

1924
1923

KENYA

224

C.O.
1758
12 JAN 24

H.O.
Smith Branch

DATE
11th Jan 1924

REGULATION —
Calden
Bottling
U.S. of S.
Smith Head
U.S. of S.
U.S. of S.
Secretary of State

Import duties and railway rates on mineral water

Sends copy letter from cabinet of a Lall and

Previous Paper
H.O.
51883
123

MINUTES

If there is to be any question of a loan from Imperial Funds for the extension of the Uasin Gishu railway to Tunga, we are bound to hear more from people in Messrs. Ross's position from their point of view. If Kenya gets money from the British Exchanger, the Exchanger should have his fair chance in Kenya markets.

We have already referred the same question to the Governor in the matter of freights on roads (57885/23) while from the point of view of Kenya the encouragement of local industry is very desirable, the present case is a weak one since the very enormity of

copy comes to Sir Hya III - con. 2/24
* Put the paper in the 1924 file for the same transaction *

Subsequent Paper

503
21342

the difference in price between
local & imported mineral
waters ought to make the
additional rate on imported
goods unnecessary

The Govt of Ireland
ask that Ron's letter may be
sent out, ~~with some other~~
~~to better advantage as~~
~~some reports are~~?

I think we might do this, in
spite of the fact that a reply
to 57885/13 will probably cross
our despatch. We should refer
to that paper; say you will
observe that in this instance
also the existence of a preferential
rate appears to cause grave
dissatisfaction, & enquire whether
it is considered necessary in view of
the enormous advantage which
locally-manufactured
mineral waters already
possess as regards cost
of production

I and ask and say

the difference in price between local & imported mineral waters ought to make the additional rate on imported waters unnecessary

The Govt of N. Ireland ask that Ron's letter may be sent out. ~~with the other letters~~ ~~to the Govt of N. Ireland~~ ~~to the Govt of N. Ireland~~ ~~to the Govt of N. Ireland~~?

I think we might do this in spite of the fact that a reply to 57685/13 will probably cross our despatch. We should refer to that paper, say you will observe that in this instance also the existence of a preferential rate appears to cause grave dissatisfaction, & enquire whether it is considered necessary in view of the enormous advantage which locally manufactured mineral waters already possess as regards cost of production

? and ask and say

that a copy of the letter with enclosures is being sent out to the Govt for further comment.

Ed 15.1.24.

I do not agree that this preference should necessarily be treated in the same way as the soap one. I think Kenya is quite justified in giving preferential railway rates to encourage new local industries but it is quite another matter to extend these rates to soap from Zanzibar.

I hope to say that, as requested, copy will be forwarded to Kenya but that in present circumstances there appears to be little prospect of any substantial reduction in railway rates in that colony, & copy copy to Govt for comment

Ed

The figures given in 49837/23 show that, ~~with the exception of~~ ~~the~~ ~~subsidy~~ ~~of~~ ~~the~~ ~~Govt~~, ~~Ross's~~ ~~mineral~~ ~~water~~ ~~stands~~ ~~as~~ ~~chance~~ ~~unless~~ ~~he~~ ~~gives~~ ~~a~~ ~~subsidy~~ ~~on~~ ~~imported~~ ~~mineral~~ ~~water~~

waters. If their forces
are better, the matter comes
down to local preference
& becomes one of revenue
simply.

The customs duties &
upward railway rates
are high; but that could
be helped at present.

as an order proposal?

Oct. 16. 1. 24.

at once.

J. D.

1924

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are better, the matter comes
down to local preference
& becomes one of revenue
simply.

Our customs duties &
upward railway rates
are high, but that can't
be helped at present.

as are local proposals

W. J. 16.1.24.

at once.

W. J.

17/24

Any communication on the
subject of this letter should be
referred to—

UNDER SECRETARY OF STATE,
COLONIAL OFFICE,
(IRISH BRANCH),
38, OLD QUEEN STREET,
LONDON, S.W. 1).

the following number quoted—

035259.

Sir,

With reference to the letter from this Office
of the 24th October, I am directed by the Secretary of
State to transmit to you, for the consideration
of the Duke of Devonshire, a copy of a further letter
from the Secretary to the Cabinet of Northern Ireland
on the subject of the Import Duty and Railway Rates
charged on mineral water in the Kenya Colony.

I

Yours obediently,


UNDER SECRETARY OF STATE,
COLONIAL OFFICE,



HOME OFFICE

(IRISH BRANCH).

January, 1924.

32
226

1th January, 1924.

Sir,

With reference to your letter (E.87) of the 25th October, Bond Office letter (51632/23) of the 24th October, and Colonial Office letter (49932, 23) of the 22nd October, 1923, requesting the Import Duty and differential Railway Rates charged in French Colony on mineral waters, I have the honour to enclose copy of a letter from Messrs. W.A. Roux & Sons, Ltd in reply to the above-quoted communications.

It will be observed from Messrs. Roux's letter that, apart from the question of Import Duty, the differentiation of the Railway Rates between goods produced and imported mineral waters is such as to necessitate an increase of 1/3rd per dozen in the price of their products and it will be appreciated that, overall, this for the great difference in price between their products and locally produced mineral waters, this additional 1/3rd per bottle must necessarily have a serious effect upon the demand for their water etc.

I am to request that this letter may be again referred to the Governor of French for his consideration.

Yours faithfully,
(Signed) W.A. ROUX
Messrs. W.A. Roux & Sons, Ltd
Secretaries to the Company.

THE IMPERIAL SECRETARY.

Your ref. No. 1043/DB

W.A. Ross & Sons, Ltd.,
Belfast.

6th November, 1923.

The Secretary,
Ministry of Commerce.

Dear Sir,

KENYA COLONY MOMBASA/JAIRROBI.

We are in receipt of your letter of the 1st. instant. regarding Railway Rates on Aerated waters in the Kenya Colony.

We must say we are very disappointed at the reply received by you from the Governor of that Colony.

The Railway rate (Owner's risk) on Imported Ginger Ale is 9/6 per 100 lbs., which on our goods works out at 2/6d per dozen. The Railway rate on locally manufactured Ginger Ale is 3/6 per 100 lbs. which works out at 11d per dozen. This is a difference of 1/7d per dozen which when added to the import duty handicaps us to the extent of 3/7d per dozen, and to this has to be added ocean freight etc. Now, do you think that any business man would say that a difference of 1/7d per dozen in Railway rates alone would not ruin the import trade of a product such as Ginger Ale? We receive reports regularly from our agents in the Kenya Colony, and they all complain of the excessively high Railway rates. We do not fear local competition in any market abroad provided we receive fair treatment. We do a large business in, say, the U.S.A. where there are thousands of local factories, but we can deliver in New York, San Francisco, or other ports of the East and West Coast at about 7d per dozen plus 9d per dozen duty. Surely we would not be expecting too much if we asked to receive as fair treatment from one of our own Colonies as we get from the U.S.A, Argentina, Bolivia and other foreign countries.

Yours very faithfully,

For W.A. Ross & Sons, Ltd.,

Sgd. C.W. ROSS.

HO 1758/24 Kenya

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C. D.
R. BRIDGEMAN
M

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22 Jan 1924

DRAFT.

W. G. S.

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MINUTE.

Mr. Brett Jan 17
Mr. Calder 17-1

Mr. C. Davis.

Mr. G. Grindle.

Mr. H. Head.

Mr. J. Masterton Smith.

Mr. Ormsby-Gore.

Duke of Devonshire.

23. JAN 1924

Copy to Gen Kya

Mr. G. S. G. G.

Sir,

I am to acknowledge the receipt of your letter, No 035259, of the 11th of Jan, regarding the import duty & Railway rates charged on mineral waters in Kenya, & to request you to inform Mr. Secy Bridgeman that, as

W. G. S.

requested by the Secy to the
Cabinet of Northern Ireland,
a copy of the letter from Messrs
Wm. Brown & Sons Ltd, of which
a copy was enclosed in your
letter under reply, will be
forwarded to the Govt. of Kenya,
but that in present circumstances
there appears to be little
prospect of any substantial
reduction in railway rates
in that Colony.

Hc

(Signed) H. J. READ

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Cabinet of Northern Ireland,
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Hc

(Signed) H. J. READ