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INLAND TELEGRAPH RATES

Date
1912

Previous Paper

The copy of P.W.G's report for 1910-11. is in sympathy with the recommendation for lower charges. Fears however additional staff will be required and that the extra expense will not at first be covered by an increase of revenue. Sends statement of financial effect by P.W.G. In spite of this considers rates should be as low as possible.

W. Butler

The present rate for telegrams is 10 cents a word with a minimum of 5 cts. The Com. proposes 6 cents a word with a minimum of 75 cents for telegrams but on the basis of two years' working receipts would be about 700,000 lbs. and this is far below what it was increased by about 1/2 the for salaries of staff

I think that his proposal must have been the best possible

Amos and had time to consider the
matter. It is desired to recommend the
proposed printing should be made
accordingly as the draft intended for 1913 is
not accurate.

J. J. R. 19/11

at me.

J. J. R.

19/11

EAST AFRICA PROTECTORATE.

JUNE 18th 1912.

No. 423

Sir,

I have the honour to refer to paragraph 32 of the Postmaster General's report for 1910-11, a copy of which I enclose for convenience of reference.

Report.
Statement
2. You will observe that it is suggested that the inland telegraph rates should be reduced and I am in sympathy with the recommendation as lower charges almost always stimulate traffic and encourage trade generally

3. I fear however that the change would necessitate the employment of additional staff and that the extra expenditure involved would not be balanced by a corresponding increase in revenue, at any rate just at first.

4. I attach a statement by the Postmaster General showing the financial effect of the proposal.

5. In spite of this drawback I still favour the suggested reduction as I consider it to be in the public interest that telegraph rates should be as low as possible.

I have the honour to be,

Sir,

Your humble, obedient servant,

THE RIGHT HONOURABLE

LEWIS HARCOURT, P.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET, LONDON, S.W.

W. B. ...
ACTING GOVERNOR.

INCLOSURE No 2
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ESTIMATE OF REVENUE AND EXPENDITURE WITH REFERENCE
TO REDUCING THE TELEGRAPH CHARGES ON INLAND TELEGRAMS.

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REVENUE.

Telegraph Revenue for 1911/12	Rs. 90,000
Estimated increase for 1912/13 at present rates (10 cents per word)	Rs. 15,000
Total Estimated Revenue for 1912/13 at present rates	Rs. 105,000
Estimated revenue for 1912/13 at reduced rates (8 cent) presuming same number of telegrams sent	Rs. 78,750
Ditto presuming an increase of 25% due to reduced rates	Rs. 98,000

That is an estimated increase of Revenue on reduced
rates of Rs. 8,000 against Rs. 15,000 at present rates.

EXPENDITURE.

Extra staff required to deal with an increase of 25% in the number of
telegrams:-

- 1 extra telegraphist at Mombasa
- 3 " " " " Nairobi
- 1 " " " " Kisumu
- 3 " " " " in Uganda

Total 8 Additional Telegraphists @ say £.150 each per annum
(£.110 salary plus house allowance and passage £.40) = £.1,200
against which we would have an estimated increase of
Revenue compared with current year of £.833; leaving
an estimated loss for the first year's working of
£.667.

~~to Parkman~~
7. 2. 6 reminded
Cust 1872
~~Wm. W. W.~~
~~Wm. W. W.~~
~~Wm. W. W.~~

Vol

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DRAFT vol N° 422

July

23

Present the union to
ack the receipt of
your Insp. N° 422
of the 11th of June
relating to a
recommendation made
by the Com. G. that
the inland telegraph
rate should be
reduced.

request that you
will bring the matter
to

to the notice of the
new Governor on his
arrival

27th after considering
the memorandum to the
Hon. Secy of the
Treasury

support of program
should be made

accordingly in the
draft Estimates for

1913-14, with a view to
be considered in the
in the light of the general
financial position of the
Province

I remain
Yours faithfully