

1925

KENYA

607

C O
57165

DATE

REC'D
REV. 21 DEC 25

DEP WORTHCOTE, 1448

24th November 1925.

RELATION

RAILWAY CONGESTION. TRAFFIC CONDITIONS IN UGANDA.

Asst. U.S. of S.

... a memo by General Manager commenting on Uganda despatch No 452 of 2nd November.

Prm. U.S. of S.

Part U.S. of S.

Secretary of State.

Letter from Mr. Felling dated 20 Sept. att'd

Previous Paper

MINUTES

The Uganda despatch (55394) was received for the H. H. Question (56331) before the Minutes were complete.

On this new despatch, I think we can carry Mr. Felling's principle of ignoring the past a stage further and regard 1925 as a 'bygone'.

As regards railway accommodation, Mr. Felling proposes to refer the matter to the Intercolonial Railway Council, to which, when it is formally re-constituted under the new Order in Council, all matters of railway policy must be submitted

56331
Uga
6 JAN 1926
To Gov Uganda re. 6 Jan 24. Gov 55394/135.

Subsequent Paper

Uga
6 JAN 26

I think he is quite right in
holding that Uganda must
depend on its representatives on the
Council and that they must stand
by what they have agreed to in the
Council. It follows, however, that
members of that Council must have
the right to bring up questions for
consideration. This is not expressly laid
down in the Order, but I think we
had not assume that there will be
any difficulty about allowing it. We
need not take up the point.

? Add to the schedule to the order on
55394 that the Governor will as soon
as he receives a copy of the following memo:
D. 3 Nov., say that the S. off. does not
wish to carry the correspondence further,
as the matter has now become one of
minor interest compared with that of
the successful working of the
arrangement. p. 1926.

Call this memo despatch and
insert copy of the despatch to
Gyona and of also of A. & A. in
N. of C. / 56331.

W.S. Stanley
28 Nov 1926

I proceed as proposed.

30.11.25. J.H. Stone

N.B. On return Mr Stanley showed
me the letter from Mr Kemp & Co. 6/3
Franklin which I have now enclosed
W.S. Stanley 1.1.26

Seen
C.S. 9/11/26

THIS ADDRESS
AYS, NAIROBI.

UGANDA RAILWAY

Box No. 121.

Phone No. 17.

Private phone ref.

And date.

609

General Manager's Office.

NAIROBI, 29th September 1925

KENYA COLONY.

My dear Bottomley,

The bulk of the complaints from Uganda have, as you know, been inspired by Cameron of the Uganda Company and Aitken of the B.E.A. Corporation.

Neilson, who has been appointed Divisional Superintendent, and who is confirming my recollection of him as a practical railway official, is now at Kampala. I instructed him to get into personal touch quickly with all the business heads, and the following extract from a private letter from him will, I am sure, be of interest to you:-

".....So much for Kampala, except a rebuff from Mr. Cameron of the Uganda Company. He refused to see me when I was making my business calls, and the manner in which he refused left no doubt about the evil influence of the country on some individuals. He sparkled with rage. The next move is his"

Kampala wants watching. In connection with the new line proposals, while Kampala is important, it must not be allowed to push its interests to the detriment of East Africa as a whole. Even Government officials in Uganda might be temporarily impressed by Kampala's vocal strength.

The railway financial position also needs care. I am holding the fort as best I can against all sorts of pressure and methods which are sometimes not nice. I believe the policy I have followed is the sound one. A more popular policy, especially in the matter of railway rates, might leave my successor a very bad legacy.

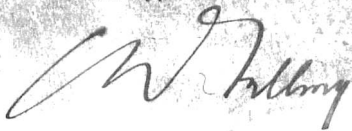
All that we can do or put in train for next season will have been arranged by the end of the year, and, barring bad luck, next season's crop should be moved much more easily. *Jenkins is doing well. Hartnell is now the weakest link but he is returning at his own request in November.*

If I can get away on leave I hope to be able to see you and have a chat on things in general at the end of February.

- 2 -

With best regards to yourself and Calder, and many thanks for the fair way in which you have dealt with all the local troubles,

Yours sincerely,



W. Bottomley Esq., C.M.G., O.B.E.,
c/o The Colonial Office,
Downing Street,
London, S.W.1.

H. M. Trade Commissioner for
East Africa,
P. O. Box 220,
Nairobi, Kenya.

20th November, 1925.

611

Dear Colonel,

As I told you in a recent letter, I went to Uganda last Saturday, got off at Entebbe, motored to Kampala, spent Monday afternoon and Tuesday there, motored across to Jinja at daybreak on Wednesday and had three hours there before the ship left. Then coming across on the boat I had long talks with *Jarvis*, *Cameron* who were on their way to Mombasa for the Port Commission, and coming down in the train I spent a couple of hours last night with *Jarvis* in his private saloon, when we talked pretty freely.

I am glad to say conditions in Uganda are much better than when I was up there four months ago. The season has lengthened and there has been quite a good take-off of imports. Art Silk and the other "fancies" have gone off very well and the only other heavy stocks left are wovens. Prices have, of course, fluctuated, as Mombasa has been selling at cut prices in retail lots, but the July and August Bills have all been met without exception in both Kampala and Jinja and though the outlook is one of caution they are certainly quite optimistic with a tempering of further caution owing to the uncertainty of future cotton prices.

The last crop can be put down at approximately 175,000 bales. Rains have been particularly good and a cautious estimate for the next crop is 190,000 bales. I saw *Simpson*, the Bazaar and one or two ginners, and they talk about the market opening at about 20/22 cents against last season's average of 27 cents. Their reason for this figure is that the great increase of American cotton is in short staple and consequently as Uganda cotton was undoubtedly cheap last season they expect some increase in the premium next season. I found this opinion to be pretty general, the only dissenting voice being *Cameron* who talks about an opening price of 14 cents. I told *Jarvis* of your telegram and, if the recent recovery in American futures is of any guide, I do not think the general estimate in Uganda will be far out.

Now for the question of congestion. Some sort of a bombshell has been exploded in Uganda by Jenkins' - the Marine Superintendent's - guarantee that he will clear a minimum of 8,000 tons per month next season from Uganda ports. I talked to *Nelson* about this - you will remember that he has gone from The Tanganyika Railways to the post of Divisional Superintendent in Uganda - and he thought it was rather optimistic, but in conversation with *Cameron*, *myself* and myself at Kisumu yesterday *Simpson* still stuck to this figure. Of course, if he carries this out the congestion problem is finished. He can concentrate on the Eastern Province during the first three months of the year and then on Kampala and Bukakata in turn. With a crop of 200,000 bales, or, say, 40,000 tons, he would have the whole crop cleared in the first six months of the year, apart from the help that he will get by the prohibition of export of cotton seed during the first five months and also of the

prohibition of the movement of unginmed cotton into Namagali and of half pressed bales on Lake Victoria. All one can say is that we must wait and see, though *McLester* is doing a lot at present in discussing rationing of acceptance with ginners and in improving the marking, so as to have a better check on the movement of consignments.

As regards imports, the Railway have, I understand, met last season's claims to a very large extent and so the feeling is much better in Kampala and Jinja.

I was glad to see the relative soundness of the Bazaar. The Twentsche are still offering 90 days on local Bills, but the Banks have roped in all the other firms to confine Uganda Bills to 60 days and so the Twentsche Bills can only be post-dated and if the Banks refuse them on the ground of post-date the firm will have to carry them themselves. The market in foreign goods has also altered. Except in Blankets, Manchester is reviving splendidly and has regained a lot of trade. Jap Striped Drills are giving place to ~~Stockport~~ Khaki and we are competing rather better in ~~Novelty~~ Hardware the Germans have lost a lot in Agricultural lines and I was glad to see Perks Hoes in a good many dukas where hitherto I have seen mainly German. Uganda is in summary quite sound. Everyone there seems to believe that the natives' requirements are now so steady a factor that even a considerable fall in cotton prices will not mean, as hitherto, a substantially large fall in acreage, but rather a somewhat opposite effect. The alternative crops are being pushed slowly but surely and look very promising, particularly the native Coffee scheme.

All therefore depends upon Mombasa and whether it will try to bust the market again next season as it is well able to do.

I intend to go down to Mombasa in a week or two for a few days to see how stocks stand there at the beginning of the season and I will then send you a cable to reach Home just about the same time as this letter so that you should be up-to-date before you depart.

As I finish dictating this letter I must revert to the point of the lengthening of the Uganda season. The native does not immediately rush his seed cotton money into purchases, he is inclined to hang on, spread his purchases out and so provide the extended season which will be the stabilising factor as far as Mombasa is concerned. Everyone I saw in Uganda was insistent upon the point of how much better the last few months had been compared with what in earlier years was termed the dead season.

Simpson's Cotton report should go Home by this mail and you will see how cheerful it is.

As to Railway extensions, I think it best not to write you at present. There seems to be an awful jumble of ideas, nearly all of which have been sent to the Colonial Office.

Yours sincerely,

(sgd) C. Kemp.

Colonel W.H. Franklin, C.B.E., D.S.O.,
Department of Overseas Trade,
LONDON. S.W.1.

P.S. In regard to ^{estimate} estimate above, you should understand it is purely Lake traffic and that the Tororo extension will not be ready in time to be of any use to Uganda next season. If by any fluke it should be, all the better, as it will relieve Jinja to some extent, but Uganda is cutting it out of account as a factor in relieving the congestion next season.

The cable referred to above was received here on the 15th instant and is in the following terms:-

"Reference my despatch of 20th November [redacted] proportionate amount of the old stocks at Mombassa cleared at cost price large proportion remain. I should estimate indent reduced by third. Dar es Salaam disappointing owing to reduction in crops, short rainy season good all round and with cautiousness importers should give improved conditions".



57165

KENYA.

GOVERNMENT HOUSE,
NAIROBI. DEC 25
KENYA.

No. 1448.

24th November, 1925.

511

Sir,

*gm 5394/14
Nga*

With reference to Mr. Gowers despatch
the 2nd November, relative to traffic
conditions in Uganda, I have the honour to
transmit a memorandum by the General Manager,
Uganda Railway, to whom that despatch was
referred at the request of the Governor of
Uganda.

Memorandum
O.G. 4/32 Vol. 2.
dated 13-11-1925.

I have the honour to be,

Si,

Your most obedient, humble servant,

G. A. ...

GOVERNOR'S DEPUTY.

RIGHT HONOURABLE
LIEUTENANT COLONEL L.C.M.S. AMERY, P.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON, S. W.

UGANDA RAILWAY

615

General Manager's Office,

13th November

NAIROBI,

192

5

KENYA COLONY.

Vol. 2
and date.

CONFIDENTIAL.

The Honourable the Colonial Secretary,
Colony and Protectorate of Kenya,
NAIROBI.

RAILWAY CONGESTION.

Your No. S/E.4721/7/4 of the 10th instant.

I have read with interest the despatch No. 452, of the 2nd instant, from the Uganda Government to the Secretary of State.

The despatch summarises the Uganda Government's view of the position. Judged from that standpoint, I not only do not take exception to it, but I appreciate the spirit in which it was written. The despatch as a whole must not, however, be taken as a complete statement from the Railway, Kenya Government, and other points of view, which I must necessarily always have in mind.

On the whole I think it would be better to confine attention to existing and future problems rather than to argue about past actions and omissions. While, therefore, I must make a few observations, I trust that they will close the discussion, except on such matters as the provision of storage or receiving accommodation, regulation of traffic, avoidance of damage, pier labour, and the like.

The observations I must make are:-

1. The quantity of cotton stated to have been at Jinja awaiting shipment in February, 1924, works out at less than one complete cargo for the "Nyanza" or the "Rusinga"!!

2. Sir Geoffrey Archer at one stage not only took strong exception to Kavirendo labour being sent to Uganda piers by the Railway, but took certain direct action which need not be discussed now. At a later stage, difficulties having arisen, the Uganda Government telegraphed me to try and send over such labour, but at that time I could not do so.

3. I have already dealt fully with the causes of, and the circumstances connected with, the congestion of imports in the early part of this year. The Uganda

MAIL ADDRESS:
OFFICE, NAIROBI.

UGANDA RAILWAY

616

Box No. 121.

PHONE No. 17

General Manager's Office,

NAIROBI,

192

please quote ref.

KENYA COLONY.

and date.

-2-

Government, I see admits (paragraph 44b) that there was over importation, which, of course, meant in many cases financial difficulties and reluctance to take delivery. Consider the position in which local representatives of overseas firms find themselves when they have over imported and much will be clearer.

I have no doubt photographs of Kampala station will disclose a sad sight; but I think Mr. Smart exercised good judgement when he shifted the traffic from Port to Kampala as rapidly as possible, without attempting sorting on a hopelessly congested pier. It is true that this meant disclosing masses of unsorted traffic to public gaze at Kampala, but that could not be avoided without further congestion and delay.

Kampala merchants certainly did not do much to assist us. In most Colonies, under similar circumstances, there would have been more co-operation on the part of the public. In spite of loud complaints I fear that much of the traffic was unwelcome.

4. Lack of organization of labour is a favourite charge against the Railway. The class of labour we are dependent on is generally ignored. Criticism on a matter of this sort is easy. I suggest that our organization on the work is on the whole as good as any as that of any private employer in the same localities.

The Railway Council agreed on my advice to try as a matter of policy - not because I was convinced of the practicability - to work up to a system of stevedore gangs for Uganda piers on the lines recommended by the Uganda Government and the Uganda Government was asked to detach an administrative official to tackle the recruitment and organization. The reply was that no official could be spared for the purpose.

The Native Labour Superintendent has just entered upon his duties. He is looking into the scheme of the Uganda Government. It remains to be seen to what extent such a system as has been proposed is practicable, desirable, or in other ways sound! The Native Labour Superintendent has expressed preliminary views much in accord with mine.

(contd).

ADDRESS:
YS, NAIROBI.

UGANDA RAILWAY

Form No. 121.
Form No. 17
Please quote Ref.
and date.

General Manager's Office,

617

NAIROBI,

192

KENYA COLONY.

-3-

5. The impression in Uganda seems to be that salvation in some respects lies in more European pier masters. Experience so far has unfortunately not borne this out.

6. Kenya Members of the Railway Council would I think, not accept the statements in the despatch as a complete representation of their attitude in connection with the Uganda Committee of Enquiry. My own view is that the Kenya Members were on sound ground throughout. It is doubtful, however, whether it is wise to follow this matter up.

My own attitude towards the Uganda Government's appointment of a Committee of Enquiry is also not completely stated. I think I took up the only attitude possible, and I was - I suggest quite correctly - supported by the Kenya Government and the Kenya Members of the Railway Council whose hands were in no way tied by public or Legislative Council resolutions.

I would add only this: If there is to be an Inter-Colonial Council the Members thereof must shoulder their responsibilities. It is indefensible for Members to attend Council meetings, acquaint themselves with the position, satisfy themselves that everything possible is being done, and then attend, but remain silent, at a public meeting at which the General Manager is attacked, or silently acquiesce in resolutions submitted to Legislative Councils, as if they had no knowledge of, and had never dealt with, the issues raised.

What justification also, is there, for an Inter-Colonial Railway Council representing both Colonies if, at the first sign of trouble, the Council is to be treated as if it were non-existent?

7. The list of works given in paragraph 29 of the Uganda Government's despatch speaks for itself as indicating the improvements being undertaken by the Uganda Government apart from the Railway. I would say only that the Railway pressed for years for a decision about the godown sites.

8. I intend again submitting to the Railway Council the question of receiving accommodation for experts at Lake Kiega ports and at railway stations. The Council must be very definite about this matter of policy not only for Uganda, but for Kenya.

(contd).

General Manager's Office.

NAIROBI,

KENYA COLONY.

613

192

-4-

It would, however, be futile to authorise at this stage more work than has been authorised. Work in Uganda is slow, and, like the Uganda Government, we have as much work in hand as we can tackle at present.

9. Much stress is always laid in Uganda on railway departments working in water-tight compartments. The object of the Transportation organization is to counteract this tendency in departmental systems of railway organization, but introducing an organization designed to break away from water-tight compartments as far as practicable, is a more rapid process than securing what I would call the "transportation spirit" amongst officers who for many years did their work on strictly departmental lines.

Mr. Neilson is doing very good work in Uganda, but we did have a senior officer at Kampala for some time prior to the congestion. Unfortunately he failed to rise to the needs of the occasions. Meanwhile the Superintendent of the Line had had to go on leave; the officer in charge at Jinja was in a state bordering on collapse; and we had an unsatisfactory officer in charge at Kisumu.

Instead of saying that if a Divisional Superintendent had been appointed earlier there would have been less trouble, it would be more correct to say that if the senior officer at Kampala had been a stronger and more energetic man, and if a more effective Marine Superintendent had been in charge at Kisumu much of the trouble might have been avoided.

O. L. N. FELL

GENERAL MANAGER.
UGANDA RAILWAY.

CLNF/OM.

57165
O.A.G. 5-10-25/25
KENYA

fe. 1.1.26
nes: 4/1
Stonley
Tarding.
y.
ackburgh.
adle.
vis.
son.
y-Gore.
arendon.

619

C. D.
R 4 JAN
D

19

6 January 1926.

T.

19
General Grigg.

5942
number (56331.)

Ref also
on 55394

for Mr Stacey
on return.

Sir.

I have so to acknowledge
the receipt of your Despatch
No: 1448 of the 24th of
November transmitting
a memorandum by Mr
despatch from the
Felling on the Governor
of Uganda Despatch
No: 452 of the 2nd of
November relative to

traffic conditions in
Uganda, and to
transmit for your
information a copy of
my reply to the latter
Despatch, and also
of a question asked
on this subject in the
House of Commons and
^{there to}
my reply to this.

(Signed) L. S. AMERY