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(Subject)

Blair's Service to East Africa

In view of the fact that we are not able to submit a proposal in due season it would be advisable to postpone without any substantial reduction for the work under an other of our past contracts a regular service for a period of 2 years.

(Answer)

Blair's

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 what other reply we would expect to have received from the Director who are business men

Wait for the reply for the length of time -

TYPE

Blair's

No answer

Wait

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British India Steam Navigation Company Limited



REC'D
MAY 07

Thurgate
London, 7th May, 1877.

Sir,

I am instructed by the Directors of the British India Steam Navigation Co. to acknowledge the receipt of your letter of 28rd instant, and, in reply, to say that they have given Lord Elgin's proposal their closest consideration, but they feel they could not commit the Company to an arrangement such as suggested for the period of five years, which would involve an expenditure of not less than £700,000 in working expenses, wholly apart from the cost of steamers and other capital charges, without some adequate remuneration for a service which would prove onerous - In the absence of such freight and passage money which the district to be served does not seem to be capable of providing either out or home. The proposal put forward in your letter, you are no doubt aware, gives no assurance of any degree of support, while it proposes to bind the Company to maintain services whether remunerative or not.

In these circumstances the Directors regret they do not see their way to submit a proposal in response to Lord Elgin's letter.

I am to mention that the British India Company has been running steamers to the East coast of Africa for over thirty five years, and the experience gained and the facts ascertained lead the Directors to believe that without some extraneous support it is impossible to maintain a regular Steam service out and home to that district.

They will continue to watch the development, but in the meantime it appears to them the cargo requirements of the East African Proterate will be sufficiently served by continuing as

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they have done for some time past to employ direct steamers at intervals when there is sufficient trade to warrant their doing so, leaving the steamers free to come home from any Eastern port where a suitable freight is offering.

I am to add the Directors are anxious to cultivate the trade to and from East Africa, having been the pioneers in the trade, but without some substantial subsidy it would, in the Directors opinion, be extremely hazardous for the Company to come under an obligation to run and maintain a regular service for a period of five years.

I have the honour to be, Sir,

Your obedient servant,

John Bull
Secretary

The Under-Secretary of State for the Colonies,
Downing Street, S. W.

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