

COLONIAL REPORTS—ANNUAL.

No. 1153.

COLONY & PROTECTORATE
OF KENYA.

REPORT FOR 1921

1st APRIL TO 31st DECEMBER.

(For Report for 1920-21 see No. 1122.)



LONDON:

PRINTED & PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE
Obtainable through any Bookseller or directly from H.M. STATIONERY OFFICE
at the following addresses: Imperial House, Kingsway, London, W.C.2, and
28 Abingdon Street, London, S.W.1; 37 Peter Street, Manchester;
1 St. Andrew's Crescent, Cardiff; or 23 Forth Street,
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1923

Price 9d. net.

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No. 1158.

REPORT ON THE COLONY AND PROTECTORATE
OF KENYA FOR 1921.*
(1st APRIL TO 31st DECEMBER).

PREFACE.

The territories comprised under the name of "Kenya Colony and Protectorate," until recently known as the East Africa Protectorate, consist of about 248,800 square miles, the eastern boundary of which was defined along the river Juba by an agreement with Italy in 1891, and on the north by an agreement with Abyssinia in 1908. On the west the Colony adjoins the Uganda Protectorate, and on the south the mandated Tanganyika Territory.

The British East Africa Protectorate was proclaimed on 9th November, 1890. In March, 1891, the Imperial British East Africa Company undertook the administration of the country, from which they withdrew on 31st July, 1893, in favour of the Imperial Government. On 1st April, 1905, the administration of the Protectorate was transferred from the Foreign to the Colonial Office; and on 28th July, 1920, under the Kenya (Annexation) Order in Council, 1920, the whole of the territory, excepting that forming the mainland part of the dominions of His Highness the Sultan of Zanzibar, became the Colony of Kenya. The mainland dominions of the Sultan consist of a strip extending ten miles inland along the coast from the Tanganyika Territory frontier to Kipini, the island of the Lamu Archipelago, and an area of ten miles round the fort of Kismayu, these territories having been leased to Great Britain for an annual rent of £17,000.

PERIOD.

The figures given in this Report are in respect of the period, 1st April, 1921, to 31st December, 1921, (nine months), as the financial year of the Colony has now been changed to correspond with the calendar year.

* A sketch map will be found in the Report for 1914-15 (p. 8172-7).

I.—GENERAL OBSERVATIONS.

A.—LEGISLATION.

The chief constitutional events of the period under review, viz., 1st April, 1921, to the 31st December, 1921, were :—

- (a) The Orders-in-Council of the 27th of June, vesting in the Governor, in trust of His Majesty the King, all Crown Lands, Native Reserves being specified as Crown Lands, establishing the Supreme Court, and defining the boundaries of the Colony and Protectorate.
- (b) The Orders-in-Council of 14th July, reconstituting appeals to the Court of Appeal for Eastern Africa and to the Privy Council.

By the Order-in-Council of 10th August the shilling currency was made legal.

The legislation during the nine months was very heavy ; the most important measures were :—

- (a) Taking of powers to revise the Laws of the Colony and Protectorate.
- (b) The Public Health Ordinance, which has already shown its great value in many ways.
- (c) The Specific Loan Ordinance, empowering the raising of a loan of £5,000,000.
- (d) The Agricultural Produce Export Ordinance, enabling grading and inspection of agricultural produce intended for export by sea, and improved regulations for the preparation and manufacture of exported produce.
- (e) The Natives' Trust Fund Ordinance.
- (f) The Territorial Force Ordinance.
- (g) The Companies' Ordinance.
- (h) The Native Registration Ordinance, which compiled the Ordinances of 1915 and 1920 ; and
- (i) The Game Ordinance.

The Native Punishments and Divorce and Bastardy Laws Commissions were appointed during the year, but did not report before its close.

B.—ALIENATED AREAS.

An increase of magisterial work is noticeable. The Native Registration Ordinance was brought widely in force.

In those parts of the Colony where the division of administration into settled and native areas has taken place, the scheme is reported to be working successfully.

The excellent work of the Nairobi Municipality, particularly in the introduction of a rating scheme, is acknowledged.

In Mombasa much progress has been effected by the Town Planning Authority, the members of which have displayed great energy and foresight in their labours.

It is to be recorded with appreciation that District Committees throughout the alienated areas have continued to give much assistance to the Administration.

C.—NATIVE AREAS.

From all sides an increasing interest in political matters on the part of natives has been observed; in Nairobi there has been started an organization named the East Africa Association, and on the coast several Arabs have formed an Arab Association. These bodies have not yet declared a definite line of action; in most cases they undergo frequent changes of policy, and they often disappear altogether. The study on right lines of the Colony's concerns is a matter for encouragement, and it is hoped that it will be possible to guide such associations into the path of help, not only to Africans, but also to the Government, the more as an increasing impulse towards education is a strong feature of their demands. Government has sanctioned the institution of Native Advisory Councils in certain districts.

The supply of voluntary labour, augmented by a considerable influx from Tanganyika Territory and Uganda, more than met the demand during the year, notwithstanding the general reduction of agricultural wages. Doubtless the shrinkage of demand due to trade depression contributed to the relief of the labour situation.

The redemption of silver rupees with florin notes, which was carried out during the year, was unpopular with the natives, to whom a paper currency is entirely unsuitable.

Trade throughout the Reserves was dull, and articles of native produce were practically unsaleable.

A raid by a party of Masai on a neighbouring tribe in Tanganyika Territory was the only serious disturbance of the peace.

Natives.

The estimated native population on 31st of December, 1921 was 2,848,788.

F.—IMMIGRATION.

For reasons of comparison the following figures in respect of 1920 and 1921 are for twelve months, viz., 1st of January to 31st of December :—

Year.	Europeans, Americans and Eurasians.		Asiatics and Goans.		Others, viz., Seychelloises, Cingalese, Natives of Africa, Chinese, etc.	
	Males.	Females.	Males.	Females.	Males.	Females.
1920	3,020	1,685	8,237	1,698	1,005	234
1921	2,635	1,663	5,275	1,215	1,098	239
	Decrease : 407 persons, or 8.65 per cent.		Decrease : 3,445 persons, or 34.67 per cent.		Increase : 98 persons, or 9.75 per cent.	

The total net decrease is 3,754 persons for the year, or 23.64 per cent. less than the figures for 1920.

G.—PUBLIC HEALTH.

Thirteen new appointments of medical officers during 1921 completed the sanctioned staff, and in consequence medical work in the Native Reserves has been largely increased, and the effect in combating infectious disease, as it has occurred, has been striking.

In 1921 the public health has been satisfactory. The close of the year found the whole Colony free from any epidemic disease.

Plague, which was so prevalent in North Kavirondo in 1920, completely died out in the latter half of 1921. Smaller outbreaks in Kikuyu, South Kavirondo, and Nairobi were promptly dealt with, and the disease did not spread.

The year 1921 has seen the inauguration in Kavirondo of a systematic campaign of rat destruction, by which over two million rats were killed. Inoculation is now only performed in the immediate vicinity of an outbreak, and an intensive local rat campaign is organized.

This rat campaign, apart from the consideration of the prevention of disease, will, if sustained, have an enormous effect in the saving of food for human consumption.

Small-pox was reported early in the year on the upper reaches of the Tana river. No figures are available, but it is estimated that 200 natives died. By April the epidemic was over. This was the only outbreak of the disease during the year.

Kala-azar was definitely proved in two cases, one a European, and the other a native. Both were infected in the Northern Frontier District, and both ended fatally.

This is the first time this disease has been identified in the country.

A European child suffering from pseudo-diphtheria was found to be infected by *Monilia tropicalis* (castellani), the first time this fungus has been identified in this country.

The various hospitals have been improved with a view to an increase in efficiency with economy. Special attention has been paid to the treatment of venereal disease, but, as among more civilised communities, much educational work is required before natives can be persuaded to take full advantage of treatment provided for them.

Closer attention to the manufacture of calf lymph has been possible owing to the appointment of a third bacteriologist.

At Mombasa an improvement has been made in the method of sewage disposal by discharge of the night soil into deep water instead of, as formerly, being thrown over the cliff.

During the year the Public Health Bill became law. It has already shown itself to be a useful measure.

The introduction of efficiency bars and compulsory courses of study will be of great assistance in keeping the medical and sanitation services up to date.

Indian candidates for the position of Assistant and Sub-Assistant Surgeons have not been forthcoming. This would be of less importance if facilities existed for the training of Africans for these posts. If possible, an effort will be made in this direction during 1922.

As regards the future it is suggested that in the place of Government medical officers, district surgeoncies should be established in such centres of European settlement as Nakuru and Eldoret. In these districts whole time, fully salaried, medical officers are at present largely occupied in doing non-government work. Unfortunately, so far the prospects for private practitioners have not proved to be sufficiently attractive.

Native Reserves.—Two permanent buildings at Kisii and Machakos have been completed. Ample space has been allowed for future extension.

Two new centres have been opened at Chuka and Narok. At the former the buildings are wattle and daub. Within two months the daily average number of in-patients was over a hundred, consisting almost entirely of cases of yaws. It is proposed to

establish out-dispensaries in this district, as has been done elsewhere, but at Narok, owing to the nomadic habits of the Masai, it seems advisable to be content with a central hospital. At each of these two stations, as well as at Machakos, a medical officer is in charge.

At Kisii and Kakamega the centres already established have been largely increased. At the former a permanent hospital has been built, and at the latter the accommodation has been brought up to 100 beds. At both stations additional make-shift accommodation has constantly to be improvised to make room for urgent admissions.

The out-dispensaries in the Kakamega district now number eighteen.

Much more work is now being done at the old-established stations at Kisumu and Fort Hall.

At seven out-dispensaries in the Central Kavirondo district, with Kisumu as headquarters, over three thousand patients have been treated during the three months of their existence. At Fort Hall, outside the township, a yaws camp, with accommodation for 100 patients, has been started.

In Central Kavirondo an investigation is proceeding into birth-rate and infant mortality problems. The information gained will act as a guide to measures to be taken to prevent the very large wastage of human life at present existing.

The number of Missions subsidized by Government for medical work has not been increased during the year, and no further applications have been received.

II.—GOVERNMENT FINANCE.

General Revenue and Expenditure.—The sanctioned expenditure for the period 1st April to 31st December, 1921, amounted to £1,828,644, and the actual expenditure to £1,666,785. Before comparing the latter figure with the former, the sum of £27,784 should be added to the expenditure, and £54,281 deducted therefrom, the former amount representing the unexpended balance of 1921 votes on uncompleted works to be carried forward to be expended during 1922, and the latter being the actual expenditure during 1921 on a similar item carried forward from 1920-21. A further deduction of £78,435 should also be made in respect of 1920-21 military expenditure met in 1921. After allowing for these adjustments, the resulting figure is £1,561,908, a saving of £266,741 on the sanctioned Estimates.

The estimated revenue for the period was £1,828,644, but the total receipts from all sources, including £600,000 reimbursement in respect of capital and war expenditure defrayed from revenue, amounted to £1,891,679.

The following table shows the expenditure and revenue for the past six years :—

	<i>Expenditure.</i>		<i>Revenue.</i>	
	£		£	
1916-17	1,796,694	2,300,874		
1917-18	2,235,856	2,052,493		
1918-19	2,368,057	2,323,054		
1919-20	3,037,291	2,589,652		
1920-21	2,976,960	2,978,785		
1921 (April-December)	1,666,785	1,891,879		

Financial Position on 31st December, 1921.—The assets exceeded the liabilities on 31st December, 1921, by £430,521, the figure being arrived at as follows :—

	£	£
Net assets on 1st April, 1921		205,627
Revenue, 1921 (April-December)	1,891,879	
Expenditure	1,666,785	
	<hr/>	
Excess of Revenue over Expenditure, 1921 (April-December)		224,894
		<hr/>
		£430,521

Currency.—The following new legislation relating to currency was passed between 1st April and 31st December, 1921 :—

7th June, 1921.—Proclamation under the East Africa and Uganda (No. 2) Order-in-Council, 1920.—This Order provides for the demonetization and redemption of the following coins :—

1. The silver rupee of the late Imperial British East Africa Company.
2. The silver rupee of British India.
3. The half-rupee of British India.
4. The quarter-rupee of British India.

6th September, 1921.—Ordinance No. 35, of 1921, relating to the destruction or misuse of currency.—This Ordinance repeals the Gold and Silver Currency Protection Ordinance of 1920, and provides for the imposition of penalties on persons melting down, breaking up or using otherwise than as currency, any silver coin current for the time being in the Colony or Protectorate.

10th August, 1921.—The Kenya and Uganda (Currency) Order, 1921.—This Order provides for the minting of a shilling as the standard coin, also subsidiary coins. It revokes the East Africa and Uganda (Currency) (No. 2) Order, 1920, except that, in so far as coins and currency notes are legal tender under that Order, they shall continue to be so until demonetized. In the case of ten cents, five cents and one cent of a florin, it provides that they may be taken to be ten cents, five cents and one cent of a shilling.

7th November, 1921.—*The Kenya and Uganda (Currency) (No. 2) Order, 1921.*—This qualifies the Kenya and Uganda (Currency) Order, 1921, to the extent that ten cents, five cents and one cent of a florin circulate at their face value, and not as ten cents, five cents and one cent of a shilling.

16th December, 1921.—Proclamation under the Kenya and Uganda (Currency) Order, 1921, bringing the Order into operation as from 1st January, 1922.

III.—PROGRESS OF TRADE, AGRICULTURE AND INDUSTRY.

A.—TRADE.

Gross receipts from Import and Export Duty during the period under review amounted to £382,998, from which should be deducted the sum of £35,264, refunded in respect of goods in transit, re-exported, etc.; the net Customs revenue therefore being £347,734, a decrease of £99,643 as compared with the receipts for the corresponding period in 1920.

The total value of commercial imports during the nine months decreased by 54 per cent., viz., £5,183,894 to £2,370,269, as compared with the corresponding period of the previous year. This diminution is due to depression of trade, and in a secondary degree to a fall in the value of merchandise subject to an *ad valorem* import duty.

Imports.

Cotton textiles continue to constitute the most important and largest class of imports, the value of merchandise imported under this heading amounting to 23 per cent. of the total trade imports.

Unbleached cotton piece goods: 44 per cent. of the total value of imports under this heading originated in Japan and 42 per cent. in India.

Other varieties of cotton fabrics, such as bleached, printed and dyed manufactures: 68 per cent. of these goods originated in the United Kingdom; other sources of supply being India, 11 per cent.; Holland, 14 per cent.; other countries, 7 per cent.

Grain and flour represent the second item in importance.

A serious decrease in the value of machinery is that of 71 per cent. as compared with the previous corresponding period. 73 per cent. of the total value of machinery came from the United Kingdom, followed by 12 per cent. from the United States of America.

Provisions: 87 per cent. of this merchandise was received from the United Kingdom.

The value of imports of private merchandise (excluding Government and railway materials, goods in transit, telegraph material and specie) was distributed among the United Kingdom, British Possessions and foreign countries in the proportion of 40 per cent., 32·60 per cent., and 26·40 per cent., respectively. The share of the United Kingdom is somewhat lower than in most previous years. Japan, for the first time, takes the premier place among the foreign countries supplying goods to this territory, principally on account of the large increase in importation of Japanese cotton goods.

Exports of Imported Goods.

Consignments of foreign goods originally imported for home consumption, but subsequently re-exported to foreign ports, are allowed under certain conditions full drawback of the duty previously paid.

The trade is chiefly carried on through the port of Mombasa which continues to act as a receiving and distributing centre between East Africa and the neighbouring territories of Tanganyika Territory, Zanzibar, Italian East Africa, and the Belgian Congo.

The re-exports show a slight decrease and represent 21 per cent. of the total imports.

Transit Goods.

The imports under this heading reveal an increase and include £22,678, being produce imported from the hinterland of the Tanganyika Territory.

Exports.

Prior to April, 1917, Uganda collected its duties on produce and hence statistics were recorded separately. Since then Kenya and the Uganda Protectorate have become one for Customs purposes, and exports of produce from the two Dependencies are shown under one heading.

Produce from the Tanganyika Territory, Belgian Congo, and the Soudan are registered separately.

The combined exports from the two Dependencies during the period under report amounted to £2,111,151, showing a decrease of £1,418,473, or 40 per cent., as compared with the previous corresponding period.

Had it not been for the slump in the prices of local produce owing to the world-wide trade depression, exports would have shown better results.

Cotton heads the list of combined exports from the two Protectorates, and represents 59 per cent. of their total value.

As compared with the preceding period of nine months, the increase in quantity is 91 per cent. and a decrease of 49 per cent. in value, indicating a depression of 78 per cent. in specific value.

Practically all cotton originated in Uganda. Thirty-six per cent. of the quantity was consigned to the United Kingdom, 63 per cent. to India, and 1 per cent. to foreign countries.

The second largest item in order of value is coffee, which represents 12 per cent. of the total exports. The quantity declined by 31 per cent., accompanied by a corresponding decrease of 39 per cent. in value. The average declared value was 64s. 6d. per cwt. during the period under review, as against 72s. 7d. per cwt. in the previous year. Seventy per cent. of the total quantity was consigned to the United Kingdom, 9 per cent. to the Union of South Africa, and the balance to various other countries.

The third largest item of exports is fibre, which represents 7 per cent. of the total exports. The shipments are classified under the headings of "Sisal," "Fibre, other sorts," and "Flax."

The quantity of carbonate of soda exported increased largely. One per cent. of the quantity was shipped to the United Kingdom, 4 per cent. to India, and 88 per cent. to Japan.

The fifth item of exports is the group of grain and oil-seeds. The decrease in quantity is one of 85 per cent., or 56 per cent. in value. Of the total quantity, 80,036 cwts. were exported to the United Kingdom, and 35,228 cwts. to British Possessions.

Shipments of hides and skins, which played a prominent part in the exports in previous years, received a set-back. Sixty-nine per cent. of the total quantity of hides and skins were shipped to the United Kingdom, 13 per cent. to Italy, and 14 per cent. to France.

The exports of ivory originating in Kenya and Uganda decreased from 321 cwts. to 608 cwts. during the period under report. Fourteen per cent. of the total quantity was shipped to the United Kingdom.

Chillies, a semi-wild crop, thrive exceedingly well in Uganda, and were largely exported during the period under report.

The export of wool increased satisfactorily.

The export of copra receded slightly. Forty-six per cent. of the total quantity was exported to Zanzibar, 43 per cent. to France, and 10 per cent. to India. Besides copra, there was an export of 1,602 coconuts, valued at £392, to India, the Union of South Africa, Arabia, and other places. The by-product of coconut fibre remains practically unutilized, although coir rope, which might be made locally, continues to be imported from India.

Shipments of rubber show a decrease of 64 per cent. in quantity and 69 per cent. in value, as compared with the previous period of the same months.

Shipments of potatoes showed a decrease of 5,593 cwts. as compared with the previous corresponding period. Four thousand and forty-four cwts. were shipped to India, 5,935 cwts. to Zanzibar, and 2,056 cwts. to Tanganyika Territory.

The exports of mangrove poles (locally known as borities) increased. Fifty-seven per cent. of the total quantity exported originated in the Lamu district, 12 per cent. in the Malindi district, and the balance from Kismayu, Vanga, and other places; 58 per cent. of the total quantity were consigned to Arabia, 16 per cent. to India, and the balance to Italian East Africa and Zanzibar.

B.—AGRICULTURE AND STOCK-RAISING.

General.—The depression which had begun in 1919, and continued in 1920, became acute in 1921 in Kenya, as elsewhere. Ocean freights, somewhat late in the day, decreased during the course of the year, but transportation charges generally were higher than the farming industry could afford. Recovery from depression may, however, be anticipated on account of Kenya's remarkable fertility.

The development of bulk export of cheaply produced crops such as maize, sim-sim, and cotton, on the part of both natives and Europeans, should be aimed at, in addition to increase in the production of crops of high value, such as coffee and flax, with a view to placing the country upon a sounder basis. Government is doing all in its power to bring about this result during the coming year together with the local production of materials at present imported in large quantities, such as sugar, flour, and rice.

Crops.—The total area under crops in European areas in June 1921, was 169,685 acres, comprised as follows:—

Maize	...	...	...	...	...	...	53,395	acres.
Wheat	...	...	...	...	...	...	7,858	"
Barley	...	...	...	...	...	...	1,091	"
Oats	...	...	...	...	...	...	900	"
Beans	...	...	...	...	...	...	923	"
Peas	...	...	...	...	...	...	149	"
Potatoes	...	...	...	...	...	...	229	"
Lucerne	...	...	...	...	...	...	391	"
Coffee	...	...	...	...	...	...	33,813	"
Sisal	...	...	...	...	...	...	31,050	"
Flax	...	...	...	...	...	...	14,227	"
Sugar Cane	...	...	...	...	...	...	2,616	"
Coconut	...	...	...	...	...	...	10,120	"
Wattle	...	...	...	...	...	...	10,768	"
Rubber	...	...	...	...	...	...	2,571	"
Fruit	...	...	...	...	...	...	2,273	"
Vegetables	...	...	...	...	...	...	222	"
Cotton	...	...	...	...	...	...	26	"
Fodder crops	...	...	...	...	...	...	597	"
Miscellaneous	...	...	...	...	...	...	586	"
							<hr/>	
							173,805	"
Less catch crops	...	...	...	...	...	...	4,120	"
							<hr/>	
Total	...	...	...	...	...	...	169,685	"

The farming year under review has been a difficult one.

Coffee prospects were good, but not realized. Unpropitious weather conditions in the principal producing areas increased the amount of "Buni" (dried coffee berries), with a corresponding reduction of the mature crop.

Maize yields per acre were low.

Flax yields showed considerable reduction. The dry weather so prevented the retting of the straw, so that the output of finished flax and tow was abnormally restricted.

Wheat, on the other hand, shows an increased acreage, and, with the general desire for better quality, greater attention is being paid to essentials.

Pastoral conditions for sheep were very favourable; in some districts cattle suffered on account of drought. Losses from disease were normal.

Owing to unfavourable weather conditions in the Native reserves, a general shortage of return from agricultural work was manifest, practically all being seriously affected. This, coupled with inability to dispose of livestock and hides, owing mainly to bad trade and in a small degree to quarantine regulations, has affected the purchasing power of the native population.

East African Stud Book.—The registration of pure-bred stock proceeded, but no volume was published on account of insufficient entries.

Agricultural Census.—The second Annual Agricultural Census (1920–1921), as required by the Statistics Ordinance of 1918, has been completed, and will form the subject of a separate publication. The increase in areas cultivated and in live-stock compared with the previous Census figures is generally marked.

On 30th June, 1921, there was a total area of 3,333,106 acres under occupation by 1,346 owners, or their representatives, as against 3,157,440 acres and 1,183 on 30th June, 1920. The total area under cultivation by Europeans has increased by 30,669 acres. This area of 206,959 acres represents 6·21 per cent. of occupied area as against 5·58 per cent. for the previous year. These figures show close sound progress in agricultural activity generally during the year under review, in spite of very unfavourable conditions.

A further estimated area of some 33,651 acres is under occupation by natives. Estimated production (surplus to district needs) and numbers of livestock owned are included in the Census report above referred to.

Statistics of exports for 1921 show a substantial increase in regard to coffee, sisal, flax and pig products, while for the first time all quantities of butter and cheese were exported. The total value of the principal agricultural exports was higher than in previous years.

Land Settlement.—The number of newly inaugurated farms, though small, shows that, in spite of agricultural depression, faith in the prospects of the Colony is maintained.

The following claims remained uncanceled on 31st December, 1921:—

Mineral (not specified)	31
Graphite	18
Galena	24
Coal	2
Gold	60

Sole Prospecting Licences.—Eight sole prospecting licences were issued for cinnabar, diamonds, and gold. In addition, a special exploration licence over 21,000 square miles along the coast was issued for coal and oil.

Leases.—Twenty-seven leases were prepared up to 31st December, 1921, but were not completed.

Development.—Some 250 tons of graphite, valued approximately £2,500, were mined near Machakos for local consumption.

The Galena Reef at Vitengeni near the coast has been opened up and shows promising signs, but operations are suspended for the time being owing to lack of capital.

D.—FORESTS.

The local timber trade received a severe set-back owing to the general financial depression. Throughout the whole period of the report timber merchants had very many difficulties to contend with; competition was severe, often the prices obtained left very little margin for profit, and outstandings were difficult to collect.

584,854 cu. ft. of timber were sold as compared with 702,183 cu. ft. in the preceding twelve months.

180,068 cu. ft. of timber were issued free to Government departments, free timber permit holders and natives, as compared with 95,459 cu. ft. in the preceding twelve months.

The current retail selling rates show a reduction of eighteen to thirty-seven per cent. as compared with the prices ruling in the early part of the year.

During the nine months 369 tons of timber, valued at £2,627, were exported; the imports of timber amounted to 1,179 tons, valued at £17,527.

Two new sawmills were set up in the Government forests during the period of the report, and there were twenty-two mills operating in the forests at the end of the year.

The total quantity of wood fuel taken over by the railway amounted to 7,690,078 cu. ft., as compared with 8,147,966 cu. ft. in the corresponding nine months of the previous year. The quantity taken over from contractors cutting in forest reserves was 348,867 cu. ft., as compared with 2,538,464 cu. ft. in the corresponding period of 1920.

A trial was conducted by the railway of using blue gum fuel. The result of the trial was considered to be entirely satisfactory and to justify its extended use.

Investigations were continued in connection with the utilization of the East African bamboos for the manufacture of paper-pulp, and the results were embodied in a pamphlet prepared in conjunction with notices inviting tenders for two bamboo concessions.

A report was received from the Imperial Institute on the results of the tests carried out on a commercial scale to ascertain the suitability of using Mutundu (*Neoboutonia macrocalyx*) wood for the manufacture of paper-pulp. The results were entirely satisfactory, but owing to the shortness of the ultimate fibres of Mutundu wood, it was recommended that the pulp should be used in admixture with material of longer fibre. It was pointed out that it is probable that the pulp could be utilized in admixture with pulp manufactured from the East African bamboo, as the latter is composed of fibres of about twice the length of those of the Mutundu.

E.—BANKING.

The following banks operate in the Colony:—

The National Bank of India, Ltd. Head office: 26, Bishopsgate Street, London. Branches at: Mombasa, Nairobi, Nakuru and Kisumu.

The National Bank of South Africa, Ltd. Head office: Pretoria. Branches at Mombasa, Nairobi and Eldoret.

The Standard Bank of South Africa, Ltd. Head office: 10, Clements Lane, London. Branches at Mombasa, Nairobi, Nakuru, Eldoret, Kisumu and Nyeri.

Bank of India, Ltd., Mombasa. Head office: Bombay.

Every description of banking business is transacted.

F.—COMMERCIAL AND TRADING POSITION AND PROSPECTS.

Openings for the Investment of Capital.

During the past year the liquidation of stocks bought at high prices during the boom and sold at sacrifice prices in order to obtain working capital commenced, nor can this liquidation cease until stocks become moderate for a normal demand.

In addition to the openings for capital in agricultural production, openings for capital investment are considered to exist to-day in the following industries: Soap, beer, leather, bags and sacks and fibre manufactures such as rope, and, eventually, common piece goods in connection with cotton production, and cement and pottery production when coal is available.

The manufacture of sugar, jaggery, ghee, tanning extract and leather are in hand.

G.—CLIMATE.

The climatic conditions obtaining in this Colony are many and varied, and thus create a difficulty in framing a précis of weather conditions.

Rainfall throughout the Colony may be summarized as extremely "local," while temperature, affected as it is by altitude, is most varied and only uniform in excessive "range."

In reviewing the year 1921, the one outstanding feature was the almost universal drought experienced through the Highlands.

Extreme deficiency was established at numerous stations, and this condition seriously affected the agricultural community.

The mean temperature was normal.

IV.—COMMUNICATIONS.

A.—RAILWAYS.

On 1st April, 1921, the railways became financially independent of the Colonial accounts, the arrangement being that the Uganda Railway should bear all the losses, if any, and receive all the profits, if any, on the service in Uganda, and that no profit derived from the combined services would be handed to the Colony, but should be used by the railway for payment of loan charges, and any balance thereafter to be utilized for replacements and betterments.

Under the arrangement mentioned above, the net revenue account for the Uganda Railway shows the following results:—

Interest and Sinking Fund Charges, Uganda Railway.. .. .	£ 20,640	By Net Earnings from Uganda Railway Revenue Account ..	£ 48,129
Uganda Railway Extraordinary Expenditure	4,872	Net Revenue Account of Port Bell-Kampala Railway ..	455
Loss on Net Revenue Account of Busoga Railway.. .. .	7,189		
Balance—Net Revenue	15,883		
	<u>£48,584</u>		<u>£48,584</u>

The estimates provided for an expenditure of £861,535, and an anticipated gross revenue of £931,214.

The actual expenditure for the nine months amounted to £680,883, and the total revenue was £729,012.

The net earnings for the nine months were £48,129, representing a profit of 0·67 per cent. on the capital cost of the Railway and Steamer Service, as against 2·19 per cent. in 1920-21, and 0·89 per cent. in 1919-20.

The total goods receipts were £854,702, as compared with £540,694 in 1920-21, and the Coaching receipts were £162,582 as against £253,823 for 1920-21.

The total tonnage handled was 204,953, as against 265,221 for the previous twelve months.

The trade depression reached its most acute state during this time and resulted in wholesale cancelling of orders by merchants which reacted on the tonnage of imports.

The upwards goods traffic, which consists mainly of imports totalled 74,172 tons, or over 21,000 less than during the corresponding nine months of the previous year.

As the freight charges on imports are much higher than on exports, this fall in tonnage affected revenue to a considerable extent.

The fall in revenue would have been still more serious but for the downward traffic, which consists mainly of exports, reaching the high figure of 121,405 tons, or 16,000 tons more than was raised during the corresponding nine months of the previous year. This is the highest tonnage of downward traffic on record.

The tonnage carried by lake steamers amounted to 46,332 which compares very favourably with the 47,557 tons carried during the previous twelve months.

During the period under review the s.s. "Clement Hill" and "Usoga" carried the whole of the traffic offering, supplemented by two tugs and lighters. The steamer mileage run during the nine months was 64,628, against 65,075 for the previous twelve months.

The s.s. "Sybil," "Nyanza," and "Winifred" were laid up for the whole of the nine months.

B.—ROADS.

On the maintenance and improvement of roads and bridges a sum of £59,494 was spent, and a marked degree of improvement was exhibited. The examination and survey of new road alignments was proceeded with so far as funds allowed, and a sum of £12,288 was spent on thirty-one projects of new road and bridge work—none of them of great individual importance. Of this sum an amount of £5,420 was derived from premia on the sale of lands and was used on the improvement of cart tracks to blocks of farms alienated under the Soldier Settlement Scheme.

C.—POST AND TELEGRAPHS.

The Kenya Post and Telegraphs Department operates the postal, telegraph and telephone services in Kenya and Uganda. The total revenue showed a decrease of 8·92 per cent., as compared with the corresponding period of 1920, when the departmental expenditure, including the cost of telegraph and telephone construction and maintenance in Kenya and Uganda, showed an increase of 15·83 per cent.

D.—SHIPPING.

Mombasa has been served by six lines of steamers from Europe during the year ending 31st December, 1921: The Union Castle, British India Steam Navigation, Messageries Maritimes, Marittima Italiana, Clan-Ellerman-Harrison and Holland East Africa Line.

The British India Steam Navigation Company's steamers maintain a regular fortnightly service with Bombay and Durban.

The Coast Traffic was carried out by the vessels of Messrs. Powasjee Dinshaw Brothers, and also by the new coasting service of Messrs. A. M. Jeevanjee and Company, which started running in May. Both services have been fairly regular. The Zanzibar Government steamers also made several calls.

E.—PUBLIC WORKS.

The total expenditure of the Public Works Department amounted to £312,209; a figure in excess of that of any previous year. The overhead charges of the Department amounted to less than 28 per cent. of the cost of work done, or, if there is included the calculated amount to cover interest on the capital value of the buildings occupied and on the value of unallocated stores held by the Department, the overhead charge is less than 36 per cent. of the value of work done.

The principal major works of the year show expenditure as follows:—

	£
Education	10,880
Health	11,976
Public facilities	9,269
Government buildings	8,313
Housing Government staff	6,141
Other works	14,011

Roads.

Maintenance and repair	59,494
Survey	12,288

The Mechanical Transport Branch maintained a fleet of over 100 cars in commission, though with increasing difficulty, as they had been heavily used salvage stock when first acquired, and had, in many cases, become almost unserviceable under long continued use. The motor mail service on the Uasin Gishu Plateau was maintained.

V.—EDUCATION.

The Acting-Director of Education arranged for the inspection and examination of all Government and Assisted Schools in the Colony, and personally visited most schools.

The schools under the control of the Education Department include Government schools for European, Indian, Arab, and

Native children, assisted private schools for Europeans and Indians, assisted Mission schools for Natives, and Police schools.

Sessions of the Board of Education were held in June and December, and many valuable recommendations were put forward.

Regular medical inspections were carried out in the European schools at Nairobi, Nakuru, and Eldoret, and in the Nairobi Indian and the Machakos Native schools.

The average number of pupils on the rolls of schools increased by 9·2 per cent. in the case of European children, 192·7 per cent. in the Indian schools, and 48 per cent. in the Arab and Native schools, including Police and Apprentices in Aided Mission schools.

At the Nairobi European school one boy passed the London Matriculation Examination, and three children passed the Junior Cambridge Local Examination. A number of children will be ready to take this examination in 1922.

It will be possible at the Nakuru European school to enter candidates for the Preliminary and Junior Cambridge Local Examination in 1922.

The Central School, Eldoret, showed a slight decrease in the number of pupils due to the increase in school fees.

There were five farm schools with an average of 104 on the rolls.

In Nairobi there exists a High School for boarders and day scholars of both sexes under eight years of age, and kindergartens in Parklands and Kilimani (suburbs of Nairobi).

The Government Indian school in Nairobi showed a big increase of attendance, whereas the Mombasa Indian school showed a decrease; particular attention is being given to an improvement of the latter's standards.

Seven assisted private Indian schools for girls and six for boys received grants-in-aid. These schools made a satisfactory start.

The Arab School, Mombasa, nearly doubled its numbers. The increase was apparently due to the abolition of school fees, and the work of the school was good.

At the Ali bin Salim School, Malindi, the number of boys showed a good increase. Out-schools are now carried on at Malindi, Mambui, Ganda, and Mkau Moto. These schools received satisfactory reports.

There were village schools at Takaungu, Lanu, and Gazi with a total of fifty-two boys on the rolls.

Good progress was made in technical work at the Machakos Industrial School, the average on the rolls increasing from 88 to 121. Thirteen carpentry and masonry apprentices completed their course in January, 1922, and thirty in January, 1923.

A most satisfactory start was made at the Coast Technical School, Waa, which was opened in May, 1921, and had an average of ninety-two on the roll. In addition to carpentry and masonry rope-making is taught at this school.

Mission technical schools are carried on at Maseno, Kikuyu, Mumutumu, Kakamega, and Butere.

The work of normal schools for teachers under European principals at Mombasa, Maseno, and Kikuyu was continued satisfactorily.

A number of unassisted Mission schools outside the control of the Education Department still exist, and the attendance at such schools is estimated at 80,000.

New premises were added to the Training Dépôt for African apprentices, which is under the control of the Director of Public Works, and work proceeded with satisfactory results throughout the year, full use being made of the available accommodation.

VI.—GAME.

The passing of the new Game Ordinance, 1921, brings into force a regulation that it is possible to enforce. The chief alterations are the increase of the visitors' licence to £100, bringing the residents' licence back to original price, £10. Alterations founded on British laws make the present law more workable. Certain relaxations in case of game which had got too plentiful have been made, including lion.

GENERAL.

The outlying shooting districts continue to give good sport, although the drought again upset things badly.

In the Southern Reserve, elephant, rhinoceros, giraffe, and buffalo show considerable increase. A considerable number of elephant calves have been born.

In the Northern Reserve, elephant, rhinoceros, and giraffe suffered severely at the hands of Turkana and Abyssinians during the disturbances in that part.

Elephant.—Have not been so troublesome of late, probably owing to the drought.

Lion.—Have again given considerable trouble and have been put on the "unlimited" list of the new Ordinance.

Buffalo.—Show an extraordinary increase and have been put on the "unlimited" list.

Grevy's Zebra.—An experiment is being made in the capture and training of these animals.

Waterbuck.—The only species of game that is not doing well, the value of hides to the farmer being the chief cause of reduction.

Greater Kudu and *Roan* are entirely protected over the greater part of the country. *Sable* are entirely protected. All ordinary game are doing well.

In settled areas, as can only be expected, game is much reduced.

COLONIAL REPORTS, Etc.

The following recent reports, etc., relating to His Majesty Colonial Possessions have been issued, and may be obtained from the sources indicated on the title page.

ANNUAL.

No.	Colony, etc.	Year.
1114	Nigeria	1921
1115	Mauritius	1920
1116	Jamaica	1921
1117	Cyprus	"
1118	Wei-hai-wei	"
1119	Gold Coast	1920
1120	Gambia	"
1121	Gambia	1921
1122	Kenya Colony and Protectorate	1920-1921
1123	British Guiana	1921
1124	Grenada	"
1125	Zanzibar	"
1126	Northern Territories of the Gold Coast	"
1127	Gibraltar	"
1128	St. Vincent	"
1129	St. Helena	"
1130	Fiji	"
1131	Basutoland	1921-1922
1132	Bermuda	1921
1133	Bechuanaland Protectorate	1921-1922
1134	Barbados	"
1135	Trinidad and Tobago	1921
1136	British Honduras	"
1137	Ceylon	"
1138	Swaziland	"
1139	Hongkong	"
1140	Straits Settlements	"
1141	St. Lucia	"
1142	Ashanti	"
1143	Jamaica	"
1144	Falkland Islands	1920
1145	Bahamas	1921-1922
1146	Seychelles	1921
1147	Turks and Caicos Islands	"
1148	British Solomon Islands Protectorate	1921-1922
1149	Mauritius	1921
1150	Sierra Leone	"
1151	Uganda	"
1152	Somaliland	"

MISCELLANEOUS.

No.	Colony, etc.	Subject.
83	Southern Nigeria	Mineral Survey, 1910.
84	West Indies	Preservation of Ancient Monuments, etc.
85	Southern Nigeria	Mineral Survey, 1911.
86	Southern Nigeria	Mineral Survey, 1912.
87	Ceylon	Mineral Survey.
88	Imperial Institute	Oil-seeds, Oils, etc.
89	Southern Nigeria	Mineral Survey, 1913.
90	St. Vincent	Roads and Land Settlement.
91	East Africa Protectorate	Geology and Geography of the northern part of the Protectorate.
92	Colonies—General	Fishes of the Colonies.
93	Pitcairn Island	Visit to the Island by the High Commissioner for the Western Pacific.