickness among these people and there only means of getting treatment, other than that of a native dresser, is by taking their sick to the American Mission at Kijabe, many miles outside the borders of their Reserve. Apart from general disease, adults and children alike suffer considerably from eye troubles which doubtless arise from their mode of life, for Masai are nomads who live in "manyattas", or small enclosures, which contain mere temporary hovels and in which hundreds of cattle are penned at night.

3. In the Kerio Province there is no Medical Officer and there are only four native dressers available for all the tribes in this Area. Cerebro-Spinal Meningitis broke out in Kamasia, and twelve deaths occurred before the end of the year.

4. In the Coast Province there are two Medical Officers for the Island of Mombasa, but for the remaining Coast population of 140,000 people there is no Medical Officer at all. At Lamu there is one small ward under a Sub-Assistant Surgeon; there is a native dresser on the Island of Faza, and another at Kipini. The population of Lamu District including the Tana River Area is 31,000. The chief tribe on the Tana River is the Pokomo, among whom Yaws is prevalent, and it is estimated that their population has diminished by about 50% since 1909.

5. In Jubaland there is no Medical Officer and serious cases have to be sent into Italian Territory for treatment by the Italian Medical Officers. There is a Sub-Assistant Surgeon at Kismayu, and one at Serenli, and there are four African dressers in the Province. Yaws and Venereal disease are prevalent.

6. In the Nyanza and Kikuyu Provinces excellent work has been carried on by the Medical Department towards the eradication of Yaws and for the treatment of diseases and injuries in general. There are large Government Hospitals at Kisumu, Kisii, and Kakamega, under European Medical Officers, in addition to the C.M.S. Mission Hospital at Maseno. The Kakamega Hospital consists of native buildings only.

7. In the Kikuyu Province there are small Hospitals at Fort Hall and Chuka under European Medical Officers, and the Church of Scotland Mission has Hospitals at Tumu-Tumu and Chogoria. In addition there are many out-dispensaries in both Kikuyu and Nyanza Provinces.

8. There is a Government Native Hospital under an European Medical Officer at Machakos in the Ukamba Province.

9. There is an excellent hospital for natives in Nairobi capable of accommodating 190 patients. Treatment is free for unemployed natives, but for those in employment the employer, who is by law responsible for medical treatment for his servants, is charged one shilling per head per diem. The excellence of the treatment, feeding, and general supervision are rapidly breaking down the prejudice which formerly existed among natives against being taken to Nairobi Hospital, and the wards are usually full.

## CHAPTER IX.

### AGRICULTURE.

Great efforts have been made during the year by the Administration in co-operation with the Department of Agriculture, to increase native production in the Reserves, particularly the Nyanza Province where large areas have been put under cotton cultivation and four Ginneries are now working. Some 12,000 tons of Maize were exported from Kisumu in addition to large crops of sim-sim and ground nuts.

2. Good harvests were repeated in all Provinces with the exception of the Coast where severe losses were sustained through heavy rain, which destroyed cultivation. Moreover, the Sabaki River overflowed its banks and left a deposit of useless sand over the fertile soil in proximity to the River.

3. In the Kikuyu, Kerio, and Ukamba Provinces it is too early to see any appreciable results from the efforts towards increased native production. Agricultural Supervisors have now been appointed to Fort Hall and Machakos, and with a normal rainfall in 1924 appreciable results should be attained.

4. On the Coast a fair quantity of rice was grown but owing to the scarcity of canoe transport and lack of hulling machinery, very little of the crop was sold.

5. In Jubaland the scarcity of permanent water precludes the possibility of extensive cultivation. The vagaries of Juba River caused by alternative droughts and floods demand from the cultivators of its banks a pertinacity which is lacking in the local native. The Shehiri Arab is perhaps almost the only type who has this quality and could make a success of this precarious form of agriculture.

6. The Agricultural Department has made extensive issues of improved seed and has now a Staff of Agricultural Supervisors with native instructors and apprentices working in the Kavirondo, Kikuyu and Ukamba Reserves, the greater proportion being in the Kavirondo Areas. The assistance of these Officers is greatly appreciated, and they have done much to help the natives to learn improved methods of agriculture. It is hoped that these Staffs may be increased year by year.

7. The efforts which have been made for some years past by the Administrative Officers in the North and Central Kavirondo, notably Mr. H. R. Montgomery and Mr. J. W. K. Pease, with the subsequent assistance of Agricultural Supervisors, were crowned in the early part of the present year by a very remarkable native Agricultural Show, organised by the Senior and District Commissioner with the cordial co-operation of the Veterinary Officers and Agricultural Supervisors and held at Maseno. There were some 15,000 excellent exhibits of stock and about 12,000 exhibits of agricultural products and handicrafts, all of which were of most creditable quality. I had the pleasure of opening this first Native Agricultural Show, and the attendance was estimated at over 25,000 natives. Subsequent Shows were held at Fort Hall in the Kikuyu Province, and at Machakos in the Ukamba Province. These, though on a smaller scale, reflect great credit on the Administrative Officers and the Agricultural and Veterinary Officers who had latterly co-operated with them. The Shows were a remarkable illustration of the interest that the natives can and will take in agriculture, and should be of inestimable benefit in encouraging increased and more scientific production by natives in the Reserves.

8. The only case of partial food shortage reported during the year occurred in the Coast Province and was due to a variety of causes, namely, the destruction of seed crops by excessive rainfall, a plague of field rats, an earing disease in the Maize, and the failure of the short rains in certain parts. The shortage, however, was not serious and did not necessitate any extensive famine relief measures.

## CHAPTER X.

### VETERINARY.

The same unsatisfactory position as to quarantine was experienced throughout the year and almost every Native Reserve is in quarantine for one disease or another, a position which causes deep resentment among natives, is a serious restraint on trade, and makes it very difficult for the pastoral tribes to raise money with which to pay their taxes and meet their ordinary needs.

2. A Veterinary campaign was started by the Officers of the Veterinary Department among the cattle of the Lumbwa tribe, but partly owing to mischievous activities on the part of witch doctors who persuaded these ignorant people that the Government was trying to kill their cattle, and partly owing to resentment because stock was collected in lieu of inoculation fees, the campaign met with such dogged resistance on the part of the natives that it was reluctantly abandoned.

3. Valuable services were rendered by the Veterinary Officers in North and Central Kavirondo where one Veterinary Officer and five Stock Inspectors were employed in an endeavour to eradicate Pleuro-pneumonia and to deal at the same time with other diseases. A stock census of the three Kavirondo Districts was commenced and it is probable that the number of cattle in the Kavirondo Reserves will be found to aggregate approximately a million head.

4. A striking feature in the Report from the Nyanza Province is the increase in the consumption of meat by natives that has taken place recently. In the two large native markets of Nyangori and Luanda as many as 100 head of cattle are sometimes slaughtered in a single day for sale and native butchers have established themselves all over the Kavirondo Districts at convenient spots. It is likely that the consumption of meat amongst the Kavirondo and consequent purchase of meat for food will largely increase as the Reserves become prosperous.

5. The whole of the Masai Reserve was in quarantine throughout the year, and the Veterinary Officer, after inoculating the Uasin Gishu cattle, was withdrawn in October. The Masai are a purely pastoral tribe with enormous herds of cattle.

6. Quarantine was imposed on the following Native Areas during the year:-  
 All Reserves in the Nyanza Province (Pleuro-pneumonia and Rinderpest).  
 Marakwet Reserve (all diseases).  
 Masai Reserve (Pleuro-pneumonia and Rinderpest).  
 Northern Frontier District (Pleuro-pneumonia and Rinderpest).  
 Turkana and Suk (Pleuro-pneumonia).  
 Kikuyu Native Reserve (Rinderpest).  
 Nandi Reserve (Pleuro-pneumonia and Rinderpest).  
 Kamasia (Pleuro-pneumonia).

- Elgeyo (Rinderpest).  
 Ukamba Native Reserve (Rinderpest).  
 Dagoretti Native Reserve (Rinderpest).  
 Meru (Pleuro-pneumonia).  
 Kamasia and Njemps (Foot and Mouth Disease).
7. The disposition of Veterinary Officers and Stock Inspectors in Native Areas during the year was as follows:—
- Masai Reserve.* 1 Senior Veterinary Officer and Native Staff.  
*Nyanza Province.* (North, Central and South Kavirondo) 1 Veterinary Officer and 5 Stock Inspectors.  
*Northern Frontier District.* 1 Senior Veterinary Officer and Native Staff (transferred from Masai Reserve).  
*Lamu.* (Native area and settled areas). 1 Veterinary Officer; 1 Stock Inspector.  
*Meru.* 3 Stock Inspectors.
8. Inoculations carried out by Veterinary Staff in Native Areas were as follows:—
- Masai.* 3,300 head Government cattle inoculated for Rinderpest and Pleuro, as a demonstration.  
*Meru.* 82,000 head inoculated for Pleuro-pneumonia.
9. Fresh quarantines were imposed on the following:—  
 Native Reserves Nyanza Province. (Rinderpest and Pleuro-pneumonia).  
 Marakwet. All diseases.  
 Kamasia and Njemps. (Foot and Mouth Disease).  
 Nyeri, Meru, Embu. (Foot and Mouth Disease).
10. Quarantines were raised in the following:—  
 Kamasia and Njemps. Foot and Mouth Disease.  
 Dagoretti Reserve. Rinderpest.  
 Nyeri, Embu, Meru. Foot and Mouth Disease.  
 Meru. Pleuro-pneumonia.

## CHAPTER XI.

## POLICE.

The regular Police Force is not, as a rule, employed for ordinary police duties in Native Reserves, but are only sent into the Reserves in exceptional circumstances, as it is the duty of all official Headmen to arrest and bring in any natives who commit cognisable offences.

2. The duties of regular Police in native areas are those of station guards, escorts to Officers on tour, particularly when collecting taxes, and guards on consignments of specie from station to station.

3. The reports from all Provinces speak favourably of the conduct and efficiency of the police in the respective areas.

4. The Kavirondo tribe form the greater proportion of the Force. It would, however, be more satisfactory to see men of other tribes coming forward in greater numbers as recruits. The improvement in the men's physique and general intelligence after a short training at the Police Depot is very striking, and reflects great credit on the Officers who take infinite pains with them.

5. In Jubaland there is a separate Force known as the Jubaland Armed Constabulary. The men are practically all of the Somali race.

## CHAPTER XII.

## CRIME.

*Offences under the Indian Penal Code.* The total number of imprisonments under the Indian Penal Code was 2,712 as compared with 2,925 in 1922.

(a) *Property.* The great majority of infringements of the Indian Penal Code are offences against property. The total number of criminals who received Rigorous Imprisonment for such offences was 1,820 in 1923 as compared with 1,866 in 1922. In Nyanza Province out of 358 criminal cases tried by the Subordinate Courts 238 were for offences against property, in addition to 272 tried at Kisumu. In the Kikuyu Province there were 271 such cases, in Nairobi 471, and Nakuru 273.

(b) *Person.* The number of sentences to imprisonment for offences against the person was 554 in 1923 as compared with 682 in 1922.

2. *Offences against Local Ordinances.* The total number of offenders against local Ordinances who were imprisoned for such offences in 1923 was 4,538 as compared with 4,640 in 1922. When it is considered that these "crimes" are the cause of the incarceration of so large a number of natives guilty of no moral turpitude, together with those who may be guilty of robbery, burglary,

houses of detention for the former, in which they will not be subject to contact with the latter. Of these sentences of imprisonment for breaches of local Ordinances 206 were under the Master and Servants Ordinance, and 922 under the Registration Ordinance; the respective figures for the year 1922 were 1,063 and 1,055.

N.B.—The figures include non-natives as well as natives, but as the total of the former who were committed to prison (on Remand as well as on Conviction) was only 285 out of a total of 11,079 the general deductions and conclusions to be drawn from the Statistics may be regarded as virtually correct for the native population.

### CHAPTER XIII.

## PRISONS AND REFORMATORY.

There are four main prisons for the reception of long term prisoners. These are situate at Nairobi, Mombasa, Kisumu and Kismayu. In the Native Areas most of the prisons are temporary structures of native material, and although escapes from these, on the whole, are remarkably few, they can only be considered as makeshifts until funds are available for adequate buildings.

2. Prisoners in Native Areas are employed chiefly in planting and maintaining their own food supplies, and the repairing of roads, bridges, and culverts in Government stations. It is only in the larger prisons that industries are taught.

3. In accordance with the recommendation made by the Native Punishment Commission, Government has under consideration the establishment of Detention Camps for natives who have been convicted of offences which involve no moral turpitude. It is felt to be very undesirable that such convicts should be associated with habitual criminals and exposed to the contaminating influences which are inevitable in such cases.

4. The health of prisoners in native areas has, on the whole, been very good, and the conduct and efficiency of prison warders in these areas is the subject of favourable comment by the Administrative Officers.

### KABETE REFORMATORY.

5. This institution continues to do excellent work under the Superintendent, Captain Wood, M.C.

6. During the year there have been 43 admissions; 43 discharges; 11 escapes; 3 recaptures; and 4 deaths. Of the 43 boys who have been discharged 18 are in employment, two have been re-convicted and the remainder have gone back to the Reserves to see their friends, and it is hoped that they will return later to enter into steady employment.

7. The average number of inmates was 172. There are in training 22 carpenters; 40 masons; 5 tailors; 4 smiths; 10 gardeners; 40 agriculturists; 4 printers; 12 ox drivers; 10 quarry hands; and one Hospital orderly. The work undertaken by the Industries section has extended over a wide range including complete building, furniture and furniture covers, carpentering tools, clothing, as well as repairs to houses, gates, fences, and implements.

8. The revenue derived during 1923 was £1,185 as compared with £530 in 1922. The net annual cost of the Reformatory per head of inmates was Shgs. 295/96 cents. It is hoped that this figure will be progressively reduced from year to year.

9. Of the 172 inmates no less than 85 have been Kikuyu and the offences for which they have been convicted were practically all connected with theft and house-breaking. This striking feature seems to be due to the fact that Nairobi adjoins the Kikuyu Reserve, and there is a constant flow of small Kikuyu boys into the town where they live in idleness and mischief and come into contact with criminal influences to which they are readily susceptible. It is feared that many of them are employed by habitual receivers of stolen property.

10. The standard of health has been very good. The four deaths that occurred were all due to pneumonia, and three of the cases followed an outbreak of Influenza which occurred during the cold months of July and August.

### CHAPTER XIV.

## LEGISLATION AFFECTING NATIVES.

### THE COCONUT INDUSTRY ORDINANCE, 1923.

This Ordinance regulates dealing in coconuts and the tapping of coconut palms for palm-wine, and endeavours to suppress the coconut thieving which

is so common in the Coast areas as to make it almost impossible for plantation owners to carry on their business with any hope of profit.

2 The most important feature of this Ordinance is the provision which places the onus upon any person found in possession of coconuts in certain circumstances to show that the possession was lawful. This is no doubt a drastic provision, but it appears to have the full support of public opinion among all communities at the Coast.

#### DEPORTATION ORDINANCE, 1923.

3 This Ordinance repeals the Removal of Natives Ordinance, 1909, and requires all preliminary proceedings towards deportation to be conducted before a Judge of the Supreme Court sitting in Chambers.

#### THE FOOD PRESERVATION ORDINANCE, 1923.

4 This Ordinance prohibits the reckless or wasteful cutting down of food-bearing trees and was introduced on account of a practice, prevalent amongst improvident Coast natives, of selling, for conversion into charcoal, Mango and other food-bearing trees which form a useful standby in times of shortage.

#### THE MILITARY LABOUR CORPS DISTRIBUTION OF PAY AND PERSONAL PROPERTY ORDINANCE, 1923.

5 This Ordinance repeals Section 13 of the principal Ordinance of 1918, whereby the money due to members of the Military Labour Corps, which did such wonderful service during the War, might be applied, if unclaimed for three years, for the benefit of the tribes to which the natives belonged. The repeal of this Section was rendered necessary by the action of the Army Council who declined to recognise the tribe as *ultimus haeres* in such cases. Public opinion throughout the Colony, both official and unofficial, was strongly opposed to this repeal as it was felt that the money had been fully earned and should be regarded as a debt of honour.

#### SUGAR ORDINANCE, 1923.

6. This Ordinance was introduced partly as a result of a universal petition by the Chiefs of the Ukamba tribe to regulate the import of jaggery, a crude form of unrefined sugar, which was being produced by non-native Mill owners in the vicinity of the Native Reserve and sold by them in large quantities to the Wakamba, whose use for it is to convert it into a potent form of liquor.

7 The ease with which jaggery could be obtained had led to the abandonment of the native custom whereby liquor was only consumed by the old men and to an alarming spread of drunkenness among the young men and even the women. The Ordinance provides a means of controlling the import of Jaggery into any area to which its provisions may be applied and forbids the supply of sugar juice to natives. This legislation has already had a good effect.

### CHAPTER XV.

## NATIVES IN NON-NATIVE AREAS.

The immigration of natives from Reserves into the various townships has continued during the year and is likely to continue with the expansion of trade and general business resulting from increased production.

#### MOMBASA.

2 The Resident Commissioner estimates the number of adult male natives at 10,000 of whom an increasing proportion consists of up-country tribesmen. They are attracted to the Coast by the high wages offering there which are in some cases Shgs 2/-d to Shgs. 3/-d per day as against cents -/40 to Shg. 1/- up country. Unfortunately these high wages appear to encourage intermittent idleness, and natives who can earn enough in ten days to keep themselves for a month are naturally subject to temptations which the regular worker avoids. The position is a difficult one. The port of Mombasa frequently requires large numbers of labourers at short notice and at irregular intervals, and this demand naturally creates a class, like the dockers in London, whose employment is highly paid and at the same time precarious. On the island of Mombasa land values are high and consequently some difficulty is experienced by these labourers in obtaining living quarters.



3. The health of the up-country natives in Mombasa is usually good, but disease is rife among the local natives who, as a rule, are unfit for any but light manual labour.

4. The cost of living is high but this is amply covered by the high wages paid.

5. The local "Swahili" native is not, as a rule, a manual worker; he prefers the vocations of fisherman, sailor, cultivator, and petty trader.

#### NAIROBI.

6. The native population continues to increase and the Resident Commissioner estimates the population at 12,560 in 1923 as compared with 12,000 in 1922. This is mostly floating population in employment. The permanent residents, who number about 4,000, are mainly of Swahili, Sudanese, and Uganda origin. The native of the Colony rarely makes his home in Nairobi though he may stay there for several years.

7. The permanent residents are mainly lodging house keepers, petty traders, and cultivators. The others are police, soldiers, clerks, artisans, domestic servants, messengers, and general labourers.

8. The chief difficulty is, as in Mombasa, shortage of housing. To combat this the new native location of Pumwani was made available for building during the year, and at the same time steps were taken to do away with the unauthorised settlements known as "Mombasa", "Masikini", and "Kaburini". Assistance was provided by the Municipality for the occupants in building new houses at Pumwani, the site of which had previously been laid out with concrete drains, latrines and water supply. During the year 205 plots were taken up. The houses are mostly of wattle and daub, roofed with corrugated iron or tin; the construction is supervised by an European Inspector, and the general result has been better accommodation for natives than has existed before in the town. In spite of this the temporary nature of the construction, and the consequent difficulty of maintaining the houses in a cleanly and presentable condition has proved that nothing short of permanent housing will provide a proper solution of the problem. The average native cannot possibly find the capital for this.

9. During the year the Resident Commissioner, Nairobi, was relieved of all court work so that he could be free to devote more attention to native affairs in the town. With this end in view he has attended the meetings of the Native Affairs Committee of the Council, and has throughout the year assisted the members in dealing with native problems.

10. The control of the manufacture and sale of native beer by the Municipality has been successful in restraining drunkenness amongst natives, while the erection of a Recreation Hall in the new location of Pumwani, which is still in progress, should provide them with the means of utilizing their leisure time to better advantage.

11. Amongst other advantages offered to natives in the town is a waiting room and kitchen near the Railway Station provided for the use of travelling natives, at which they can obtain food and fuel at cost price, and the loan of cooking pots. The kitchen was used by 5,000 natives during the year. There is also a hostel, capable of housing about 60 natives, for those unable to obtain accommodation elsewhere. The charge for accommodation is Shgs. 1/50 per month per bed, while free accommodation for the night is provided for natives visiting the town in search of employment. Both these Institutions are maintained by the Labour Section of the Native Affairs Department.

12. A feature of native town life during the year has been the intense interest evinced in Association foot-ball. Several Europeans have taken the matter up keenly and a Native Football Association has been formed with a standing Committee to arrange matches. There is no doubt that the encouragement of the sporting spirit and the sense of good fellowship engendered by the development of sports amongst natives will materially help to allay discontent and premature political agitations. In Africa, as elsewhere, particularly amongst semi-civilised peoples, the development of healthy games has become a matter of first rate political importance.

#### NAKURU AND KISUMU.

13. In the smaller towns such as Nakuru and Kisumu the problems of rapidly increasing native population are similar to those of Mombasa and Nairobi though not as yet so complex or so pressing.

#### RAILWAY CONSTRUCTION.

14. The total number in employment as shewn by the records of the Registration Office on October 31st, 1923, was 129,296 (see Appendix "B").

Labour conditions, on the whole, have been satisfactory. The number of men employed on the Uasin Gishu Railway reached 16,500 during the year, but the death rate diminished from 51.32 per 1,000 in 1922 to 35.28 per 1,000 in 1923. Under the supervision of the Railway Magistrate and a Government Medical Officer conditions have been greatly improved since 1922, and rations and housing were maintained in a satisfactory condition. The employment was popular with the natives as is shewn by the fact that by the end of the year most of the men employed were casual monthly labourers who found their own way to the work without the assistance of labour agents. Men from tribes such as Marakwet, Elgeyo and Suk, which have never been known before to provide applicants for heavy manual labour, appeared on the line, attracted by the comparatively good wages and liberal rations.

15. There is no doubt that the construction of this Railway, although it has absorbed a large number of men, has been a boon to the country in that it has brought into the labour market large numbers of natives who had never worked before. The fact that this large supply was established and maintained without any form of pressure or coercion, beyond the necessity of earning money for hut and poll tax, is a tribute not only to the management of the labour on the line but to the willingness of the local native to work, provided he is given fair pay and conditions and has the chance of having his grievances heard and, where necessary, redressed.

#### AGRICULTURAL LABOUR.

16 In the sisal and coffee industries, particularly the former, wages have shewn a steady upward tendency. Sisal work is much the harder, and, where the initial rate of wage on engagement two years ago was Shgs. 10/- per month with mealie meal rations only, it rose during 1923 on most estates to Shgs. 14/- with a ration of mealie meal plus meat. This is satisfactory for higher wages to employees induce employers to economy in numbers and to close supervision in order to secure an adequate output from each man. The natural results are economy of man-power, improved methods, and the evolution of a more efficient class of labourer. The average labourer on a sisal plantation can now earn Shgs. 18/- per month without difficulty, and by a system of bonus based on the factory output established on some Estates men have received as much as Shgs. 36/- per month. This represents a very great advance on the state of affairs prior to 1914 when the average wage for this class of work was Shgs. 6/75 per month. The management of most Estates has become more experienced and efficient, and with it the labour.

17. The problem of providing enough labour for coffee picking was serious during the year and is likely to become more so, for the coffee industry is not so highly organised as the sisal, and its demand for labour is more seasonal. With a multitude of small growers all requiring a 50% increase in their labour supply at the same time difficulties must occur unless there are both co-operation and a strong sense of economy in numbers. Above all, arrangements for labour should be made at least a month before the crop ripens.

18. In the maize industry carried on principally in Nakuru, Eldoret and Trans-Nzoia districts the labour supply is furnished by resident natives or "squatters". Work on maize farms is popular with natives and the crop does not require a large labour force. There appears to be little difficulty in obtaining enough men to deal with it.

19. Rest Camps for natives travelling in search of work have been maintained at Nairobi, Kisumu, Nakuru, Nandi and Thika.

20 The number of natives residing on farms continued during the year to increase somewhat out of proportion to the actual labour requirements. This tendency was chiefly noticeable in the Districts of Naivasha, Nakuru, Eldoret and Trans-Nzoia. The necessity of controlling this exodus from reserves to farms has long been recognised, but the Resident Natives Ordinance, 1918, failed to achieve its purpose. A new Ordinance was enacted early in 1924, by which it is hoped that the movement will be kept in check.

#### NATIVES FROM ADJOINING TERRITORIES.

21 The number of alien natives in employment in Kenya is shewn in Appendix "B". They are principally from the Uganda Protectorate. Many of them reside for several years in the Colony and eventually make it their home.

22. The Baganda proper are chiefly artisans and domestic servants, and the Tanganyika natives and Bagishu from the Eastern Province of Uganda are unskilled labourers. The latter usually only stay a few months in the year in the Colony, but the number entering the Colony every year in search of employment is increasing. The Musoma and Utende natives from Tanganyika are good labourers, and this Colony provides them with an attractive market for their

labour. It is probable that if an organisation were instituted to provide them with free food and cheap rail and steamer fares to Kenya the number could be considerably augmented. They appear to thrive in the Highlands of Kenya, and it is unfortunate that the experiment of recruiting them for the Uasin Gishu Railway in 1922, should have resulted in a heavy mortality owing to a severe outbreak of pneumonia among a gang particularly poor in physique. .

## CHAPTER XVI.

### HABARI.

During the year 1923, Habari was contending with many difficulties. The cost of printing more than swallowed up all the profits, and the unpunctuality in delivery made it difficult to sell the paper.

Up to the end of the year every month showed a loss.

2. The circulation of the paper is very much greater than its figures would appear to show, since every copy circulates through many hands or is read to a group of illiterate natives by those who can read. It is doubtful, however, whether it can ever be made a paying proposition on the present lines. Without illustrations, and with few advertisements, it is unlikely that the circulation alone can ever meet the cost. It is thought, however, that it may be possible with increasing trade to add to the number of advertisements and if this proves to be the case the paper will get into a position in which it can afford to pay for a certain amount of illustrations and possibly to become a weekly or fortnightly instead of a monthly production.

3. It is always difficult for an Editorial staff to gauge which articles are the most popular, but it is thought that what the native chiefly likes is short paragraphs on the news of the world and of other Districts. In fact, local booksellers state that the paper known as "The News of the World" has, on account of its name, the widest circulation among natives. District news is probably even more popular but is much harder to get since much of the native news merely circulates from mouth to mouth and is never reduced to writing, much less sent up to any paper.

4. A discussion on marriage customs has been productive of considerable correspondence, and natives are beginning to show an increasing interest in the Government of their own country.

5. In spite of the financial loss it is, in my opinion, important that the paper should be continued.

6. In this Colony there is a distinct danger that an irresponsible newspaper might be used by Anti-Government, Anti-European, or Anti-Christian Agencies as a medium for the dissemination of their propaganda. So long as "Habari" is in existence it is unlikely that any other paper could be started and maintained without a very large financial expenditure. If "Habari" were to be abolished, while at the same time the number of literate natives is rapidly on the increase, an opening would be provided for other enterprise.

## CHAPTER XVII

### NORTHERN FRONTIER DISTRICT AND TURKANA.

#### GENERAL REGISTRATION.

The political situation during the year has remained satisfactory and undisturbed by untoward incidents of any magnitude, though considerable resentment was caused by the introduction of registration by finger print of all the Galla and Somali inhabitants of the District. This innovation was acquiesced in by the Boran but all Mohamedan tribes of Somali extraction refused to accept it on the pretence that it involved a violation of their religious principles. The attitude of one tribe, the Garreh, was such that its members, in order to avoid registration, migrated en masse to Abyssinian Territory.

#### ABYSSINIAN OFFICIALS.

2. An event of no little importance was the visit in February of the Abyssinian Minister of War, Fitaurari Hapta Gorgis, to the Frontier. The Officer-in-Charge of Moyale accepted an invitation to meet him and discussed with him matters and questions relating to local administration.

3. It is a matter for regret to us that Ato Gabru, the Abyssinian Officer-in-Charge of the Gaddaduma Post, was in August transferred to Addis Ababa. He was an Officer who maintained law and order and was consistently friendly to the British Government.

## VISIT OF CHIEF NATIVE COMMISSIONER.

4. In September, I visited the district in company with Lieut. Col. Llewellyn, Officer-in-Charge of the Northern Frontier, and on the 29th held a Baraza at Wajir at which most of the Somali headmen were present. At this Baraza the difficulties experienced in effecting registration referred to above were discussed at length, as were also details in connection with the use of wells, hire of camels, and the appointment of a Kathi to the Northern Frontier District, a matter which the Officer-in-Charge promised would receive his immediate attention.

## DOLO.

5. The Military Post at Dolo was closed and evacuated as from the 1st September, except that one Infantry Section remained to protect the riverine tribes

## DEGODI.

6. A certain amount of trouble is anticipated from the Degodia tribe-men who are threatening to make incursions South of Webbi Dawa. They are a section of the Haweyah Somali and their proper habitat is South East Abyssinia. Their usual method of procedure is "penetration pacifique", but when this fails they do not hesitate to raid the villages and herds of the Garreh on the southern bank of the River, hoping to eject the owners from the vicinity of the River and to acquire for themselves the vacated grazing grounds and water supply. They in their turn are threatened with raids by Abdurrahmen Mursaal, Chief of the Aulihan Ogaden (murderers of Lieut. Elliot at Serenli in 1916) from his headquarters on the Webbi Shebali River in Italian Somaliland, where it is said that he commands a considerable following having recovered his prestige and acquired no little influence since his defeat and flight from British Territory.

## TRADE.

7. Owing mainly to the imposition of cattle quarantine trade at Moyale has been stagnant during the year

## MILITARY.

8. The Military establishment of the District was as follows —

Officers	British N. C O's	Men
23	4	698

Headquarters have remained at Meru in Kikuyu Province

## TURKANA Raids

Raids perpetuated by Abyssinians and armed Turkana are diminishing in number.

10. In January there was a small raid on the Karamoja in which Turkana natives living near Murosogar Hill were suspected of participating, and which resulted in the capture of approximately three hundred head of cattle, most of which were subsequently recovered.

11. In September, a party of 15 elephant hunters consisting of Abyssinians and Turkana was found by a King's African Rifles patrol near Murosogar Hill. The hunters opened fire and an engagement ensued in which four Abyssinians and four Turkana were killed. There were no casualties among the King's African Rifles who captured one prisoner, 12 firearms, and 500 rounds of ammunition.

12. In October, there was an abortive raid near Kapeddo Post. The raiders were engaged by the King's African Rifles who killed five of them and suffered no casualties themselves.

## MEDICINE MEN.

13. In Northern Turkana an influential medicine man named Lokutaluk, head of the Naiwe section, has settled near the Government Station at Lodwar. He states that it is his intention to persuade his section, who hitherto have been notorious for their raiding propensities and who contain among their number probably as many as forty gun men, to join him and live a quiet life, but at the date of the report, no one had arrived but himself and his own family.

14. The most influential medicine man of the tribe, named Lowalel, has been threatened with taxation by the Abyssinians. It is said that he has refused to pay the Tax and that in consequence of his refusal the Abyssinians have

killed five of his people. It is reported that he has prophesied his own death or capture in the near future.

#### MILITARY.

15. The Military establishment during the year was as follows:—

Posts.	Officers.	British N.C.O.'s.	Men.
5	8	1	300

#### CHAPTER XVIII.

### DELIMITATION OF NATIVE RESERVES.

Practically every Native Reserve boundary is known, with the exception of the Northern Pokomo Reserve which has not yet been defined. Other boundaries merely await the settlement of minor adjustments before being published in the Official Gazette.

2. In view of the interpretation which has been placed locally on Clause 2 (3) of the "Kenya Colony Order-in-Council, 1921" I am of opinion that a fresh Order-in-Council will be necessary to declare native rights in their land.

#### CHAPTER XIX.

### NATIVES' TRUST FUND.

This Fund was established under Ordinance No. 46 of 1921, and was made up of balances standing to the credit of the various old deposit accounts detailed in the Schedule to the Ordinance. The Trustees of the Fund are the Treasurer, the Chief Native Commissioner, and Mr. J. C. Coverdale

2. Steps were taken by the Trustees to open sub-heads in the accounts of the Fund as from the 1st January, 1923, in order to deal separately with moneys belonging to different Districts or tribes. Moneys which could not be so allocated are retained in "General Capital Account".

3. Apart from Masai Funds practically the only revenue received into the Fund during the year consisted of

- (a) Royalties on timber and fuel cut in Native Reserves (chiefly fuel for the Uganda Railway).
- (b) Rent on a few small trading sites and Mission plots alienated since 1921.
- (c) Proceeds of Collective Fines imposed under Ordinance No. 4 of 1909.

4. In the Masai Province all rents on all trading sites and leased land, as well as timber royalties, have for some years past been paid into the Masai Suspense Account which is now part of the Natives' Trust Fund. From this revenue the Masai school at Narok is maintained at which over 100 boys are receiving a practical industrial education under a European Headmaster and native assistants. The Fund also defrays the expenses of several dairies at which the ghee production industry is being successfully developed, as well as the cost of roads and bridges, and dams for the conservation of water.

5. "Masai Disturbances Account" deals with the proceeds of a collective fine of 10,000 head of cattle of which collection commenced in 1922. From the net proceeds the Military expenses incurred in December, 1922, and early 1923, are being paid as well as ex gratia compensation to certain traders for losses incurred by them. The balance will be spent on services for the benefit of the Masai in their Reserve. Only about a quarter of the fine was collected and the remainder has been remitted.

6. From the Nyika account the construction of another large dam has been undertaken to the great benefit of the Natives of this arid area.

7. It was intended, at the request of the natives, to expend the money standing to the credit of South Kavirondo Luo and KISHI on the construction of steel suspension bridges over the Sondu and Nyando Rivers but it was found that the estimates which had been furnished were misleading and that the cost of the bridges would be greatly in excess of the amount available. Other arrangements are now under consideration

8. An endeavour was made to finance the native newspaper Habari out of the Natives' Trust Fund in the hope that a profit would be shown, but, owing to the small circulation and high cost of printing, the account at the end of the year showed a loss which will have to be borne by "General Capital Account".

9. Appendix "D" shows the various sub-heads that have been opened. In some cases they are District accounts; in others it has been found more convenient to have tribal accounts. Some have no money and never have had any, but it is hoped that revenue will accrue shortly to all these accounts.

## CHAPTER XX.

## TAXATION.

The amount realised from natives in hut and poll tax during 1923, was £574 922 This large sum of money in direct tax was collected in addition to indirect taxation through Customs duties which bring in a very large amount—probably in the neighbourhood of a quarter of a million sterling

## CONCLUSION.

Once more I desire to record my grateful appreciation of the loyal and devoted service rendered by all Officers and subordinates connected with the administration of native areas With Administrative Staffs reduced far below the strength required for close administration of the tribes, with these Staffs still further reduced by frequent temporary incapacity of members through illness and with an ever increasing burden of extra duties being placed upon them, they have managed at all times to carry on, and have achieved a degree of success remarkable in the circumstances

G V. MAXWELL,  
*Chief Native Commissioner*

## APPENDIX "A".

Loc. No.	Location.	Chiefs and Headmen.	Salary per year. Shgs.	No. of sub-headmen unpaid by Govt.	No. of Clerks unpaid by Govt.	Tax assessment. Shgs.
1.	Alego.	Ngonga	1,800.	22	1	182,904
		Oganga	600	20	1	
		Okello	360.	10	1	
		Gua	240.	12	1	
2.	Asembo.	Odindo	800.	—	1	72,132
		Otiende	360.	6		
		Owino	350.	8		
3.	North Gem.	Ogada	1,800.	—	1	124,740
		Ochwonyo	480.	10	1	
		Nyabera	360.	7	1	
		Onyango	240.	2	1	
		Mathume	240.	8	1	
		Otako	240.	21	1	
4.	South Gem.	Ndeda	1,600.	—		87,336
		Daudi	520.	6	1	
		Aduol	280.	7	1	
		Uyomba	240.	9	1	
		Nyangor	240.	4	1	
5.	Kadimu.	Okello	600.	—	1	29,028
		Owino	240.	3	1	
		Jacobo	240.	8		
6.	Kajulu.	Awour	800.	—	1	26,016
		Ngonga	240.	4	1	
7.	Kano.	Obonyo	240.	2	1	197,424
		Amimo	1,200.	—	1	
		Ayon	480.	16	1	
		Oweli	480.	3	1	
		Ogada	360.	5	1	
		Nyagol	480.	10	1	
		Ondiek	360.	5		
		Warindo	360.	4		
		Muga	360.	9	1	
		Omoro	360.	5	1	
		Okwandawa	360.	8	1	
		8.	Kibuye.	Aketck	360.	
9.	Kisumu.	Ouko	800.	—	1	
		Osimbo	360.	5	1	
		(Vacant)	360.	4	1	
		Oyindo	360.	3	1	
		Olang	360.	7		
		Nyaeyo	360.	5	1	
10.	Nyakatch.	Kere	1,000.	14	1	100,200
		Ondiege.	360.	10	1	
		Omolo	360.	4	1	
		Nyarero	360.	3	1	
11.	Nyangori.	Sonono	800.	—	1	24,972
		Osweya	240.	4		
		Nbiti	240.	5		
		Ajul	240.	3		
		Jemon	240.	4		
12.	Sagam.	Arau	800.	—	1	24,324
		Obonyo	360.	2	1	
		Ngenya	360.	6		
13.	Sakwa	Olulo	600.	—	1	60,012
		Okeya	320.	4	1	
		Ongaro	320.	8	1	
		Oduo	240.	3	1	
		Obiero	320.	5		
Carried forward.			28,040.	337.	45.	1,012,848

Loc. No.	Location.	Chiefs and Headmen.	Salary per year. Shgs.	No. of sub-headmen unpaid by Govt.	No. of Clerks unpaid by Govt.	Tax assessment. Shgs.
	Brought forward		28,040.	337.	45.	1,012,848
14.	Samia	Kadima	1,200.	—	1	
		Mkudi	360.	9	1	
		Muhamgabwe	360.	9	1	
		Apopo	360.	10	1	
		Jaganye	360.	6	1	
		Ogare	360.	13	1	
		Obilo	360.	4	1	136,728
15.	Seme.	Oguk	800.	—	1	
		Auma	360.	3	1	
		Daudi	360.	11		
		Okello	360.	4		
		Wasonga	360.	19		136,260
16.	N. Ugenya.	Mganda.	1,400.	30	1	
		Khanenye	360.	9	1	
		Onyango	240.	2	1	109,296
17.	S. Ugenya.	Mugunya	800.	16	1	29,820
18.	Uyoma.	T. Moyi.	500.	—	1	
		Aiyoke	360.	9		
		Opondo	360.	12	1	57,660
	TOTAL.		37,660.	503.	60.	1,482,612.



## APPENDIX "B".

APPROXIMATE NUMBER OF REGISTERED NATIVES  
REPORTED IN EMPLOYMENT (Special count October, 1923).

Tribe.	Registered natives in employment.	Number employed per cent. of adult male population of tribe.
Kavirondo	47,243	42
Lumbwa	3,167	36
Nandi	2,343	54
Marakwet, Suk and Masai	2,213	X
Akikuyu (including Meru and Embu).	48,577	55
Akamba	5,889	15
Wateita	2,560	58
Coast	1,774	X
Muganda	8,081	X
Aliens	5,449	X
	<hr/>	
	TOTAL	129,296
	<hr/>	

X Not stated as Registration has not yet been fully applied to these tribes.

NOTE :— The above total shows a decrease as compared with the figures stated for 1922, namely 133,221. This is due to the inclusion in the latter figure of a large number of natives on indefinite leave, and is not indicative of a decrease in the number of natives in employment.

## APPENDIX "C".

## NATIVES' TRUST FUND.

Statement of Balances on 31st December, 1923.

Name of Account.	Dr.		Cr.		Reference to items in Schedule to Ordinance No. 46, 1921.
	Shgs.	Cts.	Shgs.	Cts.	
Central Kavirondo.			36,103.	24	Takes in item 9.
North Kavirondo.			6,613.	74	Takes in item 11.
South Kavirondo Luo			—	—	
Kisii			34,180.	56	Takes in item 7.
Bakoria.			—	—	
South Lumbwa.			6,577.	53	
Nandi.			489.	00	
Nyeri.			—	—	
Fort Hall			544.	00	
Kyambu.			—	—	
Embu.			—	—	
Meru.			—	—	
Uasin Gishu Masai.			—	—	
Ravine Kamasia			30,677.	11	Takes in item 8.
Njemps.			2,000.	00	
Kabarnet Kamasia.			—	—	
Kabarnet Suk.			—	—	
Elgeyo.			72.	00	
Marakwet.			—	—	
Kacheliba Suk.			—	—	
Ulu (Machakos)			2,504.	99	
Kitui.			—	—	
Taita.			—	—	
Taveta			—	—	
Nyika			16,197.	39	Takes in item 13.
Pokomo.			2,467.	00	Takes in item 12.
Duruma			1,375.	37	
Lamu			—	—	
Masai Capital Account			40,000.	00	} Takes in items 6 & 10.
Masai Current Account			12,279.	00	
Masai Ghee Production Account.			10,421.	00	
Masai Disturbances Account.			112,917.	99	
General Capital Account			11,703.	50	Takes in items 2, 3, 4, 5 & 14.
Famine Relief Account			17,605.	06	
"Habari" newspaper a/c.	3,124.	10			
Cash in hand	241,605.	30			
On fixed deposit	100,000.	00			

N.B.—Item 1—Balance was  
transferred to Church  
Missionary Society in  
1922.

344,729.40	344,729.40
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# ANNUAL REPORT

## LABOUR SECTION—NATIVE AFFAIRS DEPARTMENT.

JANUARY—DECEMBER, 1923.

1. STAFF.—S. F. Deck, Principal Labour Inspector, 1 1.23 to 27.2.23.  
 W. P. Shields, Labour Inspector, 1.1.23 to 31.12.23.  
 R. F. Palethorpe, Labour Inspector, 1.1.23 to 31.12.23.  
 J. D. McKean, Labour Inspector, 1.1.23 to 1.11.23.  
 B. J. F. Francklin, Labour Inspector, 1 1.23 to 1.3.23.

Mr. Deck was on leave from 27.2.23 to 28.10.23, and Major Gray, Chief Registrar of Natives, acted for him during his absence.

Mr. McKean went on leave 1.11.23.

Mr. Francklin returned to the Provincial Administration 1.3.23.

### II. TOTAL NUMBER OF INSPECTIONS.

Year.	Number.
1921	156
1922	443
1923	421 (See Appendix "A")

### III. ACTION AGAINST EMPLOYERS.

	1922.	1923.
Proceedings instituted	48	24
Number of convictions	34	20
Withdrawn	12	1
Settled out of Court	2	3

Owing to increased prosperity throughout the country during the year defalcations by employers were not so numerous as in 1922.

The principal offence was, as usual, withholding wages. Complaints of assault were dealt with chiefly by the police. The number of these cases brought to the notice of Labour Inspectors was negligible.

### IV. GENERAL CONDITIONS OF CAMPS INSPECTED.

(a) *Fuel and Ballast Camps.*—The condition of labour in these camps was again good. The mortality and sick rates have been low. On that part of the line between Nairobi and Samburu stations, where mortality has been high in the past, only five deaths have been traced by Inspectors during the year out of an average labour strength of 1 300. There is no doubt that this state of affairs is largely due to the efforts of Labour Inspectors who have brought about an improvement in housing, insisted on a variety of diet, the maintenance of supplies of simple drugs in all camps, and the prompt despatch of serious cases to hospital.

(b) *Magadi Soda Company.*—The labour force at the Lake Factory was considerably reduced during the year and the maximum number employed at any given time did not exceed 600. The health was good, no epidemics occurred, and the total number of deaths was 2.

The ration issued was:—

- 2—lbs. mealie meal per day.
- 1—lb. beans or chiroko weekly.
- 1—lb. meat twice weekly.
- 1 lemon weekly.
- Salt weekly.

This ration seems remarkably well suited to the native constitution as the men's physical condition improves in a marked manner during the period of employment.

(c) *Sisal Estates.*—(1) Kibwezi-Coast. On the Coast conditions are popular. Tasks are low and pay is high, namely, up to Shgs. 24/- without food, per 1,000 leaves cut. In the Kibwezi area plantations are always short of labour. The climate is unhealthy and employers are slow to improve conditions. The average wage to cutters was Shgs. 12/- with food, per 1,500 leaves, which is not enough to attract labour especially as no meat ration is issued. The health, on the whole, was good. Out of a total average labour force in the Kibwezi-Voi area of 2,000 men on five Estates, 19 deaths occurred, equal to 9.5 per 1,000 per annum.

In the Coast Area the health at Powysland<sup>\*</sup> Sisal Estate, Kilifi, which employs on an average about 800 men, has not been good. 32 deaths occurred during the year mainly from pneumonia and dysentery, making a death rate of 40 per 1,000 per annum. This is a much higher rate than that recorded on any other Estate.

The Medical Officer of Health, Mombasa, who reported on the Estate in November, considered that the outbreak of dysentery, which caused most of the deaths, was due to the lack of proper latrines, and failure on the part of the management to keep the labour lines and surroundings in a reasonable state of cleanliness. Previous to this, a Labour Inspector reported in September (1) That the situation with regard to health was very grave; (2) That a Sub-Assistant Surgeon was urgently required; (3) That in the meantime medical advice was urgently required on medical treatment, and sanitation of the hospital and compound. Unfortunately, owing to reductions in the Government Medical Staff no Medical Officer was available to inspect the camp till November, by which time an outbreak of dysentery had occurred which resulted in 15 deaths.

The management of the Estate had endeavoured from September onwards to procure the services of a Sub-Assistant Surgeon, but without success. By the end of the year, however, they had secured the services of a competent compound Manager and conditions have improved considerably. The Government Sub-Assistant Surgeon from Malindi visits the Estate weekly. The Estate will be carefully inspected during the coming year and any further neglect of reasonable sanitary precautions by the Management will be dealt with by prosecution.

(2) *Thika-Kiambu Areas*—Health on the whole has been good. Out of a total average labour force of 2,500 men on eight Estates 42 deaths occurred, of which 15 were due to plague making a death rate of 16.8 per 1,000 per annum. Conditions have improved considerably and most Estates now issue a meat ration to cutters and factory hands. The minimum wage averaged Shgs. 12/- monthly, with food, and the cutting task 2,000 leaves per day. Various systems of bonus are in force for overtime work, and on one Estate the factory hands were paid a bonus of Shgs. 24/- each for one month's work. The pay of cutters is still too low to attract labour, and there is every probability of the wage rising to Shgs. 16/- (with food) for 2,000 leaves.

(d) *Coffee and Maize Estates*.—Only 10 Estates were inspected. Housing and sanitation still require improvement, and the usual ration issued is only 2-lbs mealie meal per day and salt weekly. In spite of these apparent drawbacks the labourers remain, to all appearances, healthy and contented. There are various reasons for this state of affairs.

(1) The labourers are usually on verbal monthly contracts and therefore able to take a rest if they feel so inclined on completion of 30 days work.

(2) The Estates are situated for the most part in the healthiest parts of the country.

(3) The Estates are either near Native Reserves where food, as a rule, is easily and cheaply obtainable, or they are large Estates as in Nakuru district with plenty of room for the labourer to bring his family and grow his own food.

With increased development in the coffee areas employers are, however, finding it every year more difficult to obtain a sufficient and regular supply of monthly labourers, and in some cases are obliged to employ men from distant Reserves on long contracts. It is probable, therefore, that regular inspection of certain coffee estates will have to be undertaken during the coming year.

(e) *Sugar Plantation and Factory Mtwani*—About 1,500 natives were employed here during the year, practically all of them monthly labourers from the neighbouring Reserves. Housing and sanitation leave a good deal to be desired, but the death rate has been low. Only one death occurred during the year. Strong recommendations have been made to the Management by the Medical Department to instal a water borne sewage system, but without effect. Action by the Medical Department under the Public Health Ordinance in the interest of the native labourers will be urged unless the matter is remedied early next year.

Other conditions call for no comment. Wages are regularly paid, and the Estate is popular with the local labour.

(f) *Railways*—(1) Uasin Gishu Railway. A separate report by the Magistrate is attached, together with a graph compiled by Mr. Shieds, Labour Inspector, shewing the coincidence of (i) High rainfall and high death rate, (ii) High rainfall and high death rate from pulmonary disease; (iii) Large numbers employed and high death rate.

The high death rate, chiefly from pulmonary disease, of 4.8 per 1,000 during April, in spite of careful medical supervision, shews that tropical African natives cannot work through the day at an altitude of over 7,000 feet during the rains without suffering from pulmonary disease.

Conditions have improved greatly, mainly owing to the efforts of the Railway Magistrates, and the result is reflected in a rapidly falling death rate and the increasing amount of labour offering for work on the line during the greater part of the year. During December the supply of casual monthly labourers fell off as it usually does at this time of the year.

(2) *Thika Railway Re-alignment*—From June to December an average labour force of about 900 men was employed on this work. The labourers were mostly long contract men and the camps of the contractors have been regularly inspected. The health has been uniformly good and only 5 deaths have occurred of which 3 were from plague. The majority of contract labourers were Embu and Meru, who are usually very susceptible to any form of disease. The average death rate for the six months July-December, 1923, was therefore 11.10 per 1,000 per annum. The work was undertaken during the healthiest part of the year, and the number of men employed was small and distributed over 20 miles of line. The figures, therefore, cannot fairly be compared with those of the Uasin Gishu Railway where very different conditions prevailed. Careful instructions were issued by the Medical Department concerning housing, clothing, feeding, water supply, and sanitation, most of which were inserted as conditions in the contract between the Uganda Railway and the contractors. Most employers have issued a small meat ration weekly in addition to beans. No prosecutions have been necessary during the year.

(g) *Harbour Works, Mombasa*—(Pauling & Co.,) The average number employed was 400, of whom 3 died. Conditions were satisfactory and call for no comment.

## V. LABOUR CONTRACTS.

(a) *Verbal Monthly Contracts*.—The verbal "30 working day contract" established by Ordinance No 30, 1918, by which it had been held that the employee was bound to complete 30 days work within a period of 42 consecutive days has been recently interpreted by the High Court as having a different meaning, namely, that the employee is not bound to work for 30 days but on the contrary may leave his employer's service any day he chooses and at the end of a period of 42 days is entitled to claim from his employer wages for the days on which he has worked. This interpretation, based on the literal reading of the Ordinance which is admittedly obscure, has deprived the employer of any remedy against an employee who quits his work without permission at the end of any day. Amending legislation has been drafted to meet the chaotic situation thus created and will, it is hoped, become law early in 1924.

(b) *Long Term written Contracts*.—It has further been ruled by the High Court that any mention of working days in specifying the duration of a contract renders the contract invalid. As most of the written contracts at present current state, in specifying the duration of a contract "... Calendar months" or "on earlier completion of ... days work", it may be assumed that most of them will not hold good in the Courts.

As most native labourers prefer to be paid by the 30 working day card it is to be hoped that means will be found in the coming year to legalise the present custom, by which a labourer by diligent work can obtain his release from a contract before the specified calendar period has elapsed.

(c) *Task-work*.—Careful records have been kept by Labour Inspectors of the different tasks set as a days work to labourers in the various industries. It has been found that on coffee Estates tasks, of necessity, vary very greatly with the season of the year and the condition of the Estate, whereas on Railway construction, fuel cutting, and sisal Estates, a recognised standard task can be kept up practically all the year round. The average tasks in the various industries are as follows:—

- |                           |  |
|---------------------------|--|
| (1) Coffee-Picking.       | Three 4 gallon tins per day during heavy picking season. 15 cents per tin over-time.         |
| Weeding.                  | 500-1,000 sq. yards per day.   |
| Pruning.                  | 20-40 trees per day.   |
| (2) Sisal Cutting.        | 1,250 leaves per day (Kibwezi and Coast Areas).<br>2,000 leaves per day (Thika-Kiambu Area). |
| Weeding.                  | 100-200 plants according to the condition of the Estate.                                     |
| (3) Railway Construction. | 80-100 cubic feet soft earth.  |
| (4) Fuel Cutting.         | 35-50 cubic feet according to the nature of the timber.                                      |
| (5) Ballast breaking.     | 10-25 cubic feet according to hardness of stone equals<br>2½-6 barrels.                      |

In wattle plantations 50 cubic feet can easily be cut and stacked by an able-bodied man in six hours, while in the dry bush where special trees have to be selected and the logs carried some distance for stacking 35 cubic feet is as much as an able-bodied man can do.

In practice Inspectors find that the employer who sets a moderate task and sees that the labourers do it, and therefore get their tickets regularly marked, is more successful than the man who sets a higher task for a slightly higher wage and gets only two tasks done in three days.

It is the usual practice now amongst employers to set no tasks to labourers new to the work for the first fourteen days. This is particularly important with such tribes as Meru who are unused to any sort of regular work and are, therefore, appalled at the size of the task before they have learned the work.

Task work is really piece work, *i.e.*, so much pay for so much work done. Any written contract in which piece-work and the rate therefor is not agreed to in writing by the parties is a time contract. It has, however, become the practice amongst employers throughout the country to set a day's task equivalent to about eight hours work for an average labourer. Most labourers prefer this arrangement, as by working hard they can finish their work by noon and have the rest of the day to themselves.

It cannot, however, be enforced in the Courts if it is not specified in the contract.

It is also evidently open to abuse by unscrupulous employers and where complaints are made by labourers against employers of withholding wages on account of non-completion of tasks Inspectors insist on payment by time. In practice this system works well. The average task set is not high and if the labourer finds he is being over-tasked he very soon complains either to an Inspector or to the nearest Magistrate.

## VI. LABOUR RECRUITING.

The number of Labour Agents Permits issued during the year was as follows:—

i. Ukamba Province	..	..	..	11
ii. Nyanza Province	..	..	..	49
iii. Kikuyu Province	..	..	..	4
				64
			Total.	64

as compared with 74 for 1922.

The total number of labourers attested on long term contracts is shown in Appendix "B".

The behaviour of Agents has been satisfactory and no prosecutions have been necessary.

(a) *Uasin Gishu Railway*—As conditions improved on the line it was found that monthly labourers could be obtained in plenty and the number of recruited long-contract labourers diminished. It is probably due to this fact as much as anything else that the mortality decreased in such a marked manner during the year.

(b) *Government Departments*—Large numbers of Embu and Meru have been recruited mostly on long contracts.

(c) *Recruiting Associations*—The Kikuyu Planters Recruiting Association with headquarters at Thika started operations in April after building the necessary camps at Meru, Chuka, Embu and Thika. A camp was begun at Fort Hall, but it was found that the natives disliked sleeping there on account of the danger of fever and it was abandoned. Most of the labour travels by a route to the East of Fort Hall and so avoids altogether the township which has a bad reputation among them for unhealthiness. From April to December, 1923, the Association obtained 2,950 labourers for farms in the Fort Hall, Thika and Kiambu districts. As it had to compete with recruiters from the Railways and Sisal Areas who were offering higher rates of pay the result of the years work was distinctly satisfactory. Only one case of failure to pay wages occurred amongst members of the Association. The offending member was expelled from the Association and the wages were paid.

(d) *Native Recruiters*—It is noteworthy that practically all the men engaged by the Kikuyu Planters Association were obtained by native recruiters. The difficulty with the latter is that the best of them make a great deal of money in capitation fees in a very short time and then retire into private life.

There is very little doubt that the better class native labourer now finds his way to employment without the assistance of the recruiter. The supply from Central and North Kavirondo through Labour Agents is diminishing and even more remote tribes such as the Kisii and South Kavirondo now find their way independently to Lumbwa station in ever increasing numbers. From this point, they either go on foot or work their way down the line to their destinations. The Kikuyu from Nyeri, Fort Hall and Kiambu districts have for some years been independent of the Labour Agents mainly because they can always find employ-

ment on the plantations close to their homes. There remain only the more remote districts, Embu, Chuka, Meru and Kitui, as promising fields for the Labour Agents efforts. With raw labour from distant places the Labour Agent serves a useful purpose. But once a tribe is habituated to going out to work its members much prefer to seek their own employers.

It is a question whether some form of assistance should not be rendered by Government, having regard to the low rates of wages paid throughout the country, to such labourers leaving their homes in search of work. A useful form of assistance would be reduction of rail fares from Kisumu to the Coast and intermediate stations. It is noteworthy in this connection that a similar recommendation was made by a Committee of Inquiry in connection with the supply of native labour S. Rhodesia, 1921. The present system of "batch" rates on the railway whereby natives travelling in parties of 10 or more can obtain reduced fares, is utilised only by Labour Agents for their recruits. The natives of Nyanza Province, who require more than any other tribe the assistance of cheap fares to help them to their destinations, are, as yet, incapable of the co-operative effort which would enable them to take advantage of the system.

## VII. LABOUR DEMAND AND SUPPLY & RATE OF WAGES.

(a) *Supply*.—The supply has proved remarkably elastic during the year but a shortage became apparent during November and December chiefly in (i) Kibwezi Sisal Area, where conditions are always distasteful to labour. The plantations are situated in the midst of dry bush country far from any well-populated native Reserve. No meat ration is issued by the employers there and the labourers, mostly long contract men from Kisumu, find it difficult to supplement their ration of mealie meal and vegetables by local purchases.

(ii) *Thika and Fort Hall Sisal Areas*.—A shortage occurred towards the end of the year, a period when the supply from the Nyanza Province always tends to decrease.

(iii) *Ruiru Coffee Plantations*.—An acute shortage occurred in the month of November just as the harvesting of the coffee crop began. The employers were relying on a supply of Meru and Embu labourers which had been plentiful until November and then suddenly ceased. The assistance of the local Administrative Officers was invited by the planters and meetings between planters and Chiefs were arranged which resulted in enough labour arriving on the farms to pick the crop. The shortage was admittedly largely the fault of the employers who had neglected to provide for their labour requirements in advance.

The number of labourers engaged in Agricultural and pastoral work on June 30th, 1923, was 54,000 according to the statistics of the Agricultural Department, as compared with 50,000 on June 30th, 1922, and the total number of natives in employment throughout the country in October, based on returns by employers to the Registration Office, was 129,000 as compared with 133,000 in December, 1922. This apparent drop in the number of labourers in employment is probably fallacious. The former figure certainly contains a large number of natives who had quitted their employment on indefinite leave. From the latter figure most of these absentees have been eliminated. Even so the figure 129,000 is probably too high. On the Uasin Gishu Railway, as will be seen from the report attached, the supply was maintained in a remarkable manner. From certain districts, such as South Kavirondo and Meru, labour is coming in increasing numbers, but the figures for the Ukamba districts, Kitui and Machakos, are disappointing.

The numbers of labourers supplied by the different tribes are shown in Appendix "E". It will be noticed that the Kikuyu (including Embu and Meru), though a smaller population, supply more than the Kavirondo. The explanation of this probably lies in the fact that a large number of Kikuyu, at least 10,000 men, living on farms as resident natives, are returned as in employment. In fact, most of them work only for a short period during the year although by law required to do at least 180 days. Fresh legislation for the control of these squatters is about to be introduced and it is hoped that it will bring about closer supervision of natives resident on farms who threaten to become, as the Court records of Nakuru district shew, an idle, quarrelsome and thievish community. The number of resident natives heads of families, almost entirely Kikuyu, in Nakuru District, according to the records of the local Magistrate, is about 4,000. This number, supplemented by the ordinary supply of casual monthly labourers from the Kikuyu Reserve, ought to meet the labour requirements of the district. Records shew, however, that during the year 900 contract natives from Nyanza Province had to be imported into Nakuru district for work on farms. One result of the migration of Kikuyu natives to the Naivasha and Nakuru farms can be seen in the shortage of Kikuyu labour on plantations near the Kikuyu Reserve

where Kikuyu labour is being gradually replaced by Embu and Meru. There are, however, other causes which contribute to this state of affairs. The Kikuyu of Kiambu, Fort Hall, and to a less extent Nyeri Districts, are in touch with a good market for their produce which is improving in quality and increasing in quantity every year. The result of this must be that labour from these Areas will demand a higher wage. Thus the employers are reluctant to give at present with the result that the number of Kikuyu offering for employment on plantations near the Reserve is diminishing. Alien labour still continues to enter the country in increasing numbers. Appendix "E" shews 5,449 aliens in employment in October, 1923, as compared with 5,264 in December, 1922. The needs of the Uasin Gishu and Trans-Nzoia districts continue to be met largely by immigrant labour from the Eastern Province of Uganda. With the increase in cotton growing in Nyanza Province, the chief source of unskilled labour in the country, the wealth of the native will certainly increase and they will demand a higher wage. This position has evidently already been reached in Uganda where the wealth derived from the sale of cotton has been so considerable that the wage offered by planters no longer offers any attraction to the native.

Similarly the immense sums earned by natives of the Nyanza Province on the Uasin Gishu Railway must have contributed to the shortage of labour from that Province noticeable in the latter months of the year.

*Rates of wages for Unskilled labour* in the various districts and industries during December, 1923, were as follows.—

		Maximum rate on engagement.	Average Wage.	Increase.
1. Uganda Railway (Maintenance).	..	Shs. 14/- p.m. with food.	Shs. 14/-	Shs. 2/-
2. Railway Construction.	..	" 14/- do.	" 14/-	
3. Fuel cutting and Ballast breaking (Nairobi to Coast).	..	" 14/- do.	" 14/-	" 2/-
4. Sisal Plantations (Thika and Kibwezi).	..	" 14/- do.	" 12/-	" 2/-
5. Coffee Plantations.	..	" 12/- do.	" 10/-	" 2/-
6. Maize Plantations.	..	" 10/- do.	" 10/-	" 2/-

In the Trans-Nzoia area labour is still obtainable at Shgs. 6/- per month with food. During 1922 labour could be obtained for Shgs. 8/- per month for coffee and maize plantations. It is now practically impossible, except in a few specially favoured areas, to get any labour at this figure. Sisal Estates cannot obtain as much labour as they require at Shgs. 12/-. Rates of pay on maize farms tend to be lower than in other branches of Agriculture probably on account of the "pickings" obtainable by the labourers during harvest.

The number of labourers supplied by various tribes on long term contracts is shewn in Appendix "B".

Evidence shews that the long term contract is unpopular with native labour particularly those from Meru and Embu. It is the experience of all Inspectors that natives work better and keep healthier when working on verbal 30 day contract. This fact has been particularly noticeable on the Uasin Gishu Railway, and it is interesting to note that the same point has been noted and recorded by competent observers on the Katanga Mines in the Belgian Congo and in Southern Rhodesia.

*Apprentices* During the year 117 natives were signed on as apprentices by the Uganda Railway at their workshops in Nairobi, with a view ultimately to replacing most of the Indian artisans at present employed. The training given to the apprentices is 8 hours in the shops under European supervision and 2 hours school nightly. The boys are taken at about 16 years of age and the pay and rations are as follows:—

First year.	Shgs. 6/- per mensem.
Second year.	" 8/- " "
Third year.	" 12/- " "

*Rations.* 2 lbs. meal per diem, 2 lbs. meat per week, 2 ozs salt per week.

Clothing and fuel is also supplied.

It is, of course, too early to forecast the result of the experiment. The progress made indicates that it is being conducted on lines more suitable to native temperament and intelligence than any other experiment hitherto made. It is probable, however, that stricter discipline than that in force at present will have to be introduced if the final results are to be satisfactory. The Railway



Authorities are preparing accommodation for further apprentices whom it is hoped to sign on during the coming year. Judging from the number of applications received for vacancies the scheme appears to be popular with the natives.

The Government Printing Press had six apprentices during the year under training as printers. Learners in the book-binding trade are not apprenticed.

Private employers do not, as a rule, employ indentured apprentices. They prefer to train the more intelligent labourers as skilled workmen. The question of native apprenticeship requires careful consideration. If conditions are made too easy the result will be an indifferent workman; while if they are too strict natives will be unwilling to sign on. Some sort of certificate is required signed by a responsible authority to indicate that the native has served his time and acquired the necessary skill and experience to warrant his employment as a skilled workman.

VIII. *Labour Rest Camps.* The following camps were in existence during the year.

(1) Nairobi Rest Camp and Kitchen.

Average number housed.		Number supplied with rations and firewood.	
1922.	1923	1922.	1923.
50	32	11,636	5,117

A statement of revenue and expenditure is shewn in Appendix "C". The new kitchen building erected by the Uganda Railway Authorities in 1922 is not satisfactory, and it is hoped that it will be possible to repair and enlarge it during the coming year. The decrease in the number supplied with rations is due to the fact that the new kitchen is too far from the station.

(2) *Kisumu Rest Camp* Consists, as during 1922 of 9 huts in the Native Location in charge of the District Commissioner. A kitchen and Rest house at the Railway station were completed during the year and were used by 96,297 natives. The cost of construction of the kitchen was Shgs. 1604/- and the cost of upkeep Shgs. 842/-. All trains are met by the native clerk in charge of the kitchen who reports all cases of sickness among the returning labourers to the District Commissioner.

(3) *Nakuru.* Two huts and a kitchen were maintained during the year in the Native Location.

(4) *Thika.* At the end of the year a substantial concrete building 30' X 15' was erected to provide accommodation for travelling natives in place of the temporary shelter erected in 1922. No food will be supplied for the present as most natives bring their food with them.

(5) *Nandi.* Four camps are now provided, namely, at Chesume, Kapsabet, Lemukwa and Ol Lessos. The latter camp was completed during the year under review. The provision made in this district appears to be sufficient for the present.

(6) *Kisii.* A new camp was erected during the year on the Lumbwa-Kericho road at the Sondu River (4 huts), the object being to provide shelter for labourers proceeding to and from South Kavirondo district. It is proposed to provide other camps at Kisii, Stations and mile 9 (near Lumbwa Station).

IX. REPATRIATION.	1921.	1922.	1923.
Natives repatriated			
(Within Colony).	113	182	132
(Outside Colony).	9	20	10

This fund continues to serve a useful purpose. Considering that the average number of natives in employment is over 100,000 the number applying for repatriation is very low.

X. NATIVE SKILLED LABOUR BUREAU. Owing to the institution in Nairobi of a Bureau, the European and African Trades Organisation, by an Association of private employers, it was considered unnecessary to maintain this branch of the Labour Section. It was therefore closed and applicants are now referred either to the Resident Commissioner or to the private agency which finds employment for natives free of charge either to employer or employed. The Agency, however, is short of funds and in the event of subscriptions from the public not being forthcoming it will probably be obliged to close down.

### XI. RESIDENT NATIVES ON FARMS.

	Land under cultivation (Acres)	Resident native labour (heads of native families).
Naivasha district	6,999	3,227
Nakuru	60,880	4,136
Uasin Gishu	43,706	2,000
Trans-Nzoia	26,696	2,522
Laikipia	11,637	371
Kisumu	18,817	1,517

The tendency of natives, chiefly Kikuyu, to migrate to European farms continues. The figures indicate that the areas most favoured by them are Nakuru and Naivasha. The impelling force behind this movement is need for more grazing, healthier conditions for stock and access to Salt Licks. The position is not altogether satisfactory. The tendency is for the native who has brought his cattle on a farm to become a pastoralist rather than an agriculturist. Magistrates endeavour to check this by limiting the number of stock brought on to farms, but smuggling is easy and the number allowed on the permit is usually exceeded. The result is that the resident natives, on the whole, do not at present perform their fair share of work on the farms and a stricter enforcement of the Resident Natives Ordinance is required especially in Naivasha district. As development on farms increases this difficulty should become easier to deal with.

### XII. RECOVERY OF WAGES.

	Amount claimed	No. of claimants	Amount recovered.
1921	£ 746	489	£ 639
1922	£1401	581	£1079
1923	£1940	1122	£1868

In addition to the above about £125 in wages was recovered through the Court of the Railway Magistrate on the Uasin Gishu Railway.

The increase in the amounts claimed and recovered does not indicate necessarily that employers are becoming more prone to withhold wages, but rather that the number of natives in employment is increasing and that they are getting into the habit of claiming their wages more promptly.

### XIII. COMPENSATION FOR ACCIDENTS AND RULES FOR THE PROTECTION OF NATIVE WORKMEN IN FACTORIES.

	No. of accidents reported.	No. of men compensated.	Amount paid.
1921.	71	46	£113. 6.0
1922.	52	15	£ 37. 0.0
1923.	25	4	£ 7.10.0

A draft Bill on the subject is still under consideration. In the meantime employers are warned by Inspectors of the advisability of erecting guard rails to fence dangerous machinery, and in the event of injury or death are asked for compensation. This is usually paid except in cases where the accident is proved to have been the result of the victim's negligence or disobedience.

### XIV. LABOUR ORDERED UNDER NATIVE AUTHORITY AMENDMENT ORDINANCE, 1922 (Schedule "D" attached).

There is a large increase in the number of men ordered out during the year and in the aggregate of men-days. The increase is chiefly evident in the following departments :—

- (a) *Administration* Porterage of specie and other Government loads.
- (b) *Public Works* Repairs of roads.
- (c) *Military.* Transport of stores from Meru for the Northern Frontier District.

In the case of public Works the demand was largely due to the abnormal rains which rendered urgent repairs to roads necessary.

#### XV. EFFECT OF REGISTRATION ON NATIVE LABOUR.

The unpopularity of the certificate seems to be disappearing. The native who goes out regularly to work appreciates the record it gives him of previous rates of pay. Many employers prefer the better paid experienced native who therefore benefits by having a record of his previous work and wages. At the same time the native undoubtedly suffers at the hands of mean and ignorant petty employers especially in Nairobi and complaints by natives of the refusal of employers to make discharge endorsements on certificates have been numerous. I think the majority of these complaints arise either from ignorance or neglect on the part of employers and not from malice afore thought. The matter will however, engage the attention of the Labour Office during the coming year, and any instances of refusal or neglect to endorse a certificate will be promptly dealt with.

#### XVI. UNEMPLOYED NATIVES IN TOWNS.

The number of unemployed natives on the streets of Nairobi has been very noticeable. It is hoped that Bye-laws will be passed during the coming year to restrict this menace, especially with regard to native children. Well paid work is always available either in the town or its vicinity and there are several labour agents at work. There is undoubtedly a necessity for legislation on the lines of the Togh Labour Rules in Durban.

#### XVII. SUMMARY.

(1) Although an acute shortage of labour cannot be said to exist at present, the time is not far distant when employers will have to look beyond the borders of Kenya to fulfil their requirements. The estimated number of adult males in the country between the age of 15 and 40 is about 420,000, exclusive of the purely pastoral tribes such as Somali, Masai, Turkana, etc.

From this total the Labour Bureau Commission Report, 1921, states that 20% should be deducted to allow for the medically unfit, which leaves a total of 336,000.

Of this number approximately 129,000 are shewn by the Registration records to have been in employment on October 31st, 1923, while an additional number amounting to about 9,500 are estimated to have been in employment but not recorded as such in the Registration Office, e.g., K.A.R., Police, Prisoners and Warders, and daily labourers. On the other hand it is estimated that about 4,000 of those recorded as in employment were on indefinite leave, thus leaving a net total in employment on the 31st October, 1923, of about 134,500. As it is improbable that the average native of this country will work for more than six months in the year for many years to come, it may be assumed that the approximate annual supply drawn from the local tribes is about 270,000 per annum. An increasing number will probably be detained in the Reserves for growing cotton and for other schemes of native development. The native population of Uganda is already largely absorbed in this occupation and the natives of Nyanza Province are keenly following the example set by their progressive neighbours. The position at present is that European employers must now compete with the native maize industry in Kikuyu and the cotton industry in Nyanza Province. Both Reserves contain large areas of undeveloped land which the natives are being encouraged to plant with economic crops. The result of all this will probably be a shortage of labour on European farms and plantations unless employers are prepared to raise wages.

(2) A rise in wages as indicated will not necessarily affect non-native production adversely. There is still a great waste of labour in the country. Two years ago employers were talking of two men per acre for coffee. The more progressive of them now employ less than one per acre.

The higher paid man stays longer and generally does much more work. The employer realises that with a highly paid labourer he must see that he gets a reasonable amount of work for his money and do with fewer labourers. A trained labourer on a good wage can do a big task, a raw hand cannot. The former does not like being discharged, the latter does not mind in the least and generally likes it.

(3) Employers who cannot obtain resident natives realise the danger of a shortage in the near future and are already forming Employers' Recruiting Associations.

(4) Wages are rising Recruiting Associations are no longer able to obtain labour for Shgs 8/-, and it is probable that the average monthly wage of agricultural labour recruited for periods of over three months will rise to Shgs 12/- during 1924, though the casual monthly labourer may continue to work for Shs 10/- near home Sisal Estates will probably have to pay at least Shgs 14/-

(5) Meru natives are coming out to work in increasing numbers, and have, as a rule, proved satisfactory The supply from Kitui and Machakos districts has been disappointing These natives appear to prefer paying their taxes by the sale of their stock rather than by working for wages

(6) The health of native labour during the year has, on the whole, been remarkably good A notable exception was the heavy death rate from pneumonia on the Uasin Gishu Railway during the heavy rains April, May, and June, when 100 natives died of pulmonary disease, out of an average labour force of about 16,200 in employment Special precautions are required where tropical African labour has to work at an altitude of over 7,000 feet during rainy weather Frequent inspection of railway construction camps to see that the sick are properly housed and attended is absolutely necessary and has already been arranged

(Sgd.) S. F. DECK.  
*Principal Labour Inspector*

APPENDIX "A".

Labour Section — Annual Report, 1923.

Inspection of Labour Camps.

No. of Inspections carried out.	Labour Agents.	Fuel.	Soda.	Sisal.	Coffee.	Copra.	Flax.	Sugar.	Stock and grain.	Timber Mills.	Govt. and Railways and Harbours.	Squat- ters.	Misc.	Total.	
Mombasa—Voi.		5	1	5		1					2	1	2	17	
Voi—Simba.		17		5										22	
Simba—Magadi.		9	1	1					1					12	
Athi River—Kijabe and Thika.		4			6						1	22	1	34	
Fort Hall, Nyeri, N. and W. Kenya.				7	4								1	12	
Naivasha and Laikipia.														—	
Nakuru, Ravine and Londiani.		12					2		3	2	3	13	1	36	
Uasin Gishu.									4					4	
Lumbwa, Nandi, Kisumu, N. and S. Kavirondo.	20			1				14	4					39	
Uasin Gishu Railway. (Formal Inspections).											245			245	
	20	47	2	19	10	1	2	14	12	2	6	268	13	5	421

APPENDIX "B".

Native Affairs Dept. — Labour Section  
Annual Report, 1923.

Numbers of each tribe attested to work on Long Contracts.  
January to December, 1923

Tribe.	January.	February	March.	April.	May.	June.	July	August.	Sept.	October.	Nov	Dec.	Total.
Kavirondo (including North and Central)	837	871	1381	1332	1189	790	1126	2053	1467	1560	1327	775	14708
Kisii.	408	246	561	788	858	427	281	219	482	501	95	166	5032
Nandi.		7	102	106	150	18	5	41	—	83	1	46	559
Lumbwa.	69	15	27	7	20	9	—	—	57	—	30	—	234
Suk-Kamasia. (Elgeyo-Marakwet.)	5	—	9	54	168	145	—	—	201	6	—	2	590
Kikuyu.	31	—	51	10	30	1	282	218	134	242	362	241	1602
Meru.	40	—	—	—	—	—	—	—	315	313	—	—	668
Embu.	—	151	9	—	—	—	—	—	—	—	—	—	160
Wakamba.	291	330	146	15	134	2	65	1	44	75	126	20	1249
Coast.	20	55	4	48	24	16	139	117	35	173	78	199	908
Wateita.	—	—	—	—	—	—	—	—	—	—	20	88	108
Nairobi (Miscellaneous).	142	105	69	31	43	151	284	216	325	106	237	30	1739
<b>TOTAL. Year 1923.</b>	<b>1843</b>	<b>1780</b>	<b>2359</b>	<b>2391</b>	<b>2616</b>	<b>1559</b>	<b>2182</b>	<b>2865</b>	<b>3060</b>	<b>3059</b>	<b>2276</b>	<b>1567</b>	<b>27557</b>
<b>Total. Year 1922.</b>	<b>2400</b>	<b>3828</b>	<b>3918</b>	<b>2004</b>	<b>1259</b>	<b>1204</b>	<b>1909</b>	<b>2854</b>	<b>2695</b>	<b>2037</b>	<b>1267</b>	<b>1981</b>	<b>27356</b>
<b>Total. Year 1921.</b>	<b>2701</b>	<b>3051</b>	<b>2927</b>	<b>2094</b>	<b>2776</b>	<b>2057</b>	<b>1769</b>	<b>1118</b>	<b>1381</b>	<b>1652</b>	<b>2596</b>	<b>3168</b>	<b>27490</b>

APPENDIX "C"

Native Affairs Department — Labour Section.  
Annual Report, 1923.

Labour Camp and Kitchen, Nairobi.

Revenue and Expenditure.

EXPENDITURE.		Shgs.	Cts.	REVENUE.		Shgs.	Cts.
(a)	Purchase of fuel and foodstuffs.	561	36	(a)	Sale of foodstuffs and fuel.	400	78
(b)	Wages	934	00	(b)	Rents for use of Rest Camp.	962	70
(c)	Repairs and construction (including new kitchen — Shs. 1141/86)	1474	69				
(d)	Miscellaneous Stores.	184	87				
<b>TOTAL</b>		<b>3154</b>	<b>92</b>			<b>1363</b>	<b>48</b>

Number of labourers housed average per mensem **32**

Number of labourers who passed through Labour Camp  
and were provided with rations, **5117**

APPENDIX D.

NATIVE AFFAIRS DEPARTMENT—LABOUR SECTION—ANNUAL REPORT, 1923.

Summary of Labour Ordered out under the Native Authority Amendment Ordinance, 1920.

"A" No of men ordered out. "C" men days.

Month	Administration		Police		Prisons		Medical.		Public Works.		Military.		Agricultural.		Veterinary.		Education.		Forests.		Postal.		Railway.		Total			
	A	C	A	C	A.	C	A	C	A	C	A	C.	A	C	A.	C.	A	C.	A	C.	A	C	A	C	A.	C.		
	January	703	4,561	20	280	51	123	90	477	20	1,200	139	5,130	36	484	0	0	0	0	0	0	0	0	0	0	0	0	1,059
February	594	5,228	67	466	0	0	31	73	0	0	62	1,040	0	0	15	315	57	1,018	0	0	0	0	0	0	0	0	826	8,140
March	516	3,461	96	449	60	60	25	155	83	4,980	205	6,900	0	0	104	542	0	0	50	1,880	0	0	0	0	0	1,139	18,407	
April	771	4,911	83	398	0	0	51	341	163	7,204	162	9,180	43	129	20	60	0	0	0	0	6	180	0	0	0	1,299	22,403	
May	1,023	7,701	65	426	0	0	233	946	104	2,940	0	0	0	0	61	345	0	0	0	0	20	1,200	0	0	0	1,506	13,558	
June	1,699	11,386	49	278	0	0	229	1,240	134	6,540	166	484	0	0	291	2,192	0	0	0	0	6	360	0	0	0	2,574	22,480	
July	1,654	5,812	43	310	0	0	20	60	147	5,740	19	570	0	0	72	72	0	0	0	0	7	14	0	0	0	1,962	12,578	
August	1,002	4,584	14	70	61	82	507	576	100	6,000	324	14,265	0	0	144	432	0	0	0	0	0	0	0	0	0	2,152	26,009	
September	1,541	6,343	13	50	0	0	240	240	432	432	25	750	0	0	57	114	0	0	0	0	0	0	0	0	0	2,308	7,929	
October	2,001	7,119	84	594	30	30	457	1,931	0	0	242	7,860	45	291	71	196	0	0	0	0	5	300	0	0	0	2,935	18,321	
November	1,698	6,000	40	51	30	30	435	904	1,346	8,200	131	6,882	60	570	122	1,679	0	0	0	0	0	0	0	0	0	3,862	24,316	
December	2,113	6,176	78	589	0	0	42	84	1,489	41,940	97	5,820	15	75	45	115	0	0	0	0	0	0	0	0	0	3,879	54,799	
<b>Total Year 1923.</b>	<b>15,315</b>	<b>73,282</b>	<b>653</b>	<b>3,961</b>	<b>232</b>	<b>325</b>	<b>2,360</b>	<b>7,007</b>	<b>4,018</b>	<b>85,176</b>	<b>1,572</b>	<b>58,881</b>	<b>199</b>	<b>1,549</b>	<b>1,002</b>	<b>6,062</b>	<b>57</b>	<b>1,018</b>	<b>50</b>	<b>1,880</b>	<b>14</b>	<b>2,054</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,501</b>	<b>241,195</b>	
<b>Total Year 1922.</b>	<b>6,397</b>	<b>44,277</b>	<b>485</b>	<b>4,418</b>	<b>58</b>	<b>258</b>	<b>774</b>	<b>4,425</b>	<b>1,384</b>	<b>26,261</b>	<b>844</b>	<b>27,214</b>	<b>0</b>	<b>0</b>	<b>239</b>	<b>4,121</b>	<b>0</b>	<b>0</b>	<b>205</b>	<b>5,263</b>	<b>44</b>	<b>698</b>	<b>177</b>	<b>7,920</b>	<b>10,547</b>	<b>124,855</b>		



## APPENDIX "E".

Native Affairs Dept. — Labour Section — Annual Report, 1923.

January to December, 1923.

Approximate number of registered Natives reported in employment.  
(Special count October, 1923).

Tribe.	Registered Natives in employment	Number employed per cent of adult male population of tribe.
	(a)	(b)
Kavirondo.	47,243	42
Lumbwa.	3,167	36
Nandi.	2,343	54
Marakwet Suk and Masai.	2,213	X
Akikuyu (Meru and Embu).	48,577	55
Akamba	5,889	15
Wateita.	2,560	58
Coast.	1,774	X
Baganda.	8,081	X
Aliens.	5,449	X
<b>TOTAL</b>	<b>129,296</b>	

X Not stated as Registration not generally applied.

NOTE. The above total shows a decrease as compared with the figures stated for 1922, namely, 133,221. This is due to the inclusion in the latter figure of a large number of natives on indefinite leave, and is not indicative of a decrease in the number of natives in employment.

## ANNUAL REPORT.

UASIN GISHU RAILWAY CONSTRUCTION.  
1923.

## Part I.

The average number of men employed monthly was as follows :—

January	...	13,750
February	...	15,454
March	...	16,326
April	...	16,495
May	...	16,265
June	...	16,269
July	...	14,882
August	...	15,685
September	...	15,651
October	...	13,460
November	...	11,115
December	...	8,563

2. The number of Sub-Contractors at the beginning of the year was 36 of whom 16 completed their contracts at various times during the year leaving 20 still in employment on 31st December.

3. Griffiths & Co.'s departmental camps averaged approximately 20 throughout the year.

4. The Railway up to Sabatia (Mile 37½) was taken over by the Uganda Railway as from 31st October.

5. Construction work was begun on the upper Section Mile 107 to the termination at Mile 147, in February and railhead on December 31st had reached Mile 101½.

6. The Staff at the beginning of the year consisted of Mr. J. D. McKean, and myself, at Sabatia, and Mr. B. J. Fairfax-Francklin at Canstaff.

Owing to the improvement in the general situation and consequent decrease in the volume of work, Mr. Francklin returned to the District Administration on the 1st March and Mr. McKean and myself carried on the work until November 1st, when Mr. McKean proceeded on leave, after which date I remained single handed.

7 Mr McKean moved to Eldoret on the 7th March and inspected the Camps from Mile 147—Mile 53½ or Mile 72 as convenient monthly, while I remained at Sabatia and did the camps from Nakuru to Mile 53½ or Mile 72.

8. The Principal Labour Inspector visited the Railway as follows :—  
Mr Deck—January 19th to 26th and November 24th to December 1st.  
Major Gray—April 24th to 27th.

while the Honourable Chief Native Commissioner also visited the line. His Honour Judge Maxwell visited Sabatia February 8th to 9th, and His Excellency the Acting Governor, Sir Charles Bowring, on August 20th. Both His Excellency and the Judge inspected the Special Prison here which was also inspected by the Commissioner of Prisons on March 20th.

9. As stated in my Annual Report for 1922, relations between employers and employees had improved considerably by December, 1922, and this improvement continued steadily throughout 1923 until during the last five or six months of the year it was unusual to receive more than two or three minor complaints in respect of matters arising out of the relationship of master and servant on a full tour of the line.

Many factors contributed to this satisfactory state of affairs, including the steady decrease in the amount of task work necessary, but the main cause was the application by employers of experience gained in handling their men, and on the part of the latter an increased appreciation of what was expected of them on and off the work.

Employers (with only three or four exceptions) began early in the year to realise that, while we required the maintenance of reasonable conditions for the men as to housing, payment, etc. and were determined that these should be provided, we were also determined that the men should do reasonable work and give their employers a "fair deal", and from May onwards, when Dr. Fisher took over as Chief Medical Officer, and two of the four employers mentioned had finished their contracts, the hostility towards inspections, etc. on the part of employers may be said to have finally come to an end.

10 Only nine cases were prosecuted by us in our capacity as Labour Inspectors during the year, of which three were in respect of bad housing, two in respect of sanitation, two for failure to supply medicines (one of which was withdrawn), one in respect of non-supply of meat rations, and one for employing juveniles on heavy work. Four of these charges were against one employer.

Of the other six cases shown on the Court Records as offences by employers under the Master and Servants Ordinance three were withdrawn and all were minor matters in connection with individual wage disputes, etc.

That it was possible to limit prosecutions to the number mentioned was due to the change of attitude on the part of employers already referred to.

11. It is my experience, which I wish to place on record, that the first thing in obtaining satisfactory treatment of labour is to gain the employer's goodwill. This is best done by making acquaintanceship with him and by putting the whole matter of labour treatment to him from the point of view of what I would term enlightened self interest.

As already stated with very few exceptions employers have met us more than half way, and there is no doubt that we have been, on the whole, very fortunate in the personnel engaged on the construction.

## Part II

12 HOUSING. Housing throughout the year has been generally satisfactory. The round Hut approximately 15 feet in diameter has been maintained in many camps but a tent shaped hut first built with Dr. Fisher's approval on the Plateau has proved itself popular with employers (it is easy to build and to keep in repair), and with the men, and this type has been recommended both by the Chief Medical Officer and myself for future Railway Constructions.

13. SANITATION. Camp compounds have, on the whole, been kept fairly clean and the interiors of huts have been swept daily by the cooks, though continual attention on the part of employers has been necessary to keep the men up to the mark.

With regard to latrine arrangements we have generally speaking to admit failure which has resulted not from any neglect of the matter (employers having been continually urged to do all they can and natives frequently addressed on the subject and ordered to use the latrines provided), but from the deeply ingrained habits of the native himself who has an intense dislike of using a latrine already used by another person, which nothing but increase of education and advance in conditions of living will eradicate.

Fortunately, the men have suffered hardly at all from fly borne diseases and as the great majority of the men respond to the calls of nature on their way to or near the work, and the sun acts as strong disinfectant, little if any practical harm has resulted though the area adjoining any large work has been usually badly fouled.

14. FOOD. The rations issued throughout have been —  
2 — 2½ lbs. maize daily.

1 lb. cheroko or beans (usually the former weekly) and Salt.

In addition one pound of meat per week has been issued to all Griffiths & Co's men employed on manual labour and with two or three exceptions, by all Sub-Contractors.

The quality of all rations has been extremely satisfactory hardly a complaint on this head having been recorded, though some gangs have consistently refused to eat beans.

15. CLOTHING. Two blankets per man have been issued throughout and latterly all men have been provided with a sack each. This was originally decided upon at a Meeting held at the Resident Engineer's Office on the 24th November, 1922, but orders for the issue were given verbally only to Sectional Engineers and the full issue was delayed.

On my raising the matter in June a long correspondence between the Resident Engineer, the Principal Inspector of Labour, and the Agent Messrs. Griffiths & Co., ensued—the Resident Engineer raising the question of cost which had not been dealt with at the Meeting in 1922, and the matter was not finally settled until October when it was agreed that men staying longer than three months should get a sack free, those staying for a shorter period paying Shg 1/- for each sack.

In spite of the failure to issue written instructions and the delay caused by the protracted correspondence referred to, the great majority of the men have been issued with sacks throughout the year, though the full benefit anticipated from their issue was not realised owing to the fact that many of the men preferred to use the sacks for sleeping on instead of wearing them to work in during the rains with which idea in view the issue was originally recommended.

16. DEATH RATE. The following table shows the number of deaths which occurred on the Construction from month to month :—

Month	In Hospital.	In Camp.	By Accident.	Total.	Average No. of men employed.	No. of deaths per 1,000 per mensem.
January	33	6	6*	44	13,750	3.20
February	45	2	2*	48	15,454	3.10
March	38	9	2†	47	16,326	2.87
April	72	7	1	80	16,495	4.85
May	55	4	1	60	16,265	3.68
June	47	4	1	52	16,269	3.19
July	25	4		29	14,882	1.94
August	37	3	4	44	15,685	2.80
September.	39	1		40	15,651	2.55
October	36	2		38	13,460	2.82
November	19	1		20	11,115	1.79
December	9			9	8,563	1.05

N.B. \* One included in hospital total as death occurred in hospital.

† Two included in hospital total as deaths occurred in hospital

The percentage of deaths works out to 35.28 per 1,000 per annum as compared with 51.32 per 1,000 per annum for the year 1922.

The highest monthly percentage this year was that of April and the worst months, April, May, and June. Last year the high percentage continued for five months, May—September. The rains in April were exceptionally heavy and had not this been the case the rate would probably have been lower still.

The main causes of the deaths were, in my opinion, the same as last year :—

- (1) The prevalence of epidemic influenza-pneumonia.
- (2) The climatic conditions prevailing in the area of the Construction.
- (3) The attitude of the natives themselves towards European methods of medicine, etc.

Messrs. Pearson and Mouchet in their admirable book "Practical Hygiene of Native Communities in Tropical Africa" put the death rate in Native Reserves in respect of males who attain the age of puberty at 32 per 1,000 per annum. If this estimate is correct the figures for the Railway Construction for 1923 would appear to be eminently satisfactory.

#### Part III.

17. The following table shows the number of men employed by Messrs Griffiths & Co., and by Sub-Contractors direct throughout the year .—

Month.	Griffiths & Co.	Sub-Contractors.
January.	2,635	11,115
February	2,973	12,479
March.	2,901	13,421
April	3,332	13,163
May	4,575	11,688
June	5,679	10,589
July.	5,668	9,239
August	5,925	9,760
September.	6,197	9,453
October	5,620	7,840
November	4,881	6,273
December	4,514	4,048

This clearly shows the gradual decrease in the numbers of men employed by Sub-Contractors as the main earth and other works upon which they were employed were completed, and the gradual proportional increase in men employed departmentally by Griffiths & Co. as the work of maintenance, packing, and lifting, etc., increased.

The Proportion of casual as against indentured labour working for Sub-Contractors steadily increased from month to month until towards the end of the year I should estimate that 70 to 80 per cent. were of the former class.

This labour proved itself, in my opinion, the equal of indentured labour on the work and the men who knew they could leave at the end of any month were undoubtedly more contented than those on long term agreements.

The casual labourer does not, of course, undergo medical examination before beginning work but in the opinion of Dr. Fisher, Chief Medical Officer, such examination has proved itself of negligible value and it remains to be proved, if the figures can be compiled by the Native Affairs Department, if the deaths and the sick rates among casual labour are higher than those among indentured natives or not.

#### Part IV.

18. A table of cases heard is appended \* Serious crime was again almost non-existent, and of 533 criminal cases heard 237 were Master and Servants cases and 132 breaches of the Registration Ordinance. 79 cases under Chapter XVII of the Penal Code were dealt with, a very considerable increase on last year's figures.

A certain proportion of these thefts were committed by the sophisticated detribalized class of native who managed to find employment on the Railway as house boys, Neoparas, etc., and when it is remembered that the great majority of men had to leave their blankets and other belongings unguarded in their huts for some periods every day, the number of thefts which occurred is, in my opinion, not unduly high.

No case of murder was reported during the year and no serious flogging case and most of the offences against the person were of a very minor nature.

\* vide Appendix "a".

## Part V.

19. The regulations prevailing between employers and employees have already been commented upon, as have housing, sanitary and other conditions.

Natives still make the task of ensuring their welfare a difficult one both for the employer and Official. Grass from huts is still used for lighting fires and the holes so made never repaired without direct orders and supervision from employers. Latrines are still regarded as unpleasant practical jokes, and blankets sold or sent home. Being sent to hospital is still often a thing to be avoided at all costs and by any means.

At the same time it is my impression that there has been a steady, if gradual, improvement in all these matters and I believe that the experience gained here by natives of conditions on works will have a considerable effect on their conduct in the future, while many thousands have doubtless derived great benefit both physical and mental from six or seven months of regular work under favourable conditions.

The more experience I have of the work of Labour Inspection and the more I see of conditions in Labour Camps the more I am impressed with the difficulty of arriving at safe conclusions as to the effect of conditions upon health, etc.

To take a concrete example, Housing. A heavy death rate may occur in a particular camp in a period of a month or six weeks and one is naturally inclined to jump to the conclusion that this may be the result of the type or condition of the housing. Further enquiries may, however, show that the men affected are out to work for the first time in their lives and belong to a raw tribe unused to labour conditions.

High death rates have been reported in the best camps, and moreover in those in which the men are notoriously well treated and looked after, as often or almost as often as from camps where housing was not satisfactory, and the employer less zealous for the welfare of his men.

One perfectly definite opinion can, however, be recorded and that is that the death rate in large camps (say 400—1,000 men) is usually much heavier in proportion than that in small camps, a conclusion also arrived at by Messrs. Pearson and Mouchet.

Numerous other examples of the difficulty of tracing cause and effect could be quoted, and it appears to me that many years of close study of all these matters will be necessary before we shall be in a position to pronounce a definite opinion upon all the questions that arise over the whole field.

## Part VI.

20. RELATIONS WITH RESIDENT ENGINEER. Relations with the Resident Engineer and his Assistant Resident Engineers have been entirely satisfactory, and I wish to place on record my appreciation of the very material support and assistance which I have received from him and from them throughout the year.

21. CONDUCT OF MESSRS. GRIFFITHS & CO. IN LABOUR MATTERS. The failure to circularise written orders on the subject of issue of sacks has already been referred to.

This was a sheer oversight on the part of the Agent and in no way an intentional omission, and I feel myself in some measure to blame in that I did not discover the shortages resulting until June.

The explanation is that it is a surprisingly difficult matter to keep a check upon the men's clothing, there being no safe method short of holding a full inspection on a Sunday when the men are off the work and having the huts inspected after the men have fallen in. The statements made by the men themselves as to clothing can never be relied upon, their main object being to get all they can and after disposing of one or more articles, to demand more free on the ground that they have not received their correct issue.

In August a shortage of posho affecting some 300—400 (some of them for two days) occurred at Rongai and two or three other minor shortages of maize meal have been reported during the year. In addition the supply of cheroko to some camps was irregular for two or three months.

As stated in last year's report some breakdowns in a food distribution organisation on the scale of this Railway appear to be inevitable and taking matters as a whole I am of opinion that in this, as in other directions, Messrs. Griffiths & Co., deserve considerable credit in respect of their arrangements for, and treatment of, their labour.

On my bringing the Rongai shortage to the notice of the Agent he at once summoned his Line Controller from Maji Muzuri and his Chief Storekeeper from Nakuru, and new arrangements were made (partly at my suggestion) which have proved adequate to prevent a recurrence of this nature up to date of writing.

The Agent has throughout proved himself willing to adopt suggestions made and he and his engineers have made our work very much easier than it was in 1922, thanks to their willing co-operation and assistance

22 SABATIA SPECIAL PRISON. A Special Prison was built at Sabatia in September, 1922, and has been maintained up to date of writing. On the 6th October the Prison was gazetted with myself as Superintendent, and the Staff has throughout consisted of three Native Warders

The number of convict prisoners admitted during the twelve months January—December, 1923 was 199. Only short term convicts (up to two months) served their sentences here, long terms men being transferred to Nakuru

There were two deaths, and one escape.

The Prison was inspected by His Excellency the Acting Governor, His Honour the Acting Chief Justice, and the Commissioner of Prisons, on the dates already mentioned, and found satisfactory on each occasion

(Sgd) R. F. PALETHORPE  
*Railway Magistrate.*

## APPENDIX "A"

Master and Servants Ord.                      Indian Penal Code.

Month.	Desertion Offences.	Other Offences.	Offences by Employers.	Offences against other Local Laws.	Offences against Registration Ord.	Offences against the person.	Offences against property.	Other Offences.	Total Criminal cases.	Total Civil cases.
January.	7	11	5		1	4	5	2	35	5
February.	25	10		5	18	2		1	61	5
Márch.	8	4	1		4	2	4		43	9
April	9	13	1	1	28	3	8		53	2
May.	8	10	4		12	8	7		49	6
June.	6	17	1	6	18	5	13		66	6
July.	9	4	1	1	13	2	8	2	40	7
August.	11	15		5	18	5	7		61	4
September.	9	10	1	6	7	6	10	3	52	2
October.	4	8		6	10	1	12		41	5
November.	1	3		3	11	1	4		23	2
December.			1	3	2	2	1		9	5
	117	105	15	36	132	41	79	8	533	58

## ANNUAL REPORT, 1923.

Native Registration Section—Native Affairs Department.

STAFF. Major H. W. Gray, O.B.E., Chief Registrar of Natives.

Mr. A. E. Imbert, Assistant Registrar of Natives.

Mr. G. H. Booth, European Clerk.

Mr. G. Wedderburn, European Clerk.

Messrs. Imbert, Booth and Wedderburn, were absent on leave from 18-3-23 to 8-10-23, 1-1-23 to 20-1-23, and 13-10-23 to 31-12-23 respectively. Major Gray, in addition to his duties as Chief Registrar of Natives, acted as Principal Labour Inspector of the Labour Section of the Native Affairs Department in the absence of Mr. S. F. Deck during the period of 26th February to 28th October, 1923.

2. PROGRESS. The progress of registration during the year was satisfactory. This Section and the Finger Print Bureau based Staff and financial requirements upon a rate of 5,000 registrations monthly, or 60,000 during the year; this estimate was exceeded by 10,209 and an average of 5,850 registrations per month was maintained.

3. UASIN GISHU RAILWAY CONSTRUCTION. The unsatisfactory state of affairs as regards registration on this work reported in my last annual Report was rectified in January when I despatched Mr. Wedderburn and a native staff to proceed from one end of the construction to the other for the purpose of seeing that every native was registered. Since then the Railway Labour Inspectors and the Police Officers have been able to keep pace with the matter.

4. TOURS OF INSPECTION. Owing to the almost continual absence on leave of one Officer it was impossible for any inspection duty to be undertaken except that performed by the Chief Registrar of Natives whilst touring in the interests of the Labour Department when acting as Principal Labour Inspector.

5. LABOUR RETURNS. An improvement was made during the year by completely decentralising the work of collecting the monthly Labour Returns. A Card index was supplied to each District to enable a complete list of all employers to be kept, each card being suitably ruled for recording the receipt of the Return each month. It is hoped that this method will simplify the task of Administrative Officers in dealing with defaulters. A clerk can place defaulters cards before the Officer-in-Charge each month for instructions; previously a register had to be waded through to find them and registers soon became most confusing owing to the names of people leaving the District being scored through. A Card index need never carry the name of an employer who has ceased to be effective and also unlike a register, it can at all times be kept in precise alphabetical order.

6. I may say that these "Directories of employers" are extremely useful to both Administrative and Police Officers in other ways than as a means of checking the receipt of labour Returns. In fact their utility is capable of considerable extension if the special "signals" employed in connection with the life cards in this office were used, such for instance as signalling the fact that an employer is liable for Poll Tax, Gun Licence, Motor Licence, Coffee Tax, Dog Licence, Trading Licences, etc. When Licences or Taxes are paid the signals being taken off. All unpaid Taxes or Licences are then seen at a glance.

7. DESERTERS. The Supreme Court has shewn increasing uneasiness during the year in regard to the law governing the offence of desertion from employment by natives serving upon a "30 working day" contract under the Master and Servants Ordinance, 1918, culminating in a definite Ruling to the effect that there can be no offence of desertion from these contracts. This Ruling was only given in December but it cast its shadow before and both Police and Magistrates showed a disinclination to take up the cases with the result that prosecutions were fewer, thus the object at which the registration scheme largely aims, viz, stabilizing labour, was not advanced as much as the Registration Section of the Native Affairs Department would wish.

8. In addition to this Ruling of the Supreme Court we had an entirely new point of view adopted by the Resident Magistrate, Nairobi, in regard to natives alleged to have deserted. He found under Section 151 of the Criminal Procedure Ordinance, read in conjunction with Section 41 of the Master and Servants Ordinance, 1910, that an alleged deserter could not be remanded to the place of the commission of the alleged offence but that he must be tried by the Magistrate within whose jurisdiction he was arrested. This, of course, made it quite impossible for a large number of desertion cases to be tried as employers will not sacrifice the time and money to travel long distances to give evidence.



## 9. The desertion figures for the year are :—

1. No. of alleged Deserters reported	3544
2. No. of alleged Deserters reported for prosecution on formal complaint.	2373
3. Total No. of Deserters traced	1558
4. Total No of Deserters arrested	1284
5. Total No of Deserters convicted	925
6. Balance of deserters wanted remaining untraced	815

Percentage of deserters wanted traced 65.74%

No of natives in employment (as per special October Returns) 129,296

Total No. of Deserters reported — 3544 or .27 per thousand of employed.

Total No of complaints lodged — 2373 or .18 per thousand of employed.

10. LEGISLATION *Squatters* The effect of the Bill to amend the Master and Servants Ordinance now before Legislative Council will be to bring Squatters within the provisions of the Native Registration Ordinance, 1921. This change is most welcome, as it will considerably increase the scope of the Registration scheme and at the same time will undoubtedly facilitate for Administrative and Police Officers the control of the native population residing in non-native areas. Otherwise there has been no fresh legislation affecting the registration of natives except the passing of a Rule under the Native Registration Ordinance, 1921, enabling a special Labour Return to be called for, which is referred to later in this Report.

11 INDEFINITE LEAVE. In my previous Annual Report I mentioned the extent to which a certain section of employers and also natives abuse so-called "leave" to the detriment of the labour supply. An employer gives "leave" to a native rather than sign him off with a view to the said native returning to his employ again at some future date. It may be a month hence or it may be three years hence. A native accepts his so-called "leave" in order that he can prove to his tribal Chief, Headman or others, that he is genuinely in employment in the hope perhaps of thereby escaping any calls upon him for work on roads, etc., in the Reserve. On the 25th July last, this question was referred to the Convention of Associations for an expression of opinion. That body referred it to a Sub-Committee, and there, at the end of the year, so far as I can ascertain, the matter rests.

12. In the meantime a test case against an employer was taken in the Kiambu Court on the grounds that a native on indefinite leave is no longer in the employer's service and therefore the employer should indicate this fact in his labour Return. The case failed and the employer was discharged. The Hon. Solicitor General has sought permission to appeal against the judgment and this appeal will be heard early in January, 1924.

13. MOVEMENT FROM THE RESERVES OF UNREGISTERED NATIVES. From the fact that there were 5,000 fewer temporary registrations in 1923, compared with 1922, I think it is fair to assume that natives are not leaving their Reserves in such large numbers without first becoming registered.

## 14. PROSECUTIONS FOR OFFENCES AGAINST THE REGISTRATION LAWS.

Prosecutions.	Nationality.	Percentage 1922.	Percentage 1923.	Remarks.
89	Europeans.	1.61	2.63	Percentage is taken of the average No. of European employers, viz. 3,383.
82	Asiatics (including Seychellois)	2%	4.59	do. do. do. do. 1783.
2,135	Africans.	.6	.38	The percentage is taken of the total No. of Africans registered, viz. 553,310.

15. EXPENDITURE AND REVENUE. The Estimates for 1923, provided a total sum of £13,135 for this branch of the Native Affairs Department and the Finger Print Bureau, to which sum must be added £1,570 approved by Supplementary Estimate in order to replace the 1/6th cut in the salaries of the Asiatic Staff which had been deducted from the Budget, and making provision for Mr. Wedderburn's salary, bringing the total up to £14,705.

The approximate Revenue for the year (based upon receipts for ten months as figures for the complete year are not yet available) was £1,332, leaving an approximate gross expenditure over revenue for the year of £13,373. I am not in a position to deduct the savings effected but these would be very considerable.

16. TAXING EMPLOYERS OF NATIVE LABOUR. Nothing further has, so far, been done in this direction, but the subject is under consideration. From the point of view of this branch of the Native Affairs Department,

I consider a tax upon the number of natives employed would be beneficial to the registration system, also its cost would be met by it, but in other respects I think it would be too small, inconvenient, and irritating a tax to be a good one, moreover the cost of collection would, I think, be too high.

17 INCREASED USE OF REGISTRATION. If the Immigration and Employment Bill now before the Legislative Council becomes law there is little doubt that the information available from the records of this branch of the Native Affairs Department will be of paramount value. Receiving as it does monthly reports from all employers of natives employed there is at hand a ready barometer of the labour market, and this with little difficulty can be adjusted so as to differentiate between skilled and unskilled native labour.

18 It is understood that the Districts of the Nyanza Province have been given the choice of continuing to pay the present Hut and Poll Tax or a tax based on polls only, at a higher rate, and that there is every prospect of the latter being accepted. If this eventuates, I feel sure that registration will be a great help in the assessment and the collection of this tax, if an opportunity is given, of first of all having every adult native of those Districts registered.

19. REGISTRATION AT THE COAST. Since the inception of the Registration system practically no headway has been made at the Coast (with the exception of Mombasa), and I am unable to report any appreciable progress in 1923. Registration is quiescent in Malindi, and utterly dormant in the Vanga District.

20. STAFF. It was intended to retrench European Clerk Mr. G. Wedderburn at the end of June, but during his absence on tour it seemed impossible to get the work satisfactorily performed by any Asiatic clerk so that I was compelled to apply for Mr. Wedderburn's retention. This, I am glad to say, was approved.

In comparison with 1922, there were the following fewer appointments provided in the Estimates:—

Europeans.	1 Asst. Registrar of Natives.
	1 Chief Registration Clerk.
Asiatics.	11 Clerks.
Africans.	8 Clerks.
	15 Finger Print Takers.

There was no instance of the Establishment being increased. The reduction actually took place in March, 1922. The services of an Asiatic clerk were dispensed with and two Africans engaged in his place.

21. No decision has yet been arrived at with regard to grading the members of the Asiatic staff of this Section, but recommendations have been made in accordance with the provisions of the Secretary of State's despatch and it is earnestly hoped that the question will be finally settled early in 1924.

22. SPECIAL LABOUR RETURN. A Special Labour Return was called for, by Rule, for the month of October. The object being to enable errors and omissions made by employers in their ordinary labour Returns which had accumulated over a period of four years, to be rectified. The result was very satisfactory and enabled the records of large numbers of natives whose discharge from employment had never been notified to be adjusted, these adjustments amounting to 38,000. This was the first check upon our records attempted. Although this figure seems high, when it is considered that four years ago registration was only started, that it necessarily had to be very gradually dealt with, that it took many months to get employers to understand the requirements of the law, I do not think it is unreasonably so. There are other causes contributing to a wide margin of error, viz. Squatters were first of all treated as servants and later the Supreme Court ruled that they could not be so regarded. The system of indefinite leave led to thousands of natives being shown as employed who were actually living in their Reserves. Employers leaving the country frequently fail to send a final labour return.

23. Special Labour Returns were received from employers as follows:—

Europeans	..	..	∴	4,212
Asiatics and others.	..	..	∴	2,023
				<hr/> 6,235

On the average ordinary Returns are received from 5,305 employers only.

24. The net result of the Special Labour Return was to shew 129,296 natives as in employment during the month of October. This figure is a positive one being taken from the Returns. No allowance has been made for failure to render the Return, it is, therefore, a minimum figure. It does not, however, represent the daily average of natives employed as it includes the natives who were either engaged or discharged during the month, i.e., many natives who did not complete a full month's work.

25. I am not able with absolute accuracy to estimate the daily average

think it would be safe to put it down at 114,000. On the same basis of calculation the figure for 1922 was 102,000. The year 1923, therefore, showing an increase of 12,000. These figures do not, of course, take into account unregistered labour employed at the Coast (except Mombasa), Jubaland, Northern Frontier District, etc.

26. A schedule is attached shewing the tribes making up the figure of 129,296 employed, the numbers being given in each case. (Enclosure I).

27. The Special Return created an enormous amount of extra work which took three months to cope with; during the whole period the Staff was working at particularly high pressure and considerably lengthened hours. In addition there was, of course, the work connected with a large accumulation of the ordinary monthly Returns. The manner in which the work was carried out reflects credit upon the members of the Staff, especially the clerical grades.

28. WORK PERFORMED. A Schedule fully setting out the various routine duties carried out by the Section during the year is attached. (Enclosure II). (See footnote).

29. In conclusion I should like to remark that there has been no indication throughout the year from any source whatever that the native registration laws are objectionable to the natives themselves. On the contrary, there have come to my notice many hundreds of instances wherein the natives have had cause to realise the advantages they frequently derive from it. In the matter of verbal contracts of service alone they find the fact of the date of engagement and the rate of pay being entered upon the registration certificate is most valuable. I have found that although the majority of the owners of certificates so endorsed are unable to read there are very few who do not obtain confirmation of the correctness of the entries by a literate friend.

(Sgd.) H. W. GRAY,  
Chief Registrar of Natives.

Chief Registrar of Natives Office,  
NAIROBI,  
13th March, 1924.

(Enclosure 11). This Schedule is on a very large sheet which is retained in the Office of the Native Affairs Dept.

#### ENCLOSURE "I".

Analysis of Native working population shewing numerical strength of various tribes in employment as shewn by the Special Labour Returns as at 31st October, 1923.

Tribes.	No. of natives in employment.
Kavirondo, including South, North Kavirondo and Kisumu.	47,243
Lumbwa .. .. .	5,167
Nandi .. .. .	2,343
Masai, including Marakwet and Suk .. .. .	2,213
Akikuyu, including Fort Hall, Embu, Nyeri, Meru, and Kiambu.	48,577
Akamba, including Machakos and Kitui. .. .. .	5,889
Wateta .. .. .	2,560
Coastal .. .. .	1,774
Buganda .. .. .	8,081
Aliens .. .. .	5,449
Total registered natives in employment .. .. .	129,296
Total registered natives (effective) .. .. .	476,393
Percentage of registered natives in employment. .. .. .	27.14%

NOTE.—These figures are compiled from the Special Labour Returns received from all employers of registered natives for the month of October last, which included a complete list of the natives then actually employed.

This Special Return has enabled the majority of errors and omissions of the last four years to be corrected and the figures given above of registered natives in employment should, therefore, be as accurate as it is possible to obtain them.

The difference in the figure of the total numbers employed as compared with previous schedules is very largely accounted for by (1) past omissions of employers to notify discharges, (2) natives being shown as employed when actually they were absent on so-called leave, (3) employers leaving the country failing to render a final Return.

(Sgd.) H. W. GRAY,  
Chief Registrar of Natives.

REPORT ON THE WORK DONE BY THE FINGER PRINT BUREAU  
IN CONNECTION WITH THE NATIVE REGISTRATION  
ORDINANCE AND THE IDENTIFICATION OF CRIMINALS  
FOR THE YEAR ENDING THE 31st OF DECEMBER, 1923.

REGISTRATIONS EFFECTED. During the year 1923 the number of finger print records received, classified and filed in connection with Native registration totalled 70,209, an average of 5850.75 per month, and a decrease of 23,260 as compared with the previous twelve months.

2 TOTAL COLLECTION IN BUREAU. The total collection of finger print records filed to the 31st December, 1923, numbered 578,943, made up as follows —

Finger prints of natives registered under the Registration Ordinance	553,310
Finger prints of native juveniles serving in the Reformatory	29
Finger prints of criminal Europeans, Asiatics, and natives.	25,334
TOTAL	578,943

3 IDENTIFICATION BY MEANS OF FINGER PRINT SYSTEM Identifications established by finger prints during 1923 numbered 30,535, or an average of 2544.50 per month. This figure surpasses all our previous records, and is an increase of 682 over the year 1922.

As the figures given below will show, the work has been carried on at high pressure throughout the year. They also indicate that the Staff has achieved a standard of efficiency that is extremely satisfactory :

IDENTIFICATIONS ESTABLISHED.

No. of searches made	Re-registrations detected	Dead Natives identified	Miscellaneous identifications	Total identifications.
30,985	17,390	251	12,894	30,535

From these figures it will be seen that out of 30,985 cases submitted to Bureau for identification the desired information was furnished in 98.54% cases, despite the fact that in many instances the finger prints submitted for search were so blurred, indistinct, or badly taken as to render identification almost impossible.

4. TOTAL IDENTIFICATIONS EFFECTED SINCE INCEPTION OF BUREAU The Department has now been established four years and during that time 93,543 natives have been identified by their finger prints alone.

5 DEAD NATIVES During 1923, 251 deceased natives were identified. This is the highest number on record for any one year. The identification of deceased natives is of the utmost importance, for many of these were unknown victims of plague and where plague is concerned it is urgently necessary to locate all contacts. The first step taken is to identify the deceased native and the only reliable method is by finger prints; the Medical Officer of Health therefore refers all cases to this Bureau.

6. FINGER PRINT SYSTEM TO PREVENT THE EMPLOYMENT OF UNDESIRABLES IN GOVERNMENT SERVICE. The facility with which an undesirable native may obtain employment in Government service is a subject worthy of consideration. As an instance I will mention the case of a man who deserted the King's African Rifles in May, 1920, and, almost immediately, joined the Prisons Department under an assumed name. In July, 1923, he was arrested on suspicion, and though he vigorously denied any connection with the King's African Rifles, a smudge purporting to be his left thumb impression and appearing on his attestation papers proved him to be the missing man.

To prevent the enlistment of undesirables or fraudulent enlistment, and to guard against unlawful transfer from one Unit to another, the Prisons Department and the King's African Rifles now submit the finger impressions of all recruits to this Bureau for report before final attestation. This system is also followed by the Police and Forestry Departments, and during the year under review we were successful in preventing 38 undesirable applicants from joining these Departments.

The Post Office, Treasury, Customs, and Railway might, with advantage to themselves, also adopt this safe-guard when engaging native Staff. It would also be a means of teaching the native to realise that posts in the Government service are only open to those of good character.

In the collection of revenue a thumb print receipt system would prove an important factor in deciding disputes, e.g., in proving either on behalf of the Government or the native whether or not Tax had been paid by the latter.

7. THUMB PRINT SIGNATURES. The following case should afford a useful lesson in the value of thumb impression receipts for money.

On the 9th February a native forged his employer's signature to a cheque for Shgs. 750/-, making the imposture appear quite genuine by using the firm's stamp. On presenting the cheque at the National Bank of India, the Teller, (as a precautionary measure because of the large sum involved), took the native's thumb impression in receipt for the money. The signature proved to be a forgery and upon investigation suspicion rested upon two natives whose finger prints were submitted and compared with the impression on the cheque. The culprit was then discovered, tried, and sentenced to one year's Rigorous Imprisonment.

Since this episode all the local Banks have become enthusiastic supporters of the finger print system which they now use.

8. MURDERER TRACED BY FINGER PRINTS. In April a woman living near Nairobi was murdered by being stabbed in the throat. The suspected murderer disappeared and, despite the fact that his registration number was known and strenuous efforts made by the Police to trace him, remained at large until November when, desiring to obtain work and at the same time conceal his identity, he destroyed his registration certificate and re-registered under another name at Rumuruti (over 100 miles away). Immediately his finger prints reached the Bureau however, they were identified as being those of the wanted man.

Information was forwarded in the usual way to the Police with the result that he was arrested. He confessed the murder, and now stands committed for trial.

9. CRIMINAL REGISTRY. During the year the finger prints of 3,094 criminals were filed and 796 identifications established. This is the highest number of criminal recognitions effected since 1910.

The Criminal record Section of the Bureau had, at the close of the year, a collection of 25,334 finger print slips. These are not filed with the records of natives registered under the Registration Ordinance, but form a separate section.

Since the criminal records were transferred to this Department in 1922, much work has been done to make the machinery of the Bureau more efficient and to ensure its utility in giving the maximum assistance to the Police in tracing and recording criminals. It was necessary to check the finger prints transferred numbering 22,000, and a considerable amount of work was involved in adjusting errors in classification, the finger print filing system was overhauled, a card index facilitating the registration of Surveillees was introduced, together with the Dossier system which affords ready and easy reference to the criminal history of any individual concerned.

With a view to introducing a systematic method of collecting facts and figures for future years, and to effecting immediate economy in stationery, time and labour, statistical registers and forms were indented for in March, 1923, but on account of pressure of work at the Government Press some of these important indents were still outstanding at the end of the year.

Prior to the transfer of the Criminal registry to this Department two Sub-Inspectors of Police were employed on this work. Now there is one, but the steady increase in criminal identifications will necessitate the assistance of another man, for, notwithstanding the considerable reduction of work as a result of re-organization, the fact remains that the preparation of data for Court and the number of incoming records and identifications established, are rapidly becoming more than one man can be expected to cope with efficiently. The total collection of criminal records at the close of the year was just double what it was in December, 1918, and the identifications made have increased 53% since 1920.

Although 25,000 filed Criminal Records are but a small collection, the potential value of a thoroughly up-to-date Finger Print Bureau cannot be over-estimated, and within the limits of our finances, the progress and development of this Section will be encouraged.

10. FINGER PRINT COURSE FOR POLICE OFFICERS. During the year advantage was taken of the facility the Bureau offers to Police Officers for a short course of instruction, and eleven members of the Police took this Course. I found that these Officers were all keen to acquire a good working knowledge of the finger print system, but the time allowed for their course has

been cut down to two hours daily (instead of four) for fourteen days, and owing to the exigencies of the Police service attendances are often very irregular, with the result that the subjects for study had necessarily to be curtailed. The curriculum is now:—

1. Definition of various types of impression and terminal points.
2. Distinguishing the various types.
3. Making simple comparisons.
4. How finger prints found at scene of a crime should be dealt with and how to judge whether an impression is sufficiently clear and contains the details necessary for the purpose of identification.

#### 11. METHOD OF PROVING PREVIOUS CONVICTIONS.

Hitherto the finger prints taken on arrest by the Police formed the permanent records of the Criminal Registry. This system lent itself to mistakes being made, and it was also possible for ex-criminals to escape being identified as such when previous convictions were called for.

To prove previous convictions and identity finger prints produced in Court should emanate from the *Prison* to which the convict was admitted, and not from the Police Station where he was arrested. The matter was represented to the Commissioner of Police and Prisons with the result that instructions on the lines suggested have been issued to Superintendents of Prisons, *i.e.*, to take and forward to the Bureau the finger prints of all persons convicted for certain offences.

Although this is a departure from established precedent of thirteen years standing, I am convinced that the new rule forms a basis which will ensure the Criminal records being complete and positively reliable. In affecting this gratifying change of system I had the assistance of the Commissioner of Police and the Acting Commissioner of Prisons in surmounting the many difficulties which stood in the way.

12. OFFICE ACCOMMODATION. There are still about 200,000 adult natives to be registered and to this number must be added annually 10,000 finger prints of youths coming of age. The Bureau should, therefore, be sufficiently large to accommodate at least one million records.

The present office provides for half a million records only. The light is also inadequate for finger print work and causes unnecessary eyestrain. Plans and specifications for a new building affording better light and accommodation were passed in April, 1923, when it was resolved that a suitable stone building should be provided for in 1924 Estimates. This, however, has not been done, and the need for more space and better light is pressing both from a health and efficiency point of view.

13. HEALTH OF STAFF. There are 18 non-Europeans on the Staff. Their health has not been very good, the average number of days off duty on medical grounds being 13, to which must be added five non-Christian holidays, eight public holidays, and twelve days on local leave per man, making an aggregate total of 684 days, and averages more than one man off duty daily throughout the year.

During December two cases of eyestrain were reported due to the general run-down condition of the patients and the onerous nature of the work.

14. GRADING STAFF The question of grading Staff had not been finally settled at the end of the year and, therefore, the men are not entitled to vacation leave. The majority of the Staff have over 43 months service, but to allow more than two at a time on vacation leave will seriously dislocate the work of the Department, the only remedy being increased establishment as asked for in my 1924 Estimates.

In conclusion I wish to record my keen appreciation of the very satisfactory manner in which the Finger Print Staff have continued to perform their multifarious duties, and for the assistance rendered to this Bureau throughout the year by the Administration, the Police and Prisons Staff, the Record and Labour Sections of the Registration Department. I wish also to express my special appreciation of the constant help and advice given me by the Commissioner of Police in police matters as they affect the Finger Print Bureau. Confidence in the Bureau shown by the Judges and Magistrates has also been most gratifying.

I attach Schedule showing in detail the number of Registrations effected and identifications made during 1923.

(Sgd.) W. BURGESS,  
Officer-in-Charge,  
Central Finger Print Bureau

RETURN OF WORK PERFORMED BY THE CENTRAL FINGER PRINT BUREAU FOR THE YEAR 1923.

SUMMARY.

PROVINCE.	DISTRICT.	FINGER PRINTS RECEIVED.			IDENTIFICATIONS ESTABLISHED BY FINGER PRINTS.			Certificates of identify issued.	REMARKS.
		Permanent Certificates.	Temporary Certificates.	Total.	Re-Registrations.	Dead Natives.	Other identifications.		
NYANZA.	Kisumu	4,560	2,971	7,531	1,708	14	971	2,693	69
	North Kavirondo	5,354	474	5,828	983	20	735	1,738	5
	South Kavirondo	5,693	2,301	5,994	999	13	552	1,564	15
	Lumbwa	1,108	84	1,192	585	2	294	881	27
	Nandi	1,251	13	1,264	299	—	273	572	6
	PROVINCIAL TOTAL	15,966	5,843	21,809	4,574	49	2,825	7,448	
	Brought forward.	175,047	22,508	197,555	9,072	98	4,964	11,134	
NAIVASH.	Uasin Gishu	—	1,890	1,890	257	—	144	401	10
	Trans Nzoia	—	874	874	302	1	102	405	11
	Nakuru	—	1,801	1,801	953	4	1,372	2,329	106
	Naivasha	—	694	694	308	—	132	440	11
	Laikipia	—	154	154	90	—	18	108	2
	Eldama Ravine	638	385	1,023	225	—	139	364	32
	Kabaret	3,040	157	3,197	237	—	30	267	—
PROVINCIAL TOTAL	3,678	5,955	9,633	2,372	5	1,937	4,314		
	Brought forward.	5,248	28,878	34,126	2,891	9	1,387	4,287	
MASAI RESERVE.	Narok								
	Ngong								
	Mara	274	378	652	150	—	960	1,110	158
	Loitokitok								
PROVINCIAL TOTAL	274	378	652	150	—	960	1,110		
	Brought forward.	3,223	1,075	4,298	192	—	128	320	
UKAMBA.	Nairobi	—	6,188	6,188	3,606	74	2,813	6,493	635
	Voi	404	315	719	148	5	126	279	45
	Machakos	4,217	109	4,326	361	13	275	649	31
	Kitui	5,709	157	5,866	210	5	109	324	6
	PROVINCIAL TOTAL	10,330	6,769	17,099	4,325	97	3,323	7,745	
	Brought forward.	39,099	48,711	87,810	8,898	192	13,257	22,347	
KENYA.	Kyamhu	2,662	718	3,380	917	17	1,204	2,135	62
	Fort Hall	3,213	202	3,415	1,295	10	393	1,698	43
	Nyeri	5,449	120	5,569	1,455	20	535	2,010	24
	Embu Chuka	2,962	8	2,970	1,035	4	69	1,108	2
	Meru	2,114	64	2,178	198	4	154	356	3
	PROVINCIAL TOTAL	16,400	1,112	17,512	4,900	52	2,355	7,307	
	Brought forward.	114,402	16,079	130,481	13,376	80	3,417	16,873	
COAST.	Mombasa	422	2,490	2,912	1,017	48	1,446	2,511	484
	Kilifi	536	48	584	49	—	12	61	4
	Malindi	1	7	8	3	—	6	9	6
	Vanga	—	—	—	—	—	30	30	2
	PROVINCIAL TOTAL	959	2,545	3,504	1,069	48	1,494	2,611	
	Brought forward.	11,084	17,747	28,831	2,265	69	2,713	5,047	
1923 TOTAL		47,607	22,602	70,209	17,390	251	12,894	30,535	1,799
Brought forward.		348,103	134,998	483,101	36,694	448	25,866	63,008	6,425
GRAND TOTAL		395,710	157,600	553,310	54,084	699	38,760	93,543	8,224

SEE THE ANNUAL REPORT ATTACHED.

W. BURGESS.

Officer-in-Charge, Central Finger Print Bureau.