

EAST AFR. PROT.

C. O.
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Kinshin P.D.

1913

9 Oct.

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Railway -
Steam Coal Tender, 1913.

Encloses part of tender. Submits that terms are to be specified as to allow a monopoly to exist to the detriment of the outside trader & port. Suggests how difficulty might be overcome

ack may that the matter -
being referred to the Gov^t for
report - a copy of concept^{ce} to
the Gov^t for report D.T.

at once

H. J. R.

10/2/13

10 Oct 8
10007 - 10008 for 87 case of 15 Oct.
10007 - 10008

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

Next subseq

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C. O.
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15 Gordon Street,
GLASGOW, 9th. October, 1913.

Sir,

UGANDA RAILWAY, - STRAY 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, a Mr. Robert Love of Glasgow 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 Lighter 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.

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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, lightering, and landing,

and

Secondly: for the Coal, C.I.F. Mombasa, and I respectfully suggest to Mr. Secy. that the Uganda Railway should be so advised, to enable traders to enjoy "complete freedom" in the port.

I am, Sir,

Your obedient servant,

Edmund P. P. P.

*The British East Africa Corporation asked the British
South Africa Co. to be arranged with the
to freight enquiry on the British London and for
230 ton discharge with no hatch claim*

W.K.

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

K. 35704/1913

East Afr.

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15 Oct. 1913

DRAFT

P. D. Kinchen Esq.

Sir,

I am directed by Mr. Secretary Harcourt to acknowledge 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 has been brought to the notice of the Government of the East Africa and Uganda Protectorates

report on the question

J

M. N. 13/10/1913
Mr Bottomley 13.10.13

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