

1937

38020

38020

C0533/477  
KENYA

NYALI BRIDGE, MOMBASA

Previous

1936

Subsequent

R 297

21/37

R 309

26/1

M. Patten

26.

R 299

28/1

297

15/3

R. 309

16/5

M. Patten

17

297

15/3

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16/5

M. Patten

18

M. Flood

19

Sir C. Bottomley

19

Sir J. Mackay

20

297

1. TRAVERS SMITH BRIDGE & CO. 21.1.37.  
Confirms description which took place at C.O. on 4th.  
NYALI BRIDGE, of January and comments on points which arose requesting  
that a copy of this letter be sent to the Govt of Kenya.

See the minutes below No 15  
on the 1936 file

? Ack, and send a  
copy of the cover to C.A.G.  
Kenya  
Dupl. herewith  
C.A.G. Smith

26/1/37  
not a very illuminating document.

J.P. Rami  
26/1.  
No. it is not a good case anyhow  
J.P.R. 26/1  
26/1  
26/1

To Travers Smith,  
Smithwrite & Co  
28 JAN 1937

DESTROYED UNDER STATUTE

To Kenya - 89 - (4/1+2) - con  
28/1  
28 JAN 1937

DESTROYED UNDER STATUTE

4. ACTING COL. SERG. 3 PN. 19.2.37.  
Trs. copy of an air mail letter addressed to Mr. V.A.C.  
Ross on subject of his application to establish and  
carry on a ferry service from the Island of Mombasa to  
Kisauni.

There is nothing to be done. The  
letter to Mr Ross was sent from Kenya  
by the mail, so it is, somewhat, surprising  
that we have not had urgent  
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Patby  
C.A.G. Smith  
16/3/37  
J.P. Rami

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Kenya Dept beneath  
A.S. Permonth

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26/1  
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To Travers Smith  
Braithwaite & Co } 1/1/37  
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Put by  
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16/2/37 J.P. Bann  
26/1

... of both as to Mr Ross, Local Director  
... stating that Kenya Govt. cannot accede  
... application for exclusive ferry rights.

It is fairly clear from the letter  
sent to Mr Ross that the  
existing ferries running <sup>from</sup> between  
Mombasa Island to the mainland  
do in fact work to the  
detriment of the Nyale Bridge.

The argument put forward by  
Govt is sound viz, that if  
the Company were to operate  
an exclusive ferry at the  
present low tolls there would  
be little or no fringe at  
all. But that if they raised  
the tolls with a view to  
directing the ferry traffic to  
the Bridge, hardship would be  
caused to the travellers  
concerned, who are mainly Arab  
traders.

There is nothing that we  
can do to help the Company.

? but by  
A. J. Rossmuth  
1878

Mr. 265

Nothing to be done: Sir J. Maffey might see in case

Lord Maffey re-appears.

22.4.37  
19.5.

J. J. Bassini  
18/5

W. S.  
19.5.37

KENYA

NO. 127



Sir,

With reference to your despatch of the 26th January on the subject of the Yali bridge, I have the honour to enclose, for your information, a copy of a letter addressed to Mr. W.A.S. Ross, Local Director of Nyali Ltd., from which it will be observed that this Government has been unable to accede to the company's application for the exclusive right to establish and carry on a ferry service from the Island of Mombasa to Kisumu.

I have the honour to be,

Sir,

Your most obedient,

Samble servant,

*R.B. Brooke-Jones*

AIR CHIEF MARSHAL

VERBODEN.

THE RIGHT HONOURABLE  
W. ORMSBY GORE, P.C., M.P.,  
SECRETARY OF STATE FOR THE COLONIES,  
DOWNING STREET,  
LONDON. S.W. 1.

G.H.S. 3/14/4/29.

17th April 1937.

Sir,

I have the honour to refer to your letter of the 5th January in which you apply for permission to establish and carry on a ferry service on the Kisumu route under the provisions of the Ferries Ordinance, 1936. It is understood that your intention is that, if an agreement were made with your Company under section 3(1) of the Ordinance, an order should be made prohibiting competition with your Company's ferry service.

2. It will be appreciated that no such exclusive right could be given without opportunity being given to any other interested party to tender for it. In considering whether the provisions of the Ferries Ordinance, 1936 should be applied to this ferry and tenders called for, the following factors must be taken into account.

3. The present service consisting of 15 boats, interchanging monthly with the Mkomani route, includes three motor boats and meets the requirements of the public who require to travel by this ferry. There is nothing to prevent any person from placing a boat on this route at the present time (provided that the boat and boatmen are licensed) and attracting traffic by a cheaper and more efficient service. The effect of giving an exclusive right to operate the ferry would, however, be to put out of business the large majority of the present boats and over one hundred boatmen. The ground on which such a course is advocated in your letter is not the provision of a better and cheaper service for the public, but the elimination of

V.A.G. Ross, Esq.,  
Nyali Ltd.,  
Nairobi.

of competition with the Nyali Bridge. If your Company were to operate the ferry at the present low toll rates without diverting traffic therefrom to the bridge, the margin of profit could not be considerable; on the other hand any attempt on the part of the Company to divert traffic from the ferry to the bridge might prove a hardship to the travellers concerned, who are mainly Arabs and natives.

4. Your application was referred to the Mombasa Municipal Board for consideration, but the Board has resolved that it is unable to support it. In these circumstances it is regretted that the Government is unable to consider applying the provisions of the Ferries Ordinance, 1936 to the Kisumu ferry route.

I have the honour to be,  
Sir,  
Your obedient servant,

(Sd) H. S. POTTER  
COLONIAL SECRETARY.

RECEIVED  
15 MAR 1937  
C. O. REGY



THE SECRETARIAT  
NAIROBI.  
KENYA.

WHEN REPLYING  
PLEASE QUOTE  
No.  
AND DATE

C.RDS.4/2/4.Vol.VIII.101.

19 FEBRUARY 1937.

The Acting Colonial Secretary for the Colony and Protectorate of Kenya presents his compliments to the Under Secretary of State for the Colonies, and with reference to the Secretary of State's despatch of the 28th January, has the honour to transmit a copy of an air mail letter addressed to Mr. V.A.C. Ross, C/o Messrs. Messrs. Smith, Braithwaite & Company, for information.



16th February, 1937.

V.A.C. Ross, Esq.,  
C/o. Messrs. Travers Smith, Braithwaite & Co.,  
4, Throgmorton Avenue,  
LONDON, E.C. 2.

Sir,

With reference to your letter of the 6th January forwarding an application on behalf of Nyali Ltd. for the exclusive right to establish and carry on a ferry service as provided for in the Ferries Ordinance, No. XI of 1936, from the Island of Mombasa to Kisumu on the Mainland North, I have the honour to inform you that the matter is receiving attention. The application, however, requires very careful consideration and it is regretted that it is impossible for you to be acquainted with the decision of Government before you leave England in March.

I have the honour to be,

Sir,

Your obedient servant,

H. S. POTTER

ACTING COLONIAL SECRETARY.

Copy to:- Under Secretary of State.

H.

TRAVERS SMITH BRAITWAT & CO  
INCORPORATED  
TELEGRAPHIC ADDRESS TRAVERS SMITH STOCK LONDON  
TELEPHONE NO. METROPOLITAN 2644



21st January 1937.

Dear Sir,

Ref. 38020/36.  
Nyali Limited.

3c

(1) 38020/36

As arranged at our recent interview with Mr. Flood on 4th January, we write to confirm the discussions which then took place and the points which arose out of such discussions. In the first place we refer to your letter of the 31st August 1936.

With regard to paragraph 2 of that letter, we are bound to record that we note the different points of view which the Governor of Kenya takes in the construction of the Concession Agreement, but on behalf of the Company have to maintain that the correct construction is that which we have indicated at interviews with the Colonial Office, and which are referred to in our letter to you of the 26th May.

(6) 38020/36

It is noted that under paragraph 3 it is suggested that should the closing of the Bridge become a necessity, the Government considers it might be necessary to re-introduce a temporary ferry service.

With regard to Clause 4 of your letter we are instructed to say that the Board of the Company welcomes the assurance that the Company's fears regarding the possibility of a ferry service being established in competition with the Bridge are quite unfounded and that the Government of Kenya

has no intention of instituting or entering into an agreement with any person for carrying on a ferry service which would compete with the Bridge so long as the Bridge is open to traffic.

We are however bound to point out that though, of course, the assurance that no official sanction has been or will be given to a ferry service in competition with the Bridge is accepted, in fact boats are plying for hire in such a manner as to take away a certain amount of traffic from the Bridge which if such boats were not plying for hire would normally use the Bridge. As you are aware, when this matter was discussed with the Governor some considerable time ago and the Company's representatives in Mombasa suggested that the Nyali Company be given permission to run a ferry service, the view was then expressed that this was a very reasonable solution. The Company has accordingly made application to the Secretariat for the grant of the right to run a ferry under the Ferry Ordinances, of which you kindly gave us a copy. We enclose herewith a copy of the letter making this application.

So far as the Company is concerned it maintains its desire which has been repeatedly evidenced by its action in the past, to use every means at its disposal to fulfil its obligations to maintain the Bridge.

To this end it has explored various means of developing its available resources as it is unable to obtain any further capital and one of these is the proposal that it should

be authorised to run a ferry to Kisauni. Other schemes are under consideration and will be developed if circumstances permit.

We are however again instructed to point out that the Company's position has, as was forecast, become increasingly difficult as the loss which it suffers cannot continue and, if the present schemes for enabling the Company to carry on are not successful, the Company will be entirely unable to meet the continued deficit.

We handed you a copy of the recent balance sheet and Report which indicated the position and reported the recent action of the Motenlers in calling for the Charge on the Government land to which they are entitled.

In these circumstances, it may well be in the interests of all concerned that the Government should to some extent assist in meeting this deficit as a temporary measure in order to ensure the maintenance of the Bridge, and this could no doubt be done by an annual payment made by the Government.

It is appreciated that such a suggestion would be a matter of negotiation with the Government, but we think there would be no difficulty in satisfying the Government that such suggestion would only be made with a view to safeguarding the interests of all concerned and to such extent only as is necessary to meet the continued loss.

We are instructed to express our appreciation to you

for your continued interest in the matter, and to request you to be good enough as before to forward this letter to the Governor so that he may be fully aware of the position in which the Company is placed, as it has always been the Company's desire to keep the Government fully advised.

We are,  
Yours faithfully,

*Francis Smith Beathwait*

The Secretary of State for the Colonies,  
Downing Street.  
S. W. 1.

Copy

By Air Mail.

LONDON.

6th January 1937.

The Hon. the Colonial Secretary,  
Colony and Proctorate of Kenya,  
The Secretariat,  
Nairobi,  
KENYA COLONY.

Dear Sir,

Nyali Limited.

I beg to refer to my interview at Government House, Nairobi, on the 18th April 1936, when I informed His Excellency the Governor of the critical financial condition in which Nyali Limited found itself.

Since my arrival in England on leave of absence, the position of the Company has been carefully considered by the Board of Directors and the Shareholders, and though it is quite impossible to obtain fresh capital, it may be just possible to carry on and to continue to operate Nyali Bridge, which the Company naturally is anxious to do.

In order to do this, however, the Company will be dependent on the assistance and co-operation of the Government of Kenya, and it is considered that one of the ways in which this can be given is by an equitable settlement of the outstanding question of the competing ferry or boat service which operates from the Island of Mombasa to Kisauni on the Mainland North to the detriment of the Bridge Tolls.

I have therefore been instructed by my Board of Directors to apply to the Government for permission to establish and carry on a ferry service on this route, as provided for in the Ordinance Relating to Ferries, dated the 10th June 1936 (Ordinance No. IV of 1936).

By Mr. ...

The Hon. the Colonial Secretary  
Colonial Office  
Whitehall  
London

Dear Sir,

I beg to refer to the letter of the 18th April 1934 in which you informed me of the decision of the Board of Directors of Nyali Limited to request the Government to grant a concession to the Company to operate a motor boat service for pedestrians only, and native interests would not be adversely affected, as the Company is prepared to offer permanent employment to sufficient of the boatmen, who are now engaged in the traffic, to operate the ferry.

Yours faithfully,  
W. V. ...

It may be recalled that in August 1934 I suggested to His Excellency, Sir Joseph Byrne, that Nyali Limited should be granted this concession, and he expressed the view that the request was a reasonable one and would be a good solution of the difficulties existing. Nothing further was done because of the uncertainty as to what body or Government Department would ultimately become responsible for the control of all ferries.

Although the advantages to the Government of having a properly and efficiently run ferry service at this point have been put forward before, I would stress again the more effective police, veterinary and public health control of the traffic between the Island and Mainland which would result.

Nyali Limited would operate a motor boat service for pedestrians only, and native interests would not be adversely affected, as the Company is prepared to offer permanent employment to sufficient of the boatmen, who are now engaged in the traffic, to operate the ferry.

I am due to return to Kenya in March, and it is important that the Directors of Nyali Limited should be able to decide on the future policy of the Company before I leave England; also it will be necessary for me to purchase suitable craft if this application is granted, and I shall be grateful, therefore, if it may receive the consideration of the Government as early as possible. I should be grateful if a reply could be sent by air mail to me to Messrs. Travers Smith, Braithwaite & Co. 4 Throgmorton Avenue, London E.C.2.

I must emphasize that this proposal is made as a result of an exhaustive consideration of the Company's resources, and in a desire to avoid the Company being put in the position that it is unable to carry on. The Board and the Shareholders desire

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END

to do all in their power to enable the Bridge to be maintained, and will continue their endeavours to do this in every possible way if such co-operation and consideration by the Authorities as will assist, is forthcoming.

I am, Sir,

Yours faithfully,

Local Director.  
NYALI LIMITED.