

EAST AFR. PROT
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Agade Soda Co

Works in Connection with Rly Carriage of Soda

1919
June

previous Paper
36090

States Gen Manager Uge Rly has not statement & plans estimated works, app. not in any agreement to make railway to hold in after cost about £20,000. It is to be paid by the company. This should be done.

Mr. Rogers
This is to be from a clear position and the contract, but I am not sure with the C^o that when the Rly is on the ground under § 36 of the contract (below) the C^o liability for capital outlay and the contingency of 100,000 was contemplated (in another connection) in § 43 of the contract? Adv. recd. may that we are in communication with the Gov on the subject. - v read copy of this letter to the Gov for advices.

ARB

sequent Paper

3610

ARB 39/119
C.O.S. 27.6.19
6/230-6.19

THE MAGADI SODA COMPANY, LIMITED.

M. SAMUEL & CO. MANAGERS

BRAND "SODASADI, LONDON"
PHONE LONDON WALL 1283

ALL COMMUNICATIONS
TO BE ADDRESSED TO
THE COMPANY

65/B

Shell House
25 & 27 Bishopsgate
London
MAY 21 1928
1928

The Secretary,
COLONIAL OFFICE,
Downing Street,
S.W.(1).

497

Sir,

On the 8th October last, our General Manager gave notice to the General Manager of the Uganda Railway that after the expiration of the period of twelve months we should require the Uganda Railway to carry 160,000 tons of Soda over the Magadi Branch Railway and the Uganda Railway main line to the Coast.

On the 10th March last the General Manager of the Uganda Railway sent to our General Manager in East Africa a statement showing the estimated works, apparatus, and conveniences required to enable the Uganda Railway Administration to handle this traffic on the Magadi Railway.

This new work involves expenditure of about £20,000, allowing 33 1/3% for increased cost of labour and materials, and it seems quite unreasonable that this expenditure should fall on the Magadi Soda Company. A letter was written by our General Manager in East Africa to this effect to the General Manager of the Uganda Railway, who, in reply, referred to clauses 3, 4, and 34 of the contract dated April 13th, 1911, for the construction, maintenance, and working of the Magadi Branch Line.

Paragraph 3 refers to submission of specifications, plans and sections to the Government after the completion of the survey. These, of course, were submitted when the survey was first made.

19.6.19

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Paragraph 4 refers to the liability of the Contractors to construct and equip with all necessary works, apparatus and conveniences, other than rolling stock, the railway under consideration.

Paragraph 34 refers to the Capital expenditure by the Contractors for the construction of the railway being submitted to the Government and audited by them, should they wish to carry out such audit.

The latter half of paragraph 34 refers to "any alterations, additions or improvements that shall thereafter be made" and states "a similar account should be kept in respect of such".

There is, however, nothing in any of these paragraphs which would appear to give the Manager of the Uganda Railway or the Government power to demand that extra works or alterations be carried out by the Company after the Railway has once been taken over by the Government.

The total cost of these additions and alterations amounts to £15,635. 6. 8d. Of this sum £11,358. 13. 4d. is required for the provision of a station at Magadi terminus, partly by erection of new quarters, and partly by removing quarters, engine sheds, and houses from Koora station to the new station which is required at Magadi terminus. These estimates are based on pre-war prices and 33 $\frac{1}{3}$ % should be added.

We would point out, however, that in our original contract with Messrs. Pauling, dated the 12th September, 1911, on page 28 are shown the items required for providing a station at Magadi terminus and in the original survey and subsequent plans which were drawn up for the construction