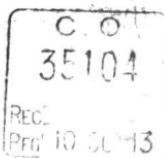


EAST AFR PROT

35104



Kenchir P.D.

1913

9 Oct.

Last previous Paper

Railway
Steam Coal Trade, 1913.

Inclous part of letter. Submits that terms are so specified as to allow a monopoly to exist to the detriment of the outside trade & prof. Suggests how difficulty might be overcome

Ack say that the matter is being referred to the for² for report - & copy of ans^{ce} to the for² for report at once.

H. J. R.

10/10/13

(68,151) WL 20 807-58
41,000, 11/12, C.W.

Next subsequent

43934

C.O.
35104

21

15 Gordon Street,

GLASGOW, 9th. October, 1913.

Sir,

UGANDA RAILWAY, - STRAN COAL TENDER 1913.

I confirm conversation with Mr. Read, and now enclose text of the above mentioned tender.

My point is, that the terms of the contract are so specified as to allow a monopoly to exist to the detriment of the outside trader and the Government.

On 10th. July., Mr. Robert Love of Blantyre, tendered coal to the Uganda Railway, through Messrs. J. & A. R. McCrae of Nairobi, at the price of 25/- per ton, cost, freight and insurance, Kilindini, provided discharge could be arranged at the rate of 250 tons per day.

McCrae submitted the offer to the Railway Authorities, and at the same time communicated with Messrs. Smith, McKenzie & Co., the Lifter Owners. This firm replied that the best discharge that could be given was 175 tons per day, provided four hatches were worked, and proportionately less if fewer hatches available.

This practically meant the withdrawal of Love's offer, or an increase of at least 4/- to 5/- in price. The main hatches of steamers of 3/4,000 tons capacity (which was the size in view) often contain about 1200 tons, and based on the above figures of 44 tons per hatch per day, it was possible, in fact probable, that the boats might be detained more than six weeks in discharging!

At this time, I am led to understand, Messrs. Smith, McKenzie & Co., in combination with the British East Africa Corporation, quoted the Railway Co. on terms which allowed vessels to discharge at the rate of 250 tons per day, without any /

any restricting clause as to hatches.

25

In this connection, McCrae writes to Mr. Love:-
"The original C.I.F. quotation certainly interested the Railway Authorities, and I am convinced that your price was lower than any other."

It is obvious, therefore, that by specifying in the tender, that coal should be delivered on the shore, the Railway Authorities are placing themselves in the hands of the lighter owners. This difficulty could be overcome by the issuing of two tenders,-

Firstly: for the discharge, lighterage, and landing,

and

Secondly: for the Coal, C.I.F. Milindini, and I respectfully suggest to Mr. Secy., As permt that the "Andhra Railway" etc to be so advised, to enable traders to have "complete freedom" in the port.

I am, Sir,

Your obedient Servt,

Jameson Phulker

Mr. Colonial Office Operator booked the Coal
Shuttle McKenzie 186 by sea and got back to
Galibagh.
No freight inquiry on the Coal loaded on Jr.
230 ton sailing with no hold claim.

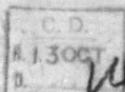
100K

To the Under Secretary of State,
Colonial Office,
LONDON.

K. 35704/1913

Recd.

26



S 35

DRAFT.

15 Octr. 1913

P. D. Kinchin Esq. sir,

I am directed by Mr.
Secretary Harcourt to ac-
knowledge the receipt of your
letter of the 9 of October
~~and to inform you that~~
on the subject of
arrangements for
supply of coal

Uganda Railway,

to inform you that

the matter is being
brought to the notice of
refused to be given
as a witness
of the Bar. (for him)

report on the question

J.

*4