

1923

E. AFRICA

C. O.
55961
20 NOV 23

DATE

19th Nov 1923

CIRCULATION:

Mr. Bottemley

Asst. U.S. of S.

Asst. U.S. of S.

Asst. U.S. of S.

Secretary of State

SUBJECT

Consolidation of
Kenya and Uganda
Proposed by the
Government

See also observation
on 1st Nov 23

Previous Paper

4
46312

MINUTES

It is satisfactory that there is such a
general measure of agreement. The
chief difference seems to be as to
charges. The procedure on the
consolidation is shown in your
memo on 25/27/23/Kenya. It seems clear from
the last part of para 6 of the
letter that the first alternative is the
one adopted. I do not think we
need attempt to go into any of the
points here at present.

I send one of the spare copies of
this letter to Kenya & one to Uganda
together with a copy of our letter to Mr.
Dunn (the Ambassador) & one to

Subsequent Paper

Gen/25819/24 Kenya

Kenya 14561

J.C.A.

J.A.

MINUTES

MINUTES NOT TO BE WRITTEN
ON THIS SIDE.

shall be glad to receive an
agreed volume in discussion.

JAC
26.11.23

WLS

26.11.23

(alred)

Mr. Davis called last
night to say good bye.

He thought that we ought
to telegraph during the two
days before Davis's arrival.

At the time they would start
quarreling. On looking
up Davis, I said I thought
the Gov's hands were
so full that he would
find the matter still
unresolved when he got
out.

It is to be said that
there had been a good
deal of misunderstanding
with the Govt & that he
could be said to be
Here is a good deal of the
"wisdom" which he will
attitude about the Davis.

Partly best



379

Top Hill House,
West Malling,
Kent.

18th November, 1923.

55

Sir,

I have the honour to acknowledge the receipt of Sir Herbert Read's letter No. 46312/1923 of the 7th November and the enclosures thereto.

2. The history and nature of the present arrangement are as stated by Mr Fitzgerald and have been in force for many years, the fixed contribution was introduced to prevent the necessity of making financial adjustments at the close of each year.
3. It must be admitted that the existing arrangement is not satisfactory from the Uganda point of view. A comparison of the Kenya and Uganda annual financial statements will show that the revenue contribution has, in practically every instance, been considerably less than the actual receipts, the surplus being retained by Kenya, while the expenditure contribution has been very considerably more than the sum expended by Kenya on the staff provided for Uganda, this latter fact was recognised by Mr Gosling and I am under the impression a reference to the 1920/21 Estimates will show the contribution for that year was reduced by 15% owing to the inability of the Postmaster General to provide the full staff shown on the estimates.
3. Negotiations to remedy this state of affairs had been proceeding for some time and were practically settled with the exception of one point, i.e. the liability of Uganda to pay half the salary etc. of the Assistant Postmaster General



379

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5

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Stationed at Entebbe , when the Postmaster General submitted the proposals contained in Appendices A. & B. which were subsequently replied to by the letter shown as Appendix C, the scheme shown in Appendix D was then prepared by Mrz Fitzgerald.

4. This scheme was considered by the Economics Committee who recommended it should be given a trial especially as the Postmaster General anticipated making a saving of about £5,000 on the Uganda expenditure for 1923 and a much larger saving when trade conditions improved. When the scheme came up a second time before the Governor in Council I was not in favour of the proposal being rejected without further reference to the Postmaster General.
5. As regards the recommendation now submitted, I would offer the following observations:- If it is possible to make satisfactory arrangements for an adequate Postal & Telegraph service under the scheme outlined in Appendix D, I think it would be wisest to follow that course. Failing that, Uganda should consider setting up its own Postal & Telegraph Administration. In connection with the latter proposal I do not consider the Postmaster General's statement that the cost would be prohibitive should be accepted without very thorough investigation, for instance, his estimate of Telegraph & Telephone revenue in Appendix B.^{is} I consider unduly low; I have good reason to believe the 1923 figures will show a considerable improvement which, if trade holds good in 1924, should be maintained. I do not think we could run our own service as cheaply as an amalgamated department but if the latter is not satisfactory there will be a very strong local appeal for entire separation, even if it costs us more to do so. I presume there is an international body which governs postal and telegraph transit rates who would regulate the charges in question and prevent them from

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being made prohibitive.

Basis of Agreement for full amalgamation
of the Kenya and Uganda Postal
and Telegraph Service.

Para. 1. This is what is done at present,

Paras. 2 to 5. I agree.

Paras. 6. I do not consider Uganda should be called upon to pay a proportion of any Pension or similar charges, except from the date of the complete amalgamation, save in the case of the Uganda Engineering staff. A similar situation arose in connection with the Customs Department and I submit the same procedure should be adopted.

Para. 7. The Postmaster General has modified his original proposal inasmuch as he suggests official telegrams should be paid for and public rates charged for telephones. His object is no doubt to reduce the number of telegrams sent; I would prefer to see this object attained by a curtailment in the number of officers entitled to frank telegrams. My predecessor, Mr Booty, some three years ago, made the same suggestion but on investigating the matter it was decided it would cause a great deal of unnecessary work and be very inconvenient, particularly to touring officers, so the proposal was dropped.

As regards telephones, I am under the impression £15 or £18 a year was the sum originally mentioned by Mr Fitzgerald as the annual charge, to cover all local calls, for each departmental telephone, that is why the fixed payment of £100 per annum was inserted to cover trunk calls. I cannot remember what the public rates are but in an office with several telephones it will be very difficult to keep a check on either local or trunk calls; a fixed charge will be much more satisfactory.

Para. 8. The Postmaster General does not state how he proposes to provide for the necessary stock of maintenance material which will have to be kept in Uganda when the present stock to be taken over by the P.W.D. is exhausted, adequate supplies will have to be provided. I do not think any of the present stock will have to be written down.

Para. 9. I see no objection to this as it will reduce any loss in Uganda.

Para. 10. I think this should be allowed.

Para. 11. I agree.

Para. 12. I think a statement should be submitted annually showing the result of the year's working and certified correct by the Audit Department.

Para. 13. I agree.

Para. 14. The position which will arise is similar to that of the Customs Department. The most equitable arrangement would be for all pension charges payable by the amalgamated department to be included in the departmental estimates and be shared by Kenya and Uganda in the same ratio as other expenditure for the year in question.

6. In conclusion I would like to recommend that if it is decided to amalgamate the departments it should be, in the first instance, for a specified period, I suggest 2 years, after which the whole question should be reviewed and any points of disagreement modified and adjusted.

I am, Sir,

Your obedient Servant,

C. A. Dani

Treasurer, Uganda Protectorate.

*Under Secretary
of State
The Colonial Office
London S.W.1.*

D 55961/23 E. Africa

383

O. D.
R 29 NOV.
D 20

25 Nov 1923

True

DRAFT.

No 1656

Mr Comyns
de Pote No 5/10
Post Archer.

MINUTE.

45351/23 EA

Sir,

In reply to your tel. of the 11th of September,

I have to transmit to you, for your encson, a copy of copies with Mr C. R. Dair, Treasurer, Uganda, regarding the proposed amalgamation of the Postal & Telegraph

Mr. Bull Nov 28
Mr. Calder 29.11
Mr.
Sir O. Davis.
Sir G. Gindle.
Sir H. Read.
Sir J. Masterton Smith.
Mr. Ormsby-Gore.
Duke of Devonshire.

M Dair 7 Nov

on 46312

no. 19 "
55961

Depts of Kenya & Uganda.

2. I shall be glad
to receive an agreed
scheme in due course.

Jrc