

EAST AFR. PROT.

C O
6850

REC'D
MAR 12

6850

own Agents

Date.

1912

17 March

at previous Paper.

6 a
5202

L. MAGADI SCHEME
INSPECTING ENGINEERS

States that the inspection of materials was resumed on the 21st February. Requests instruction as to the remuneration of Messrs Rendel and Robertson.

W. Read.

We have got to consult Sir P. Girouard as to the postponement of items in the Ests. to meet this expenditure. I would therefore let him express an opinion on the reasonableness of the remuneration proposed in C.A. 2225. It will hardly be possible to question the 17% on the value of the materials actually inspected. Whether £500 as personal remuneration to the C.E. is justified depends rather on the amount of work which they have put in, prior to this inspection.

Magadi scheme was sent to Sir P. Girouard on 10 June 1912. Copy comes for Sir P. Girouard on 10 June 1912.

subsequent Paper

16969

Advise
to medical after being
fully acquainted with
to facts of the case, is
satisfied that the candidate

question is physically
fit for the appointment

In the event of the
candidate being finally
engaged, a copy of his
report should be sent
to the Prot. file.

2

of materials, without getting anything for it. They claim that the amount of such work is considerable (see enclos. in ^{C.A.} 225).

? Wait for Sir P. Girouard.

J.P.B.

March 6.

at once.

H. J. R.

of the

I consider the double inspection charges a waste of public funds & unnecessary. I think the proposals set forth in the Royal Institution letter of the 16th Feb. would meet the case - I should like a meeting between Mr. Robertson, Mr. Henderson & myself to finally settle the matter - I am available any day this week.

254

H. J. R.

W. Read.

If we give up the use of an inspecting engineer, we shall probably have to abandon any right of rejection locally. See my minute of the 19th of

February on ^{C.A.} 4532, written after W. H. H. had called. I believe that Sir P. Girouard does not attach great importance to the right to reject 138 locally, & the C.G. apparently do not. See the last sentence of their letter of the 16th of Feb. in ^{C.A.} 5202.

But we must remember that the right to employ an inspecting engineer was put into the contract as a safeguard to Govt., & we shall have to reckon with the Treasury if we are going to abandon that safeguard.

It ~~will~~ ^{may} also be found (see the 1st enclosure in ^{C.A.} 5202) that the major part of the expense of employing an inspecting engineer has already been incurred.

I agree that a conference is the best way of settling the question; but I think that the conference should

take place here, in view of what I
have said at A.

JAB

April 29.

Yes.

at mee.

H. J. R.

29/IV

Meeting arranged for Thursday, May 2,
at noon.

JAB

ap. 30

W. Read -

You will remember that, at this
meeting, the Engineers made a great
point of the fact that the Magadi Soda
Co. are not constructing the railway
themselves, but have let the contract
for it to Messrs Paulings. They Company
employ Messrs Livezey, Sims, &
Henderson as their Inspecting Engineers
to see that Messrs Paulings build

the line in accordance with the plans &
specifications which have been passed by
the Govt. They do not stand to save any
money if materials or construction fall
short of the plans & specifications, as
they might if they were actually constructing
the line themselves. Their interests vis-à-
vis the actual constructor are, in fact,
identical with those of the Govt., and
the ^{Inspecting} Engineers whom they are employing
are of sufficient standing to justify
reliance on their verdict. In these circum-
stances, both Sir P. Girouard & Mr.
Robertson (of Messrs Rendel & Robertson)
were clearly of opinion that it was a
waste of public money for the Govt. also
to employ an Inspecting Engineer.
We reminded them that the Treasury
would have to be consulted as to the
foregoing & a safeguard provided in the
contract of the terms of which the Treasury
had approved; that the Magadi Soda

C^o might, for purposes of their own, insist on a Capt. Inspecting Engineer being employed, as apparently they have the right to do under the actual wording of the Contract.

It was arranged that Sir P. Girouard should see representatives of the Magadi Soda C^o, with representatives of both firms of Inspecting Engineers, the next day, & should then make some final recommendation in the matter. Nothing has come from him since. I have reminded him ^{verbally} about the arrangement several times, and have today, at his request, sent him a written reminder.

As so much time has elapsed, I think it desirable to put these facts on record.

JAB.

S-R

May 22.
If we do not hear from Sir P. G. within the next week. Reminded at once.
H. J. R. 22/5 next

~~Mr. Currie~~, Sir G. Fildes

Mr. Currie came to see me yesterday and urged that we should now take off the Government Inspecting Engineer. He expressed himself ~~directly~~ ^{forcibly} as to the waste of Government money which the employment of such an Engineer involves. I ascertained that neither he nor Sir Percy Girouard had seen representatives of the Magadi Soda Company as arranged at our interview with Sir P. Girouard on the 2nd of May. We are, therefore, not a step further forward than we were when that interview took place. We are all satisfied, I think, that it is a waste of money to go on employing the Engineer. It is a question of obtaining the concurrence of the Treasury and the Magadi Soda Company. It is now quite evident that, if ~~anything~~ is to be done, we shall have to take the initiative ourselves, and I said so to Mr. Currie.

I now submit a draft to the Treasury. I do so with some misgiving, as it is quite possible that we shall have difficulty with them in the matter of foregoing, or ^{apparently} partly foregoing, safeguards provided under the contract. But I do not see how we can ignore them in the matter. They approved of the contract as it stands, and we have in addition mentioned to them in connexion with the estimates for the current year the necessity of providing for the cost of employing an Inspecting Engineer. On both grounds, therefore, they might reasonably hold that they are entitled to be consulted.

If we are to consult the Treasury at all, it is clearly better to do so before we approach the Magadi Soda Company. If we made our proposal to the Company

first

first and then the Treasury raised difficulties about it we should look extraordinarily foolish.

See C.A. 16767 as to the remuneration of the Consulting Engineers for the period during which they have been acting as Inspecting Engineer.

JAB.

June 5.

H. J. R.
5/VI

Sir J. Anderson

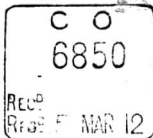
In my opinion this is a matter for the D. G. and it will be a bad precedent to put the Treasury what is essentially an administrative question. It has therefore not passed the D. G.

P.S. 6/6
I agree. To Company.
Wmcl
W. B. G.

283/20

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

TELEGRAMS, "CROWN, LONDON."
TELEPHONE 1852 VICTORIA.



WHITEHALL GARDENS,
LONDON, S. W.

4th March 1912

Sir,

2 a In reply to your letter of 20th February
No. 4532/12 approving the continued employment
of Messrs. Rendall & Robertson as the "Inspecting
Engineer" under clauses 18 and 19 of the contract
for the Construction of the Magadi Railway, I
have the honour to inform you that inspection
of the materials was resumed on the 21st February.

b. a
2425

2. The question of Messrs. Rendall &
Robertson's remuneration for this work is still
outstanding and I have therefore to request the
Secretary of State's instructions with regard to the
proposals set out in our letter of 22nd January
last.

I have the honour to be,

Sir,

Your obedient Servant,

for Crown Agents

The Under Secretary of State,

&c &c &c,

Colonial Office

C.A. E. A. Protectorate.
6850

*Cancelled:
See minutes*

Pressing

Downing Street,

June, 1912.

DRAFT.

The Secretary
to the
TREASURY.

Sir,

MINUTE.

Mr. Butler, June 5th.

Mr. Read, 5

Sir G. Mr. Fiddes.

Sir H. Just.

Sir J. Anderson.

Lord Emmott.

Mr. Harcourt.

for conon

Contract.

dated 13 April 1911

I am directed by Mr. Secretary

Harcourt to request you to call the at-

tention of the Lords Commissioners of

the Treasury to the remarks on the sub-

ject of the employment of an Inspecting

Engineer in connexion with the railway

to Lake Magadi made under Head 19, Mis-

cellaneous Services, of the Memorandum

on the Estimates of the East Africa

Protectorate for the current year, which

accompanied the letter from this Office

of

C.A. E. A. Protectorate.
6850

*Cancelled:
See minutes.*

Pressing

Downing Street,

June, 1912.

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The Secretary
to the
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Sir G. Mr. Fiddes.

Sir H. Just.

Sir J. Anderson.

Lord Emmott.

Mr. Harcourt.

for conon

Contract.

dated 13 April 1911

I am directed by Mr. Secretary Harcourt to request you to call the attention of the Lords Commissioners of the Treasury to the remarks on the subject of the employment of an Inspecting Engineer in connexion with the railway to Lake Magadi ~~made~~ under Head 19, Miscellaneous Services, of the Memorandum on the Estimates of the East Africa Protectorate for the current year, which accompanied the letter from this Office

of

of the 18th of January last.

(in Gov. 40862)

2. As their Lordships are probably aware, the Magadi Soda Company are not constructing the railway themselves but have made a contract for its construction with Messrs Pauling and Company. The Magadi Soda Company employ Messrs Livesey, Sons, and Henderson as their Inspecting Engineers to see that the Contractors construct the line in accordance with the plans and specifications which have been approved by the Government of the Protectorate. The Magadi Soda Company ~~therefore~~ ^{thus} are not in a position to save money if the materials and construction fall short of the plans and specifications, as they might if they were actually undertaking the work of construction themselves. Their interests in the matter are, in fact, identical with those of the Government, and the Inspecting

Inspecting Engineers whom they are employing are of sufficient standing to justify complete reliance on their judgment. In these circumstances, Sir P. Girouard, Mr. Currie, the Manager of the Uganda Railway, and Messrs Rendel and Robertson, who have up to the present been employed as the Government Inspecting Engineer, are clearly of opinion that it is a waste of public money for the Government to employ an Inspecting Engineer, and that the Government can safely rely upon the certificates of Messrs Livesey, Sons, and Henderson in respect of the materials which would, under clauses 18 and 19 of the Contract of the 13th of April, 1911, ^{in ordinary circumstances} ~~normally~~ ^{have} been submitted to an Inspecting Engineer appointed by the Government.

3. It appears, ^{however,} ~~therefore~~, from the wording of clause 18 of the Contract

that

that the Magadi Soda Company can, if they so desire, insist upon the inspection of the materials by an Inspecting Engineer appointed by the Government.

The question of dispensing with the Government Inspecting Engineer was under consideration in February last, and the Magadi Soda Company then stated that they could not agree to the discontinuance of inspection in this country on behalf of the Government under clauses 18 and 19 of the Contract, and that, if it were decided to discontinue such inspection, the Company would call in question the right of the rejection of materials in the Protectorate under clause 9 of the contract, and would, if necessary, go to arbitration on the point. It would thus appear that the Company would be willing to concur in the discontinuance of inspection in this country on behalf of the Government if

they

(minutes on C.A. 4532)

DRAFT.

they were guaranteed against the rejection locally, under clause 9, of any materials which would in normal circumstances have been submitted to the Government Inspecting Engineer in this country. Mr. Currie is clearly of opinion that clause 9 of the Contract was not in any case intended to apply to materials already passed by the Government Inspecting Engineer and ^{state} that he would never have held himself entitled to exercise his power of rejection in respect of such materials.

4. In all the circumstances, Mr. Harcourt considers it desirable, with the concurrence of the Lords Commissioners, to inform the Magadi Soda Company that it is proposed to dispense with the services of a Government Inspecting Engineer, and that, if this

course

course is adopted, it will be understood that the right of rejection conferred by clause 9 of the Contract does not apply to any materials from this country in respect of which Messrs Livesey, Sons, and Henderson, in their capacity as technical advisers to the Company, have given a certificate of approval.

5. I am to request that an early reply may be sent to this letter in order that the unnecessary expenditure, which is now being incurred on the employment of an Inspecting Engineer, may be stopped as soon as possible.

6. A copy of the contract of the 13th of April, 1911, is enclosed for convenience of reference.

I am, &c.

C. D.
R. []
D. []

C.A.
6850

E. A. P.

145

1341

Ans a 18345

8 June 1912.

DRAFT.

Secretary,
The Magadi Soda
Company, Ltd.

MINUTE.

- Mr. Butler June 7
- Mr. Read 7
- Sir G. Fiddes.
- Sir H. Just.
- Sir J. Anderson.
- Lord Emmott.
- Mr. Harcourt.

Sir,
I am directed by

Mr. Secretary Harcourt
to inform you that
he understands that
the Magadi Soda Company
Ltd., have entrusted
to Messrs Pauling and
Company the construction
of the railway con-
templated in the contract
between

Copy for 302. 10 June 12

It also on C.A.
16767

between the Company
and the Govt of the
E. A. P. dated the 13th
of April 1911, and that
they are employing
Messrs Liversay, Sons,
and Henderson as
their Engineers for the
purpose of supervising
the construction execution
by Messrs Pauling and
Company of the contract
into which they have
entered for the
construction of the line.

2. In these circumstances,
Mr Harcourt proposes
to

146
to dispense with the
services of the Inspecting
Engineer appointed by
the Govt under the
contract dated the
13th of April 1911 ~~and~~
if this course is adopted,
he is prepared ~~in this~~
~~connection~~ to arrange
that it shall be under-
stood that the right
of rejection conferred
upon the General Manager
of the Uganda Railway
by clause 9 of the
contract does not apply
to any materials from
this country in respect
of which Messrs Liversay,
Sons,