

1925

E. AFRICA
TANGANYIKA

36480

Date

10th August, 1925.

COLONIAL OFFICE.

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PROPOSED £10,000,000 E.A. TRANSPORT LOAN GUARANTEE.

Draft letter to Rt-Hon Winston Churchill, M.P., conveying summary of the schemes which it is proposed to carry out under the Guarantee, if authorised.

Previous Paper

4068

MINUTES

See on CO/47992/25 S

EA

Putty

6.15

Subsequent Paper

See 66 3670 (Manpower Development
+ Volta (Gen. S.)
66 47992/25 (Gen. S.)

30th October 1925.

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Dear Arthur,

Yes, a considerable amount of work will be necessary in the form of surveying before any heavy expenditure out of the £10,000,000 Loan for East Africa can be spent.

As you know it will be necessary, first of all, to get a bill through the House, to permit of the Loan being guaranteed. All I can say at present is that, assuming the Treasury raise no difficulties in regard to our definite proposals after the bill is passed, during the financial year 1926/27 we expect that expenditure in Tanganyika Territory would amount to about £1,300,000, of which rather more than one half would be spent upon material (including freight charges) from this country. I foresee no other expenditure out of the Loan during that financial year.

I will bear in mind your suggestion that the earliest possible statement should be issued (I assume you have in mind circulation to the Cabinet only) which will give some idea of the relief of unemployment that may be expected to result. But I fear that no such statement would be possible for some time.

October, 1925.

Dear Sir

I have been reading your memorandum on the East African Development Loan and I rather gather that a great deal of work yet has to be carried out in the direction of mapping out the various works which it is proposed to undertake.

So far as I am concerned, of course, what I am most anxious to form is an estimate of the amount of employment the development loan is likely to bring to this country. As a preliminary to forming an opinion on this point, it would be very useful indeed to have some sort of statement shewing the total amount to be spent in each of the four financial years, and also shewing the proportion of those amounts which would be spent in this country.

As I say, I gather that negotiators have not in all cases reached a sufficiently advanced stage to be able to give this information at the moment, but if, as soon as it is possible, some such statement could be issued, I think it would be extremely useful.

Lt. Hon. L. S. Amery, M.P.,
Colonial Office,
S.W.1.

Yours faithfully,
As M

E. A. Delet



OLDHAM AND DISTRICT
INCORPORATED CHAMBER OF COMMERCE

OLDHAM.

30th October, 1925.

JOHN CATKINS, Esq.,
SECRETARY
Crown's Office
MUDENAL BUILDINGS
Telephone No 181.

The Rt. Hon. L.C.M.S. Amery, M.P.,
H.M. Secretary of the Colonies,
Colonial Office,
WHITEHALL.

*ack
2/11/25*

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Dear Sir,

At the Monthly Meeting of the Council of the above Chamber held on Monday last the following resolution was unanimously passed:-

"THAT this Council expresses its gratification that the Cabinet has agreed to the Imperial Guarantee for the East African Loan for transport purposes and also considers that the development of these Colonies is of the utmost importance to Lancashire and that it is only by the provision of adequate road and rail Service and of suitable Ports that the increasing cotton growing industry can be fostered."

The Oldham Chamber has for many years taken a great interest in the prosperity of the Colonies and has played a large part in the development of the cotton fields in various parts of the Dominions, and feels that this action on the part of H.M. Government will ultimately benefit the trade of Lancashire and prove of immense service to the Colonies concerned.

I am,

Your obedient servant,

John Catkins

Secretary.

a progressive type of native, who are
earning to plough and are anxious for a
market for their cotton. (The population in this area numbers approximately one million.)
In some cases

they have actually carried their products ^{hundreds} ~~hundreds~~ ^{to the coast}
a hundred miles to sell. The Germans had
done most of the construction for 80 miles' section

to Kahama, on which we are now putting down
the rails; a start has been made on the
Shinyanga section (40 miles) and, if we can
get the money, we propose to begin as soon as
possible on the final Mwanza section (about
140 miles) for which surveys exist.

(Tanganyika Territory)
Ngerengere - Lake Nyasa / This

railway is designed to open up (1) the
undeveloped southern half of Tanganyika
Territory, including large highland areas

suitable for European settlement, and the
large goldfields, (2) the densely populated
areas to the west of Lake Nyasa, including

the best educated and hardest-working natives
in East Africa; these at present have no
outlet for trade. The line would be about

100 miles long, & a preliminary survey has

been begun. There is ^{German} material to go upon as this is
owned by the Germans for their north branch line
which at the time when war broke out was
Mwala - Iloilo

(Uganda)

Uganda - Uru, any 130 Miles

of which the first 35 miles, to
the neighbourhood of Kumi, is probably

covered by the provision in last year's
£3,500,000 Loan. This extension of

130 miles opens up a rich cotton
country. As you know, the enormous
increase in Uganda's cotton production

- expected to be 167,000 bales this
year - is full of hope for Lancashire
and we are being pressed to improve
transport in every direction. This

branch is considered the most ^{important} urgent
new work required and is also the

first part of the connection with the
Lake Albert and Upper Nile navigation,
tapping the trade of the north-east
of Belgian Congo in which both mineral
and agricultural development is

proceeding rapidly. It is proposed to
set up a Commission to investigate the
route to the river, which will be

Handwritten notes on the left margin, including "Uganda" and "Lake Albert".

from Lake N.G.

about

Estimates for roads and harbours are not possible without surveys.

I enclose a map showing the road and railway proposals which have mentioned.

As you no doubt know, the Empire Cotton Growing Corporation have ~~passed~~ ^{proposed} for a part (7½ per cent) of

this loan to be devoted to capital expenditure on education and research, ~~that would require consideration, but~~

Apart from that, I am confident that the £10,000,000, and more, could ^{most usefully} be spent on services of ^{which would not only be} the utmost value to the development of these countries,

~~and of British trade but which would~~ lead to a definite expansion of United Kingdom trade in this part of the world that of course means more employment and less "Dole"

Yours
J.S.A.

and the same system in roads
reaches more of the country
It has much to be said for it