

EAST AFR. PROT

39158

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39158
Rec'd
MAY 5 1919

Magadi Soda Coy. Claim for Compensation.

1919

Magadi Soda Coy. Claim for Compensation. I have been advised by the District Attorney that...

Magadi Soda Coy.

of the 2 A law firm...

of the 7 March...

Magadi Soda Coy. Claim for Compensation.

Magadi Soda Coy. Claim for Compensation.

Magadi Soda Coy. Claim for Compensation.

Subsequent Paper.
45/0
He of former
to return
Magadi Soda Coy.
1188, D. S. G. 122/41.

JSA
4/17/19

Further communications on this
should be addressed to—
The Secretary,
War Office,
London, S.W. 1.
following number quoted.

WAR OFFICE, 278
LONDON, S.W. 1.

M
7365. (C.S.G.F.)

2 July 1919.

Sir,

C With reference to your letter of the 27th
ultimo, No. 28576/19, and previous correspondence
regarding the claim of the Magadi Soda Company for the
use of the Railway and Water Supply, I am commanded by
the Army Council to inform you that in view of the legal
opinion of the Law Officers of the East Africa
protectorate Government that the Company have no claim
for compensation, ~~and~~ which opinion the Treasury
Solicitor confirms, it is proposed, subject to your
agreement, to inform the Company that their claim
cannot be admitted.

I am to transmit for your information a copy
of a letter and enclosures received from the General
Officer, Commanding-in-Chief, East Africa Forces, and a
copy of the Treasury solicitor's opinion on the claim.

The agreement letters and contracts issued by
your Department are returned with thanks.

I am,
Sir,
Your obedient servant,

The Under Secretary of State,
Colonial Office.

M. H. G. G. G.

GENERAL HEADQUARTERS,

C. O. EAST AFRICA FORCE,
39158
Recd
Oct 5 1949

DAR - ES - SALAAL.

Sir,

In reply to your letter No. 0185/73 (C.F.) dated 5th November, 1947, I have to forward to you with enclosures 2 copies of A.E.C.D. & M.

These are A. E. C. & D. deal with the claims raised in your letter of 28/11/47 and letter under reply.

Enclosure C contains such information as far as has been possible to obtain regarding the claim of the United Africa Company.

The other two enclosures are copies of the report of the Commission of Enquiry into the claims of the United Africa Company. The Commission was set up to inquire into the claims of the United Africa Company and to report to the Government. The Commission's report is a long and detailed document which covers a wide range of subjects. It is a very important document and one which you should read carefully. The Commission's report is a long and detailed document which covers a wide range of subjects. It is a very important document and one which you should read carefully.

The constitution and powers of the Commission are set out in the report. The Commission was set up to inquire into the claims of the United Africa Company and to report to the Government. The Commission's report is a long and detailed document which covers a wide range of subjects. It is a very important document and one which you should read carefully.

Yours obedient servant,

(Sd)

Brigadier-General,
Commanding-in-Chief,
East Africa Force.

Secretary,
Office,
D. O. S. A.

NOTICE.

UNDER MARTIAL LAW.

With the approval of His Excellency the Governor and Commander-in-Chief, I hereby constitute, under the provisions of Martial Law, a Board, to be entitled "The Claims Board".

Any dispute which may arise as to the price to be paid for any article or articles requisitioned by the Military Authorities will be investigated by the Claims Board, whose decision, after hearing such evidence as may be brought before it, shall be final.

The Claims Board shall sit as and when required by the Deputy Adjutant and Quartermaster General, who shall be the convening Officer, and to whom the findings of the Board shall be reported in writing:

The following shall be the first members of the Claims Board:-

PRESIDENT.

The D.D.C.B.

MEMBERS.

The Hon. J.W. Barth, Judge Advocate General.

The A.S.M. General.

Capt. T.A. Wood, R. and T. Corps.

(Sd) H.J. TIGHE.

Major General.

Commanding East African Expeditionary Force.

NAIROBI.

The 10th day of February, 1916.

The Honourable,
The Acting Chief Secretary,
Nairobi.

Reference No. S.2812/70 of the 2nd instant.

With reference to the above, there appears to be no public notification that the Masedi Railway was occupied or its water supply taken over under Martial Law. Martial Law was proclaimed on the 5th August, 1918, and it may be presumed that all acts done by the Military authorities which had not the support of enactment were done under Martial Law. There is, however, so far as information goes nothing to show that the railway was taken over "speci-ally" under Martial Law. On the other hand there is nothing to show that any reference was made to the Military authorities with the object of...

2. I am of opinion so far as the Masedi Railway is concerned there is no ground for a writ of Habeas Corpus in the Civil Court against this Government relating to the Military actions.

3. The alleged delay in the Masedi Railway can probably be proved or disproved by reference to its office in London. It is possible that checks of shares were held by British holders of foreign investments.

4. The personnel of the party which came to the Protectorate for a tour of investigation into the Masedi proposition may have probably been composed of the Secretariat of the individuals who composed the party. To the best of my recollection it included Dr. Herz who, I was informed, was a relative of the Manager or of a director, I forget which, of the Deutsche Bank. It was I believe the chief of the party and I gather had considerable interest in the Masedi proposition. There was also a German engineer who I believe was part of the party for the Masedi Railway. I have a partner of Marcus Samuel and Company Mr. J. Blair who is a civil engineer.

5. I am of opinion that although Martial Law might be used in a case like this, it would be a very severe and unnecessary measure. It is not the use of the line or the contractors who were building the Railway, was equitable inasmuch as the trains were run by them presumably at their expense.

(Sd) J.W. BARTY.

ATTORNEY GENERAL.

Nairobi 13th October, 1914.

From: The General Officer Commanding Troops,
East Africa and Uganda Protectorates.

Sir,

Re: Commandeering of M. G. Railway by Government.

Ref. Your letter No. G.S. 9812 of the 10th inst., and enclosures.

1. I have the honour to inform you that, on the outbreak of hostilities between Great Britain and Germany, the exposed situation of the M. G. railway rendered it imperative to withdraw all rolling stock and plant from this area, until adequate arrangements could be made for its defence.

2. Until the arrival of 500 troops on October 13th, and number of troops in the protectorate was too small to allow of any regular resumption of work in the M. G. railway, although a small amount of work was done at the first section of the line by the M. G. Railway and M. G. Railway Company.

3. Since October 3rd, considerable use has been made of the M. G. railway for the carriage of troops and supplies.

The M. G. Railway has never been " commandeered ", but has performed a certain extent of military service.

Lieut. Col.

CHIEF STAFF OFFICER.

THE ACTING CHIEF OF STAFF,

NAIROBI.

Extract from General Manager's letter No. D/1517 to
the Chief Secretary of the 14th October, 1914.

~~The railway has not been taken over by the~~
British East Africa Protectorate for Military purposes, and
in this connection the Company are apparently endeavouring
to obtain compensation for any inconvenience they may have
been caused by the protective measures that it was found
necessary to undertake ~~if~~ war had been declared.

Extract from His Excellency's despatch to Colonial Office
No. 161 para 2 of the 17th October, 1917.

The Company are now correct in saying that the
Mogul Railway has been taken over by this Protectorate
for military purposes. Owing, however, to the fact that
it might have afforded an easy means of invasion of the
Protectorate, and also by reason of the extreme difficulty
of providing adequate military protection for the staff
employed on construction works, the Company and their
Contractors were requested to withdraw their men and stock
to a point where they could be in such safety as could be
offered.

Censorship Department,

"B" Section,

285

Nairobi.....9th March, 1918.

Ref:-

General Staff Officer, Censorship.

The D.A. & G.M.G.,

G.H.Q. DARRESSALAL.

MEMORANDUM.

In reply to your Q. 2018 of 20-1-18, with reference to the Magadi Soda Company, I append herewith such information as is the best possible to collect:-

Mr. AWLEY (formerly PAULING), who is

currently managing this factory, the purpose of placing it under sort of business basis, stated at an interview that he was unable to say where this Company's capital originated to him from; but that he believed the same to be largely held by Germans. He further verified the fact that this plant and factory (imported prior to the war) was of German make (KOPP), I believe being the makers.

There is no documentary evidence in possession of the Censorship which throws any further light on the matter.

(Sd) G.H.Q.

Lt. Col.

G.H.Q. Censorship.

1082/19.

0165/7365.

Q.M.G.F.

Magadi Soda Company, Ltd.

(1.) As regards the use of the railway, I do not think that this is advisable. Under the Agreement the company is to construct the railway at their own expense in consideration of a number of advantages which they obtained from the Government. They also had to allow the Government to use the railway but the real situation is shown by the fact that as soon as the railway was completed it was handed out of the hands of this Company altogether and be handed over to the Public Railway Administration, which I suppose, is really the Government. The administration was then to work the railway and take all the profits that were derived from it, and to give the Company and, except for the small amount of interest on the loan, everything but exceptional expenditure and the ordinary maintenance. What is to be done if this Company has lost by the line being used by the military? They have not, so far as I can see, incurred any expenses by reason of this use. What they have really lost amounts to the loss of the opportunity of making a profit which would have been earned by the military and, incidentally, their right to have their loan repaid at certain preferential rates under their agreement, and their right to half of the net profits. The claim is really a claim by a business firm to be paid for interruption to their business due to the railway being taken up with military purposes during the war. I presume it cannot be supposed that in any case they could have derived any benefit during the war. From this point of view the claim appears inadmissible, but apart from this the express clause of the agreement (2B) which gives the military power to use the line, clearly contemplates

no compensation. The claim, therefore, of the Company should
 in my opinion be entirely rejected.
 as to the water supply. It is clear that in so far
 as the water supply was to supply the railway the Government
 had a right to use it under the Agreement without payment.
 But it appears that water has been used for purposes going
 beyond this, viz: for the supply of large bodies of troops etc.
 I do not think that there is any power given by Clause 38 of
 the Railway Agreement to take over the whole supply as such.
 I think, therefore, that the use of the water for purposes
 outside the railway must be deemed to have been done without
 agreement. The question of compensation should be decided
 under the over-riding powers of the Government. It is a question
 of policy, but I presume that the Government is justified in
 the use of the water. How can you not see that
 the Company put forward any claim that they had been deprived
 of any water they required by reason of this use, or that they
 had incurred any extra expenditure in the working of the plant
 connected with the water supply, or that they would in any
 case have had to incur under the Agreement. The water
 supply of water was made entirely for the purposes of the
 railway and secondly of their works, and the fact that it
 has been used for other purposes does not seem to me to give
 them any claim whatever to compensation. If, as a matter of
 policy, you think that something should be given them, I think
 it should be on the basis not of interest on capital outlay,
 but on the basis of some kind of fair price for such portion
 of the water, so far as it can be ascertained, as was used by
 the railway.

(3) As regards the German character of the Company, I do
 not think there is sufficient here to warrant any line of
 policy being adopted. I may perhaps refer
 to Clause 15 of the Railway Agreement, which provides that
 the Chairman and four fifths of the Directors shall be and
 remain British subjects. This appears to be the case and
 the number of shares held by non-British subjects is not
 sufficient to control the Company.

1	2	3	4	5	6
7	8	9	10	11	12

Reference —
C.O. 533

220

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 PUBLIC RECORD OFFICE, LONDON

no. 39150/19 Cal.

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DRAFT.

In Sec.

no.

10th June, 1919

MINUTE.

- Mr. Mearns
- Mr. Budge
- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...

Handwritten initials and scribbles, possibly 'S.M. 19' and a large 'O'.

I am to advise the
 result of your letter of 15/6/19
 (L.M. 1919) of the 20/6/19
 & to inform you that in
 the H.C. that the Government
 concerned in this proposal
 to return the Magadi Soda
 Co. that the claim for
 compensation cannot be
 admitted

(Signed) H. J. READ

REGD. TRADE MARK "SODAGADI, LONDON."
REGD. TRADE MARK "SODAGADI, LONDON."
LONDON WALL 1883.

ALL COMMUNICATIONS TO BE
ADDRESSED TO THE COMPANY.

The Magadi Soda Co. Limited

(M. SAMUEL & CO. LTD. MANAGERS)

Manufacturers of Pure Alkali & other Soda Products

WESTERN
VOLCANO
BRAND



TRADE MARK



EASTERN
CARP
BRAND

Works:
MAGADI (Brit. E. Africa)
KILINDINI (Brit. E. Africa)
IRLAMP (Manchester)
LONDON

CS/B

Shell House, 25 Bishopsgate
London
15th September 1920

Bottomley, Esq.,
Office,
Street, S.W.1.

Bottomley,

I have to thank you for your letter of the 14th September,
I come and see you at 3 on Friday of this week.

Thanking you very much for your letter.

Yours sincerely,

M. Samuel
Mr. Bottomley

Collier
Bottomley
15th Sept 1920

15th Sept 1920
Bottomley

ALL COMMUNICATIONS TO BE ADDRESSED TO THE COMPANY.

BRANCH MAGAGADI, LONDON.
MAGAGADI, LONDON WALL 1883.

VOLCANO BRAND.

WORKS,
MAGADI (BRIT. E. AFRICA),
KILINDINI, DO. (TANZANIA),
IRLAN (MANCHESTER),
CALCUTTA,
KOBE.

MAGADI SODA CO. LTD
MANAGERS

SHELL HOUSE,
25 BISHOP

LONDON, E.C. 26th August 1920.

COOKS USED:
WESTERN UNION,
KENTLEYS.

PLEASE QUOTE: GS/B

Mr. C. E. Bottomley, Esq.,
Office,
Street,

Mr. C. E. Bottomley,

I wanted to have a talk with you some time re our claim for
compensation for the use of the Railway and water supply by the
Government Authorities during the campaign in East Africa.
I am available almost any day or time next week, and if you
telephone me or drop me a line, I will come over and see you.

Yours sincerely,


London Manager.

Handwritten notes:
Satisfied, he
will
V. G. S. M.
27/8