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I am sorry that I have not been able to send this paper on before.

We have had several letters from Messrs. Norton Griffiths Ltd. as to the construction of the new railway extensions. For example, 33838/23, asking that they might be allowed to construct the new exten sion under the supervision of the Uganda Railway, 45592/23 on the same subject, 49555/23 in which they pointed out the good work done by them on the Uasin Gishu Railwa and the savings effected justified their being given any further railway extension work carried out from funds available on th Uganda Railway, and 62819 to the same effect They also pointed out that the fact that they had a staff and plant available put them in a specially favourable position for undertaking the new work.

In none of these cases was it

alleged

MINUTES.

alleged that the fact that the Uasin-Gishu Railway work was not as extensive as was originally proposed gave them a claim to be entrusted with additional construction.

In the present letter they say that it was originally intended to extend the Uasin Gishu Railway by a Branch from Nakuru to Soy, a distance of 240 miles. This is untidy. What they mean is that it was intended that the Uasin Gishu Railway should be built from Nakuru to Mumias, a distance of 240 miles. The line ultimately agreed upon was from Nakuru to Soy, a distance of about 137 miles, but later it was decided to extend for a few miles to Turbo, and that just about makes up the 14€ miles which they quote.

Their case is that having nad the prospect of building 240, and saving only had 146 miles to build, they should therefore be allowed to build the extension now proposed, which will at first more or less follow the original route to Munias, "ut will go much further.

They say definitely that it was indicated "at this time" that if the rest of the distance were completed, Messrs. Griffithe would be entrusted with the work, and that is the contention which we have to face.

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As I have said at the outset, this is fresh, and after full search of the papers won the subject I do not know on what it is They say that the intention to build based. the full distance was still held in 1920. Actually, Sir E.Northey, then in England, recommended on the 15th January, 1920, that the line should only go as far as Soy, and that was the view endorsed by the Uasin Gishu Railway Sub Committee. of the Colonial Economic Development Committee as a result of the meeting on the 27th of January, 1920. On the 30th of January Sir John Norton Griffiths attended a further meeting of the Sub Committee. The discussion then turned largely on the question whether his group could find us the finance for: the railway, and it is clear from the report of the Sub Committee that the question whether construction should be departmental or by contract, and if thair contract with Sir J.Norton Griffiths or someone else was still absolutely open.

30th January, 1920, Sir J.Norton Griffiths had clearly no reason to expect a contract for construction as far as Mumias, nor was such a prospect held out to him afterwards.

If it is suggested that earlier (presumably 1919) the question of his building a line to Mumias was investigated semi-officially between himself and Columel Amery (who had charge Claim of the ground with Sir J.Norton Griffiths) it is obvious that such a discussion was not official or binding on the Secretary of State, and further that it was superseded by the later and more formal formal, but still unofficial discussion in January, 1920.

Apart from this allegation of a pledge, the letter is on the same old grounds of savings effected on the Uasin Gishu Railway. The contract was prepared at a time when prices were very high and it was anticipated that there might be laters savings. The contract provided that the Government should benefit from these savings, and it also gave the contractors a large bonus on the amount saved. It would be useless to regard such savings made in the interest of the contractor nimaelf as being themselves a ground for giving further work to the same contractor.

As regards plant, etc., if they are really in a better position to tender than other contractors, their advantage should be apparent in scompetitive tender.

I entirely agree that their presence on the spot is an advantage from the point of view if teginging the work early. The same thing would apply to departmental construction; but in any case it has been decided, after full consideration, that the work, if not departmental, shall be ty competitive tender, and there should be an end of the discussion. I venture to submit draft for consideration to avoid further delay.

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H. J. D. 12 Tul 724

WESTMINSTER, S.W. 1.

February 29th 1924

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S. CENTRAL BUILDINGS.

The Secretary of State for the Colonies, The Colonia? Office, Downing Street, WHITEHALL. S.W. 1.

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UASIN GISHU UGANDA RAILWAY EXTENSION AND PROPOSED FURTHER EXTENSION TO GINGA.

Sir,

HON GRIFFITHS & Co

TELEGRAMS

JONORGRIF, LONDON TELEPHONES: VICTORIA 7542 & PISS.

> We are requested by Messrs. Griffiths & Co. Ltd. of Nairobi, East Africa, for which Company we act as London Agents, to bring to your notice the following circumstances.

> In 1920 it was intended to extend the Uasin Gishu Railway by a branch from Nakuru to Soy, a distance of 240 miles, and Messrs. Norton Griffiths & Co. Ltd. on behalf of Griffithe & Co. Ltd. entered into negotiations with the Colonial Office for the construction of this extension. Terms were more or less agreed when for financial reasons the extension was shortened to 146 miles and the original cost reduced. It was indicated at this time that if the remaining 94 miles should be completed at a later date, Mesers. Griffithe & Co. would be entrusted with the work.

> The line - as to the 146 miles - is now approaching completion and it is understood that the immediate extension of the remaining 94 miles is proposed. Messrs. Griffiths & Co. will have done their work under contract time and it is ascertained that there will be a saving, on the original estimate, of an amount approacging £750,000.

At the present time, the organisation, staff and a very large supply of labour, in the employ of Messre. Griffiths & Co. is still available on the spot and, in the event of the extension dering given to ther, they would be able to proceed with the work at the moment sanction was given. This would effect economies and eliminate delays which would be inevitable in the event of the extension work being placed elsewhere, or under a different rganisation.

The immediate extension of this line, as your Department will readily appreciate, will require the provision of rails, soling stock etc. and do much to mitigate the anemployment question at home. The work could be carried out under the sirection of Major 3. Shodes, Shief dugineer, Uganda.

The point which we particularly wish to emphasize in every interest is the desirability of the work being started without delay. This is inpurter from the contracting point if view and allow theorems of the uncent meeds of the country and of the adjusent draws followy of Lyanda. As to the latter, this e terms will tap the or does an adult the Colony to freight its increasing soften and sithout transhipment at the Lake Zictoria System.

As we have fuldated, Meesrs. Griffiths 2 Co., being on the station for roughly equipped, are in the unique position of rating them. If reported, it describes the extension without constracts of teach.

We are, Si',

Your obsident services, nout a full situate dos LTD.

Anard

SICAETARY.

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WESTMINSTER, S.W. 1.

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The Secretary of State for the Colonies. The Colonia! Office, Downing Street. WHITEHALL, S.W. 1.

Jours LAS

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The immediate extension of this line, as your Department will readily appreciate, will require the provision of rails rolling stock etc. and do much to mitigate the unemployment question at home. The work could be carried out under the direction of Major G. Rhodes, Chief Engineer, Uganda.

The point which we particularly wish to emphasise in every interest is the desirability of the work being started without delay. This is important from the contracting point of view and also because of the urgent needs of the country and of the adjacent Grown Colony of Uganda. As to the latter, this extension will tap the produce and enable the Colony to freight its increasing cotton crop without transhipment at the Lake Victoria Nyanza.

As we have indicated, Messrs. Griffiths & Co., being on the spot and thoroughly equipped, are in the unique position of being able, if required, to earry on the extension without any break or delay.

We are, Sir,

Your obedient servants, NORTON GRIFFITHS & CO. LTD.

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SECRETARY.

Downing Street,

March, 1924

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Gentlemen,

I am etc.to ack. the receipt of your letter of the 29th Feb., egarding the further railway Construction in Kenya andUganda, and to inform you that he has decided that here departmental construction is not adopted for any section of the entire programme of further construction, the contracts for building new lines or parts of them shall be sub-

ject to competitive tender as between private contractors and the railway

administration jointly.

2. When it is possible to issue invitations to tender, he has no doubt that the special advantages which Mesers. Griffiths & Co. (Neirobi) Ltd. have in the way of

plant and staff will be to their

advantage

DRAFT.

SRS. NORTON GRIFFITHS & CO.

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Mr. Sir O. Dupis.

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advantage in preparing their tenders. But he is not prepared to recognise that they, or the London firm, have any special claim to consideration in respect of the fact that the original length of constitution of the Uasin Gishu Ruby, " original proposed, corresponded Pailway, was in use before the time when the contrast with your firm was under official consideration by the Secretary of State.

I am, etc.,

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(Signed) H. J. READ

Downing Stree March, 1924.

Gentlemen.

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ord Arnold

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. Bottomley 11.3.24

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sars. Norton G iffiths & Co. Ltd. I am etc, to acknowledge the receipt of your letter of the 29th Pebruary regarding the further railway construction contemplated in Kenya and Uganda, and to inform you that he has decided that, if and where departmental construction is not adopted for any section of the entire programme of further construction, the contracts for building new lines or parts of them shall be subject to competitive tender

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by the Secretary of State.

I am etc.

(Signed) H. J. NCAD

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