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Date

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24 Jan 3

last previous Paper

Messrs. Gunther, Springer & Co's appl.

Grain Elevator + Pier at Kilindini

eterno. as to proposals

Mr. Read agrees that this should be
laid before the Concessions Clé.

Tab.

Jan 24

at once.

No Butter

This paper was brought before the
Finance Committee at the South African
Meeting of 1911 held on 30 Jan. The
minutes of that meeting have still circulation
to the members of the Committee for
approval, but as I understand that this paper
is required immediately, I have send it on
with the appropriate extract attached.

S.A.R. 3/2

See now G

22/1 2/2 3/2 3

Extract from the Minutes of the
British Council Meeting of 1881 held
on Tuesday 30 Jan 1881 318

Subject: Grain Elevator and Dock Water
and Fisheries.

The Governor expressed his opinion that
Messrs Spencer are reasonable and trustworthy people.
They had exhibited a fully detailed scheme, and in
this connection had a drawing with complete plans,
which he saw in their Engineers Office. These
plans were prepared by a competent engineer (an
engineer of Messrs Spencer) and ^{will} be of use to the
Government when the question of the construction of a
deep water pier comes up, for consideration. Hence
Spencer's scheme for the erection of a grain elevator
will not be affected if it is decided that the dock water
is to be built by the Government - they only
proposed to undertake the work if the Government did
not do so. The guarantee of £1000 was asked in view
of the fact that the Government were to make a consider-
able saving on lightage if the pier were built. It
was agreed that action regarding the elevator would
have to be deferred pending a decision as to the
construction of the pier and as yet Mr. Spencer had not
yet laid any definite proposal before the Secretary
of State the Committee recommended that

"The Governor should inform Messrs Spencer
privately that the proposal for the installation of
a grain elevator cannot be considered at the present
time; but that the question can again be put forward
when a decision has been taken in the matter of the
deep water pier." The Governor promised to place on
record how matters stand at the present time, by means
of a memorandum addressed to the Under Secretary of State.

✓ M.R. 306

M E M O.

3. Messrs. Kinchin, Spencer & Co.

W.P.
Application for permission to erect a
Grain Elevator and Deep water pier at
Kilindini.

Mr. Kinchin, acting I believe on behalf of Messrs. Spencer, large manufacturers of grain elevating machinery, visited me in East Africa with a view to ascertaining whether Government could support a proposal for the installation of a Grain elevator of large capacity at Kilindini. He was informed that, provided no financial obligations were placed upon Government, I would welcome the addition of any such plant for giving facilities to the port, and that land on the usual terms could be allotted for its erection.

On my arrival in England Mr. Kinchin, with the Engineer of Messrs. Spencer, informed me that the Grain elevator could not be worked successfully without a Deep Water pier, and requested my views as to whether Government could grant a concession for a Deep Water Pier and under what conditions. I asked him to definitely formulate his proposals, and he called upon me again on Saturday last with a representative of Messrs. Spencer., and two leading Glasgow Merchants.

The cost of the Elevator was put down at £70,000, and of a Deep water pier for two berths, at £100,000, and full drawings and estimates were submitted.

The intending concessionaires proposed that Government should guarantee £4,000 per annum on the pier, and that in so far as the Elevator was concerned, a monopoly of 25 years should be granted at certain rates, the charges

of the latter to be determined from time to time by the tonnage of grain handled at the port. The elevator itself would have a capacity of 6,000 tons.

It was the opinion of the concessionaires that the change from lightersize to Deep water wharfage at Kilindini would result in a large saving to Government. This the General Manager estimates will attain within the next few years £4000 per annum.

I informed the deputation that it was extremely unlikely that any Government guarantee could be given and that the most they could expect was a reasonable expropriation clause. Such a course they stated would ruin all chances of proceeding with either the Elevator or the Deep water pier. I am however making certain proposals to the Secretary of State on the question of deep water wharfage at Kilindini, and I am assured that should any such plan materialize, there would be every probability of their proceeding with the Elevator.

24 Jan 1911