

1925

KENYA

24/3  
C.O.  
9266

DATE

25th February 1925.

26 FEB 25

560

A. J. DENHAM.

TEL  
87

CIRCULATION:-

Mr.  
M.

£1,500,000 LOAN

U.S. of S.

*W. Strachan*

Proposals approved by Leglve Council except two items stated, as to which approval is deferred. £27,500 Kisumu Water Supply and £30,000 Eldoret Water Supply added to Schedule. Also Transit to Schedule £10,000 Maize Drying Plant and £15,000 Kilindini Cold Storage. Requests for appra.

U.S. of S.

U.S. of S.

Secretary of State

Previous Paper

MINUTES

*Gov. 2787  
14/25  
1/4/25*

I am sorry that at a time of great pressure I have not been able to send this forward before. The promised despatch has not come, but subject to anything that it may contain I make the following observations:-

Of the original services proposed for this £1,500,000 Loan in Gov 3192/24, two (Floating Debt £200,000, and Railway Unallocated Stores £302,347) were cut out altogether. The sanction was withheld to the Unallocated item of £582,000, pending definite information as to what was proposed. The remaining items were approved, except that ~~for~~ Mombasa Town Planning we considered that £50,000 should definitely be set aside for future improvements in the old town of Mombasa. The programme then stood:-

*Disid. tel 7th March 25*

Subsequent Paper

*Ca G. 16403*

but a sufficiently definite pledge is given that the money will be forthcoming.

The net result is to increase our £465,000 to £477,000, and I think that £500,000 <sup>may</sup> ~~should~~ well cover the whole. Nothing is said as to the Unallocated item, and we may <sup>assume</sup> ~~presume~~ from their paring down of "D" and "E"(2) that they have given up the idea of further Loan Services at present.

There can be no question, I presume, of the <sup>actual issue</sup> ~~acquisition~~ of the loan until the report of the East African Commission has been <sup>submitted</sup> ~~received~~, and decisions have been taken on the recommendations for capital services, other than transport, which it will contain. Pending issue the services will have to be financed as best they can, as will also the transport services as soon as we have exhausted the proceeds of the £3,500,000 Assisted Loan, which are at present being used both for the services covered by that Loan, and for those to be covered by the impending £3,000,000 Transport Loan.

In view of our telegram and despatch on 26/13/24 the necessity for telegraphic reply now appears to be in order to cover the two new items of Kisumu and Eldoret Water Supply. We should telegraph approve of all the proposals but so long that it is assumed that the promised despatch which has not yet been received, will contain definite schemes for these two Water Supplies, pointing out that it is most undesirable that works of this kind should be undertaken without most careful working out of plans and estimates.

(We have an object lesson on this point

in the despatch on the Komboka Water Works in  
10386/25, which I send on with this paper.)

W.C.S. 24.3.25

Agrees. There is no desire to confine the unreserved  
loan provision to £500,000. In the Wiseman + Elliot  
reference has been in the original programme, the additional  
£57,500 would probably have been among the approved  
items. It is all clear why they should postpone  $\frac{2}{3}$  of the  
housing scheme for Africans, and the whole of the Mombasa  
Water Provision pending further investigation + report, and  
make such conditions in the case of the two new water supply  
schemes. But the prices (D + E) are only proposed, and provided  
that we shall not be accused of favouring Europeans at the  
expense of Africans + Indians there seems no objection.

C.S.  
3.4.25

#24/4/25

It is most important that the  
Mombasa proposal should not  
be held up + we should make  
it clear otherwise as proposed  
at once

W.C.S. 6.4.25

Telegram from the Officer Administering the Government of Kenya to the Secretary of State for the Colonies.

Dated 25th February.

9280  
26 FEB 25

(Received Colonial Office 6.45 a.m. 26th February, 1925).

562

No.87 25th February. Your telegram of 14th January Loan Expenditure proposals approved by the Legislative Council except amount housing African clerks reduced to £10,000 as first instalment pending report of the Select Committee regarding the type of buildings and £50,000 for the old town of Mombasa to be voted later when the proposal formulates. Council agreed that provision necessary. Ready to approve when detailed plans available. Two items of urgent importance necessity for which long been urged were added to the Schedule (a) £27,500 water supply Kisumu which will continue to be entrepot for all local and Southern Lake traffic even after the completion of the Uganda main line and the urgency intensified at present owing to the large labour forces employed there. Need strongly urged by the medical authorities (b) £30,000 water supply at future railway centre Eldoret. No pipe water supply exists at present and immediate provision is necessary for the rapidly developing needs of the town and railway. There will be a return to Government in water rates on both these schemes. I have also transferring (?transferred) to this Schedule £10,000 for maize drying plant and £15,000 for cold storage Kilindini from transport loan. Request your approval by cable. It is hoped that expenditure on goods purchased in England for these works may receive the benefit of assisted loan for works of public utility. Despatch follows.

O. D.  
8 APR  
D. 8

Ind. P. A. G.  
9266/25

Keraga 533

Booked draft  
3.30 p.m.  
7.4.75  
S. H. W. / 17th April

Your telegram 25th May No. 87

DRAFT. Tel. Code.

Government  
Nairobi

I approve all proposals  
for loan expenditure

MINUTE.

including new items for

Mr. ~~Christiansen~~ 7/4

Water Supply of KISUMU

Mr. ~~Rowley~~ 7/4 also

and EL DOROT @ / assume

Mr.  
A. Stanley  
Sir G. Davis.

that promised despatch

Sir G. Grindle

which I have not yet

Sir H. Reed  
Sir H. Campbell  
Sir J. Masterton Smith.  
Mr. Channing Lee  
Lord Donald  
Mr. Amery  
Mr. Thomas.

received will be certain

definite schemes for these

two water supplies as it

is most undoubted that

Draft  
despatch  
10386/25  
Glen

work of this kind should  
be undertaken without a most  
careful working out of plans  
and estimates. I am anxious  
that schemes for improvement  
of Mombasa should not be  
delayed.