

EAST AFR. PROT.
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REC'D
R-12
JAN 12

from Agents

New vessels for L. Victoria

Date.
1912

44 Jan.

next previous Paper.
38880/11

Send Cons. Inpro recommendations on quotations recd for proposed Steamer & Steam Eng. Estimates cost at £27300 & £11920 respectively - Cost of adopting existing fleet for use of oil fuel is estimated at £8300. Total £47520 - Awaits instrns.

Sir G. Fiddes,

You will remember that it is proposed, in connection with the Estimates for 1912-13, to ask the Treasury to let us have the money required for the steamers regardless of the excess of the cost over the estimate and regardless also of the half and half principle. The amount required and the reasons for the excess should be explained to the Treasury separately, so as not to load up the Estimates too much. I now submit a draft for these purposes, with drafts also to the Governor and the Crown Agents.

RAF

Jan 9 10.

Copy to the Comd 11 Jan
Copy to the Secy 16. 11 Jan

Next subsequent Paper

400/2530

see also oil fuel 7021

W.
Uganda Riv. 1853

sc

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FEB 5 JAN 12

ALL COMMUNICATIONS
TO BE ADDRESSED TO THE
CROWN AGENTS FOR THE COLONIES,
THE ABOVE REFERENCE AND THE
DATE OF THIS LETTER BEING QUOTED.

WHITEHALL GARDENS,
LONDON, S.W.

TELEGRAMS, "CROWN, LONDON."
TELEPHONE 1632 VICTORIA.

PRESSING

4th January 1912

Sir,

In reference to your letter No. ⁴²37979 dated the 1st of December, I have the honour to state for the information of Mr. Secretary Harcourt that further firms have been invited to tender for the proposed new steamer and steam tug for the Lake Service of the Uganda Railway, but that only Messrs. Thornycroft have done so. Messrs. Row McLachlan & Co. were also invited to reconsider their price.

18.12.11.

2. I now enclose a copy of the Consulting Engineers' recommendation upon the quotations received from these two firms.

3. With regard to the 6th paragraph of the Consulting Engineers' report, we concur in their view that it would be unwise to dispense with the complete erection of the machinery, cranes, etc, and the inspection of materials in this country. Only by these precautions is it possible to ensure the correctness of the supply, and a minimum cost of re-erection in the Protectorate.

4. If these vessels are ordered in accordance with the recommendation of the Consulting

The Under Secretary of State,

&c &c &c,

Colonial Office

Engineers, we estimate that the total cost erected on the Lake will be approximately £27,300 for the steamer, and £11,920 for the tug. These figures include the cost of re-erection in the Protectorate, estimated by Mr. Grant at £5,000 and £1,000 respectively.

5. As stated by the Consulting Engineers it is possible that after discussing the details of the Tug with Messrs. Thornycroft they may be able to recommend an amended offer by that firm; but the information before us does not point to the probability of any substantial saving on Messrs. Bow McLachlan's quotation of £9,280, which forms the basis of the above estimate, unless the dimensions, boiler power etc. desired by the Uganda Railway, are modified. At this stage we considered it hardly desirable for the Consulting Engineers to negotiate with Messrs Thornycroft on these points.

6. We estimate that the cost of the several requirements in connection with the adaption of the existing lake steamers for the use of oil fuel will be £22,350 for the oil bogie wagons, £1,100 for the storage tank, and £4,850 for the oil burning apparatus and its installation in the vessels; making a total of £28,300 including freight etc. and the cost of erection in the Protectorate.

7. The total estimated cost of the new steamer, steam tug, and the requirements in connection with the adoption of oil fuel is therefore £47,520.

8. As stated in the 5th paragraph of our letter to you dated 24th November, we have ordered the

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oil wagons and the storage tank, and await the Secretary of State's instructions before ordering the apparatus and materials for conversion of the existing steamers for oil fuel.

9. We also await instructions with regard to the steamer and tug.

10. I would explain that the delay in furnishing this estimate has been due to the necessity of submitting particulars of the estimated weights and sizes of the various packages in which the vessels and their machinery would be packed for transport, in order that the shippers may give a reliable estimate for the cost of freight. This work involves much detail, and is unusual at this stage. It has been complicated, and the cost of freight much increased, by the present freight contract for goods to East Africa.

I have the honour to be,

Sir,

Your obedient Servant,

Plancher
for Crown Agents

S.E.T. C.G.

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SIR A. M. RENDEL, K.C.I.E.
E. ROBERTSON, C.I.E.
CIVIL ENGINEERS.

13, Dartmouth Street
Great George Street
Westminster, S.W.
5 JAN 12

TELEGRAPHIC ADDRESS,
"SUKKUR, LONDON."

18th December 1911.

TELEPHONE NUMBER,
POST OFFICE VICTORIA 65.

UGANDA RAILWAY.

REQUISITIONS NOS. 1353 & 1374.

TENDERS FOR CARGO STEAMER & TUG.

Gentlemen,

We have now to report on the tenders for the above.

2. You will remember that under the instructions contained in your letter of 5th October, and despatch from the Colonial Office dated 3rd October, we made special arrangements to expedite the preparation of specifications and plans for these steamers and other plant, in order that the sum of 220,000 mentioned in the despatch should, if possible, be disbursed before 31st March next. For this reason it was agreed that firms acquainted with the work and in the best position to tender with prompt delivery should be invited.

3. Messrs Bow, McLachlan were recommended by us as the most suitable firm to tender for the steamer and tug, and we reported on their tender in our letter dated 20th November, but as the tender exceeded the estimates, and we understand that for financial reasons the vessels could not be ordered at once, we recommended further tenders to be called for, and gave in our report of 20th November the names of five other firms from whom tenders could be invited, to which list we note you have added the name of Messrs

/Alley

THE CROWN AGENTS FOR THE COLONIES,
Whitehall Gardens, S.W.

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The Crown Agents for the Colonies.

Alley & MacLellan. None of these firms however, have sent in tenders except Messrs Thornycroft. Work is plentiful in the shipyards just now, and shipbuilders no doubt, prefer ordinary commercial or Admiralty orders to a special one of this nature for single vessels upon which there is some risk and not much profit.

4. The comparison of tenders therefore lies between Messrs Bow, McLachlan and Messrs Thornycroft, both of whom fill in full particulars and send in designs.

Carro Steamer.

Messrs Bow, McLachlan's tender F.O.B. Glasgow is £18,950 against Messrs Thornycroft's tender at £19,420, F.O.B. Southampton, a difference in favour of the Scotch firm of £470 at the cheapest Port. In addition to this, we consider Messrs Bow, McLachlan are offering better value, as they propose a vessel with 1 foot more beam, 50 tons more material in hull, larger engines indicating 100 more Horse-power and running at a slower speed than is offered by Messrs Thornycroft, whilst their delivery is 17 against 26 weeks of the latter firm.

5. The Colonial Estimate is £20,000 erected at the Lake, and Mr Grant's estimate of the cost of erection (which, we must say, we consider somewhat high) is £5,000, so that the estimate would be considerably exceeded even without freight, which must also be added. The estimate is probably based upon the cost of the ^{S.S.} "Nyanza" (£15,835), but as you may wish to send a copy of this report to Uganda we recapitulate the added requirements which make the present steamer more costly apart from the fact that wages and material are now at least 10% higher than when the "Nyanza" was ordered:-

The Crown Agents for the Colonies,

- (a) Additional "shelter" deck and fittings;
- (b) Oil fuel installation, pumps, etc.;
- (c) Greater beam to obtain displacement (50 tons more material);
- (d) Steel instead of wooden masts and derricks;
- (e) More elaborate cargo gear and rigging, additional steel derricks (3), and extra winches (2);
- (f) Steel jibs for cranes;
- (g) Larger boats and gear;
- (h) "Rubber" awnings.

The first two items alone would amount to about £1,500 extra. Against this may be set a single instead of a double screw, but we could not recommend a single boiler, as in the event of the oil fuel supply failing, one boiler - even if it could be made of a size to give enough steam and yet not be too heavy for handling "up-country" - would not be sufficient for wood fuel, and for other reasons discussed with Mr Grant we considered two boilers necessary. Mr Grant considers that the provisions of the specification cannot be reduced: they are the result of experience of working the other steamers on the Lake, and it would be false economy to curtail the efficiency of the steamer on the ground of first cost. The other alternative would be a smaller vessel altogether.

6. Messrs Bow, McLachlan in a letter dated 11th December offer to make a reduction of £710, if none of the machinery, derricks, cranes, and joiners work is fitted on board, and if the thickness of the "shelter" deck is reduced from $2\frac{1}{2}$ " to 2" and if Lloyds' classification and some other inspection of material is dispensed with. We are not favourably disposed to this proposal - money

/saved

aved here may easily be spent twice over when the steamer has to be erected, and it is probable Mr Grant will require to add something to his estimate for ~~the~~ erection, and further, omissions of this kind are apt to lead to disputes afterwards.

7. To sum up, therefore, we do not consider that you can obtain the vessel required from a firm having proper knowledge of such work, under about £19,000, F.O.B. British Port, which sum might be reduced by about £700 if Messrs Bow, McLachlan's suggestions are accepted. We should prefer to see the steamer ordered as specified, but would accept the proposals if that will enable you to settle the matter.

Steam Tug.

8. In this case the tenders differ considerably in price. Messrs Thornycroft offer a vessel with less beam, 18 tons less material in hull, smaller engines (100 less Horse-power) running at high speed than are offered by Messrs Bow, McLachlan, and further they only propose one boiler of the size offered for the Cargo Steamer, instead of two offered by Messrs Bow, McLachlan. The tenders

are: Thornycroft. £7,670, delivery in 35 weeks,
Bow, McLachlan 9,280, delivery in 17 weeks,
or £1,610 in favour of the Southampton

firm. Although Messrs Bow, McLachlan offer the better design, and the more powerful machinery and boilers, we hardly think the price they ask is justified, though we should not like to recommend Messrs Thornycroft's tender as it stands. We could negotiate with Messrs Thornycroft to see what better offer we could get if you wished. Messrs Bow, McLachlan sent two alternative offers:

(a) For tug as specified, with triple-expansion engines and two boilers, but without erection

of machinery etc. on board, and foregoing certain inspection as in the case of the cargo steamer. Tender £8,931 - reduction on original tender price of £349.

- (b) Tug as specified, but with compound engines of the same power (400 I.H.P.) and two boilers of the same size, but working at 120 instead of 160 lbs. pressure. Erection of machinery, etc. in hull and inspection to be dispensed with in certain cases as in previous offer. Tender £7,900 - reduction from original tender of £1,380.

This is still higher than Messrs Thornycroft's tender, but we should not like to recommend the latter with the one boiler and small power offered.

9. In any case neither of the tenders comes near the estimate, which is only £6,000 for ~~the tug~~, erected at the Lake, which, deducting Mr Grant's estimate of £1,000 for erection, only leaves £5,000 (excluding freight) which is quite inadequate for a vessel of this power and with the cargo hold required. The estimate is probably based on a smaller and different kind of vessel. Messrs Bow, McLachlan's offer (b) is the nearest now before us which we consider would meet Uganda's requirements.

10. As the estimated sum cannot now, in any case, be expended this financial year, so far as the steamers are concerned, you will probably wish to refer the matter of the Tug - at any rate - to the Colony, in which case, we suggest that a copy of this report, together with the tenders and drawings &c. be forwarded to Uganda for final consideration by the authorities there. **We return herewith tenders, drawings, etc.**

We are, Gentlemen,

Your obedient Servants,

C.A.
442. E. A. Protectorate.

Downing Street,

11 January, 1912.

DRAFT.

EAST AFRICA PROTECTORATE. No. 16

Governor

Col. Sir Percy Girouard,
K.C.M.G., D.S.O., R.E.

&c. &c. &c.

MINUTE.

Sir,

Mr. Butler, Jan. 9th 10

Mr.

With reference to your telegram

Sir G. Fiddes. 16 (38880)

Sir H. Just.

Sir J. Andersson.

Lord Emmott.

Mr. Harcourt.

No. 268 of the 2nd of December ~~and~~ ^{correspondence,} ~~and~~ ^{previous communications,} I have the honour to transmit to you, for your information, a copy of correspondence with the Crown Agents for the Colonies and with the Treasury with regard to the provision of new steamers for service on Lake Victoria, and the fitting of existing vessels to burn oil fuel.

2. You will understand that, in view of the serious excess over the original estimate disclosed by the tenders

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C.A. 27 Nov. 22
(37812)
to C.A. Dec. 1.
(on 37879)
C.A. Jan. 4.
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to Treasury
dft. herewith
to C.A.
dft. herewith
(3 drafts)

tenders actually received and of your inability to comply with the condition as to the provision of funds on the Estimates for ^{the year} 1912-13, I have been unable to approve of orders being placed for the cargo steamer and the steam tug required. I am in communication with the Lords Commissioners of the Treasury on the subject of the provision of funds for the purchase of these vessels, and I shall address you further on the subject when their Lordships have given their decision in the matter. In the mean time, as you will see from the correspondence, I have approved of the Crown Agents proceeding with the supply of the materials required in connection with the oil fuel installation ^{for} on the existing steamers.

I have, &c.



C.A. 442. E. A. Protectorate.

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Downing Street,

11 January, 1912.

DRAFT.

THE CROWN AGENTS

FOR THE COLONIES.

MINUTE.

Mr. Butler, Jan. 9th 10

Mr.

+ Sir G. Fiddes.

Sir H. Just.

Sir J. Anderson.

Lord Emmott.

Mr. Harcourt.

for Wilson.

Gentlemen,

I am directed by Mr. Secretary Harcourt to acknowledge the receipt of your letter W./Uganda Railway/1853 of the 4th of January relating to the provision of new vessels for the Lake steamer service of the Uganda Railway.

2. Mr. Harcourt is in communication with the Treasury as to the cost of the cargo steamer and the tug, and no further steps should be taken with regard to the supply of these vessels pending the receipt of further instructions

from

from this Office. He approves, however, of your ordering the apparatus and materials still required for the ~~con-~~^{or fitting} ~~adaptation~~ version of the existing steamers for to burn oil fuel, on the understanding that the total expenditure in connection with the adapting of the existing steamers for the use of oil fuel will be not more exceed than £8,300, including freight, erection. in the Protectorate, and all other charges.

I am, &c. It is understood from your letter under reply and from your letter of the 24th of Nov. that about £8000 of this amount will be expended by the 31st of March next.

I am or.

G. V. FIDDES

DRAFT.
The Secretary to
the Treasury.

Downing Street,
// January, 1912.

MINUTE.

Mr. Butler, Jan. 9th /10

Sir,

Mr.

I am directed by Mr. Secretary

- ✓ Sir G. Fiddes. 10
- Sir H. Just.
- Sir J. Anderson.
- Lord Emmott.
- Mr. Harcourt.

Harcourt to request you to lay before the Lord Commissioners of the Treasury the following statement relating to the provision of new vessels for the Lake Victoria steamer service of the Uganda Railway.

for consent
Agents to C.O. 24th Nov. 1911 (37812)
-do- 4th Jan. 1912. (442)

(29075)

2. In your letter No. 16521/11 of the 4th of September last the lords Commissioners of the Treasury ^{conditionally} approved of an expenditure of £33,000 on the provision of new vessels for this service

and on the fitting of existing vessels to burn oil fuel. The conditions on which the expenditure was approved were, *in effect,* briefly that of the total amount ⁴ £33,000 an amount not exceeding £20,000 might be spent from balances during the current financial year, provided that any expenditure which would not ordinarily come in course of payment during the year, or which was not of an urgent character, should be provided for in the Estimates in the usual way, and that the remaining £13,000, plus any part of the amount of £20,000 remaining unspent on the 1st of April next, should be provided in the Estimates for ^{the} year 1912-13 in the normal manner. It was also stipulated that no expenditure or estimate in excess of a limit of £20,000 for the new cargo boat and £6,000 for the new tug required should

be

be approved without their Lordships' previous authority.

3. These conditions were communicated to the Governor of the Protectorate by telegraph, and full instructions as to the details of the vessels required were given by him to Mr. R. Grant, the Assistant Locomotive Superintendent (Marine) of the Uganda Railway. On Mr. Grant's arrival on leave in this country early in October he was at once put into communication with the Crown Agents for the Colonies and their Consulting Engineers with a view to the preparation of plans and specifications and the ^{invitation of} calling for tenders. These preliminary preparations necessarily took some time, and it was not until the 24th of November that the Crown Agents were in a position to supply detailed estimates of the cost of the services which it was proposed to undertake. This they did

in

(tel. of 6 Sept. on Treasury 29075)

(on Gov. 31398)

^{of this date}
in a letter of which a copy is enclosed.

C.A.
(37712)

It appeared from that letter that the cost of the cargo steamer and of the steam tug would be greatly in excess of the estimate of £20,000 for the one and £6,000 for the other made by Sir P.

Girouard, and that there was in any case little prospect of any appreciable expenditure being incurred in the current financial year except on the oil fuel installation. At about the same time Sir P.

Girouard intimated that it would be impossible for him to provide on the ordinary Estimates for ^{the year} 1912-13 the balance of £13,000 required for the completion of the steamers, even if the sum of £20,000 were spent during the current financial year. In these circumstances Mr. Harcourt felt that he had no alternative but to require the Crown Agents to obtain competitive tenders for the cargo steamer and

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send to await Sir P. Girouard's explanations as to the financial position.

the tug with a view to ascertaining whether some reduction in the estimated cost could not be secured although this involved ^{the abandonment of} ~~the abandonment~~ of all hope of incurring any expenditure on these vessels during the current year and ^{the} ~~the~~ imposition of a corresponding burden on the finances of the year 1912-13. At the same time he felt that it was necessary to approve of the Crown Agents proceeding with ^{the} arrangements for the oil fuel installation, as it appeared that a substantial proportion of the expenditure on this item could usefully be undertaken without delay, and ^{the} ~~the~~ ^{part} ~~part~~ is now committed to the expenditure on ^{the steam} ~~the steam~~ service.

4. The Crown Agents have now reported, in a letter ^{dated} of the 4th January of which a copy is enclosed, the result of their endeavours to obtain competitive tenders for the cargo steamer and

the

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(442/12)

the tug, and have given a final estimate of cost for all the services contemplated. This estimate ^{compares} appears as follows with the original estimate on which their Lordships' approval was sought:

Original Estimate. Present Estimate
based on tenders
received.

Oil fuel installation.	£7,000	8,300
Cargo steamer, 20,000		27,300
Steam tug	<u>6,000</u>	<u>11,920</u>
Total	<u>£33,000</u>	<u>£47,520</u>

5. With regard to the oil fuel installation, it appears from paragraph 5 of the Crown Agents' letter of the 24th of November that the sum of £300 estimated to be required for the erection of the oil storage tanks in the Protectorate will not be required this financial year, and that the amount of ^{£1500} ~~£15,000~~ ^{actual} required for the erection of the oil fuel installation in the existing steamers will possibly be spread over

three

three years. It may, therefore, be assumed that a sum of about £6,000 only, namely, the ^{contract} ~~contract or tender~~ price of ^(a) the tanks, ^(b) the wagons and the oil ^(c) installation, ^(d) free on board in this country ^(e) plus the cost of the freight ^(f) and of the oil ~~engine~~ wagons and of their erection in the Protectorate, will be spent in the current year, leaving the amount of £2,300 to be spent on this item in 1912-13, or possibly to the extent of ^{some} either £500 or £1,000 in succeeding years.

6. The reasons for the excess ^(37812/n) of the cost of the cargo steamer and the tug over the original ~~estimate~~ ^{given} are indicated in the letters from the Crown Agents and the reports of their Consulting Engineers. ^{It is} They explained that the ^{for} call ~~of~~ competitive tenders has not had a more satisfactory result because work ^{in the shipyards at present} is plentiful and the ship-builders prefer ordinary commercial or Admiralty orders

£700
 (a) 697
 (b) 2350
 (c) 3040
 £6087
 (n.b. this cost of the contract is the letters corresponding in the fact sheet not to be copied)
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orders to a special order of this nature for single vessels upon which there is some risk and not much profit. ^{It is} They stated also that wages and material are now at least 10 per cent higher than when the vessel "Nyanza" was ordered, on the cost of which it appears that the estimate for the ^{cargo} Uganda steamer was based. It will be seen also that certain additional requirements and accommodation are asked for by the Protectorate ^{Govt's} authorities in ~~connection with the steamer~~ and that Mr. Grant considers that the provisions of the specification cannot be reduced, ^{inasmuch as} on the ground that they are the result of the experience of working the other steamers on the Lake and that it would be false economy to curtail the efficiency of the steamer on the ground of first cost. ^{He} It ^{the} Consulting Engineers ^{express the opinion} would ~~see~~ also that the original estimate for the tug ^{was} must have been based on the

cost

cost of a ^{vessel} smaller ^{than} and different vessel ~~from~~ from that which is now required.

DRAFT.

7. The total cost of the services contemplated is now placed at £47,520, including freight and re-erection in the Protectorate, as against an original estimate of £33,000. It has been indicated above that ^{some} £6,000 of this amount will probably be expended on ^{the} oil fuel installation within the current financial year, leaving an amount of £41,500 ^{in round figures} to be found in 1912-13, or, £41,000, ^{if} allowance is made for ^{the possibility that} allowing for some part of the ~~local re-~~ ^{cost of the} ^{actual} erection of the oil fuel installation ^{on} ^{existing steamers may not all be incurred} ^{the year} not taking place until 1913-14.

8. Mr. Harcourt much regrets this excess over the original estimate, but he is not prepared to say, in view of the explanations afforded by the Crown Agents and the Consulting Engineers, that the cost is excessive for the vessels

vessels actually required, and he is not prepared to recommend that comparatively ^{small} trifling savings on the ^{revised} Estimate should be effected by certain economies indicated in the Consulting Engineers' letter of the 18th of December, ^(in C.A. 442) whereby it would appear that the efficiency of the vessels for the purposes for which they are wanted might be considerably impaired. The urgency of the provision of these vessels has been fully explained to their Lordships in Sir P. Girouard's despatch No. 347 of the 24th of June and (23403) in the letter from this Office of the 12th of August ^{last.} Any postponing ^{ement} of their provision would clearly interfere very seriously with the working of the Uganda Railway, the receipts from which ^{continue to increase rapidly,} are increasing by great strides as their Lordships will see from the Estimates for ^{the year} 1912-13 which are about to be presented to them, and would also ^{check}

~~interfere~~

^{check}
~~interfere with~~ the anticipated outflow of produce from Uganda in connection with which their Lordships have approved of the construction of the Jinja-Kakindu Railway and of the provision of new vessels for service on Lake Kioga. It will be clear to their Lordships when they receive the Estimates for 1912-13 that it is ^{an impossibility} ~~altogether out of~~ ^{to find} ~~the question for~~ the amount of £41,000 required, or any part of it, ~~to be found~~ within the limits of the half and half principle as at present applied to the Protectorate Estimates, and Mr. Harcourt will, therefore, have no alternative but to make a special proposal to their Lordships for its provision. This will be done in the letter covering the Estimates for the coming year. ^{which will shortly be addressed to you.}
 I am, &c.