

EAST AFR. PROJ

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R. 25 NOV 19

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Copolite  
and Public  
Works Co Ltd

1919

New

previous Paper.

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050

## Masin - Gishu Railway

Propose to send out a senior engineer to check estimates & prepare to base offer on lines  
 1) C.A. to supply all necessary materials  
 2) Work should be carried out under direction of Govt Engineers.

In Reply Dr. J. Fisher  
 The papers are to be returned  
 with the original  
 Dft submitted.

There is much in the letter that is not clear to me, but by examining the indicated in para: 3 of the dft I did not refer to them further - except to say that S(C) - please see one end of the documents between Dr. G. Fisher & Mr. Scott (I have both Paulings) and from Enlarger yesterday. My note of the documents is with Dr. G. Fisher who has been over the bill on the subject.

CAL 26/11/19  
 H JH 26/11

next subsequent Paper.

7007  
67268

Ch. Amey

In connection with the  
has with the my with (attached) of  
disposition with Parking & Administration

to  
H. B. [unclear]  
[unclear]

Dec 28/11

The next way to be taken, which would  
be to [unclear] the [unclear] have been  
in from [unclear]. We ought also to get  
out of him what financial grounds he  
will work with.

The suggestion of a private Co. the first  
holding the ordinary shares and buying  
the [unclear] in [unclear] sounds possible.  
It might even be possible to give the [unclear]  
a [unclear] shareholding interest, or even  
some preference shares, or an [unclear]  
to [unclear].

Dec 4/12

3, CENTRAL BUILDINGS,

WESTMINSTER, S.W.1

19th November, 1919.

The Under-Secretary of State for the Colonies,  
Colonial Office,  
S.W. 1.

Sir,

UASIN - GISHU RAILWAY.

With reference to the above, I am taking steps to ascertain what the actual cost would be to construct and complete this work.

With a view to submitting to you a lump sum offer for such work, my firm would be prepared to take payment in an approved Bond or Debenture; or, possibly, a Debenture secured on the Railway.

In pre-war days, in view of the fact that my firm carried out extensive works in Africa, they would have been in a position to have given you a lump sum offer within a few days, but so many changes have taken place, owing to the war, that they prefer despatching immediately one of our senior engineers accustomed to that class of work to check our estimates on the spot. Before doing so, however, I shall be glad to hear from you whether there will be sufficient time to enable this to be done should it be found necessary. For your information, however, I hope that this may be settled by cable.

I propose basing an offer on the following lines:-

1. That the Crown Agents should supply all the necessary materials.
2. That the work should be carried out, of course, under the direction and to the complete satisfaction of the Government Engineers.

I should be grateful, however, should you be making any other arrangements, if you would let me know, so as to save unnecessary work and expense, as the preparation of estimates of this kind costs a considerable amount of money.

I am, Gentlemen,  
Your obedient servant,

For NORTON GRIFFITHS & CO., LTD., and

METROPOLITAN TUNNEL & PUBLIC WORKS CO. LD.

*Walter Griffiths*

Downing Street,

10<sup>th</sup> December, 1919.

Sir,

I am directed to inform you that a reply to your letter of November 19th, regarding the proposed Uasin Gishu railway, has been deferred pending the receipt from the Officer Administering the Government of the East Africa Protectorate of an estimate of the cost of construction on a post-war basis which he had been asked to furnish in revision of the estimate prepared by the General Manager of the Uganda Railway on the completion of the survey in 1915.

2. This revised estimate has now been received, and the cost of the railway from Nakuru to Mumias (205 miles) is put at 22,443,000. This covers provision for new 50 lb. rails but not

for

DRAFT.

Lieut. Col.  
 Sir John Norton Griffiths,  
 K.C.B., D.S.O., M.P.

MINUTE.

Mr. *Bohannon* 5/12/19

Mr.

Mr.

Mr. Grindle

Mr. H. Lambert

Mr. H. Road 5/2/11

Mr. G. Eddles 5

Mr. Anery *(initials)*

Mr. Mslner

Post 5011

*Handwritten notes:*  
 Please to original of  
 to the attention  
 of Mr. G. Eddles

for rolling stock.

3. With regard to the last paragraph of your letter, I am to explain that, in view of the importance of the railway, other alternatives for the finance and construction of the line are being considered, but that there is no reason on that account why the discussion of the project with your firm should not continue. In the circumstances, however, and in view of the fact that a revised estimate of cost has been furnished, you will no doubt decide not to send out an Engineer at present.

I am to add that it will be convenient if you would explain more fully the arrangements indicated in your letter, particularly in regard to the following questions:-

- (a) Does the lump sum offer referred to in the second paragraph relate to the entire cost of construction, or
- (b) Does it relate only to the expenses of the engineering and supervising staff, the Protectorate Government being left to make, through the Crown

Agents for the Colonies, separate arrangements for financing the cost of materials, freight, and local labour?

(c) In the former case, is it your intention that the capital found by your firm should remain locked up pending the maturity of the Bond referred to in the second paragraph of your letter, or do you contemplate that the security to be given you should be in a form capable of issue to the public, and if so on what terms do you anticipate that such an issue could be made?

5. You will be aware that as the East Africa Protectorate is not legally part of His Majesty's Dominions it is impossible for the Protectorate Government to take advantage of the provisions of the Colonial Stock Act.

6. I am, in addition, to enquire with what financial interests you would be associated if you undertook the work.

I am, &c.

(Signed) H. S. READ.

Downing Street

// December, 1919.

Dear Sir John Norton Griffiths,

103

You asked yesterday for some information about the Uasin Gishu plateau and generally about the country through which the proposed railway would run. I can find nothing in a convenient form, but the following may be of assistance to you.

The line would leave the Uganda Railway at Nakuru (say 6,200 feet) and would at once pass through country which has already been settled. About mile 45 (say 6,800 feet) it would reach the Jarra Eldama Forest which according to official reports received in 1907 was of very great value.

The steep climb then begins and the route reaches its highest level (8520 feet) at mile 76½. Eldoret, the chief place on the Uasin Gishu plateau is at mile 122½, height about 7000 feet, and the direction of the line then bears Westward and South-westwards gradually falling to Mumias (width 5 height about ).

It.

LIEUTENANT COLONEL SIR JOHN NORTON GRIFFITHS, K.C.B., D.S.O., M.P.

is difficult to say where the area for  
open settlement ends and the area of  
irrigation cultivation begins, but certainly not  
less than, say, 135 miles.

It may be taken that the whole  
plateau north of Eldoret is already settled,  
and a good deal of the Trans-Nzoia district,  
and that some hundreds of thousands of acres  
of the latter has not been allotted under our  
Frontier Settlement Scheme. The Nzoia River  
at its nearest point to Eldoret is about 25  
miles to the north west, and its height is  
about 5800 feet. Thence the country  
descends gradually to the foot of <sup>Mount Elgon</sup>  
and geographically this Trans Nzoia district is  
part of the Uasin Gishu plateau.

Settlement of the plateau has been in  
progress for 10 or 11 years but has been hampered  
chiefly by lack of communication. I attach an impression  
of the country by the Acting Governor in May 1918.  
Some figures, prepared early this year, as to  
production. They are already out of date, as  
there



there has been very great activity in flax growing in the Eldoret district. But the possibilities of the country for such crops as wheat and maize cannot be realised without the railway.

As regards the area of native cultivation at the western end of the line, it is enough to say that there is a very large intelligent and industrious population which has taken up agriculture with great energy and even with present communication (i.e. road to Kisumu at the lake terminus of the Uganda Railway) has produced much sisal since, etc., for export.

3. CENTRAL BUILDINGS

WESTMINSTER, S.W.1.

December  
11  
1919.

103

W.C. Bottomley, Esq., O.B.E.,  
Colonial Office,  
Downing Street,  
S.W.1.

Dear Mr. Bottomley,

UASIN RAILWAY.

It would help me materially if you could kindly let me have a map showing the route marked thereon, which I promise most faithfully to return to your office to-morrow.

Yours very truly,

John G. Fisher

Baron Erlanger and Mr. Scott (of Messrs. Paulings) saw Sir George Fides to-day, and I was present at the interview.

The proposal which Messrs. Erlanger had in view was that the Crown Agents should arrange an issue of bearer bonds, which would be handed over to the ~~Contractor~~ <sup>Contractor</sup>, who would arrange with Messrs. Erlanger for the bonds to be issued to the public at a ~~fixed~~ <sup>suitable</sup> moment, a body of Trustees being formed to safeguard the interests of the Government in regard to the payments to be made to the ~~Contractor~~ <sup>Contractor</sup> as work proceeded.

Sir George Fides saw no advantage in this ~~case~~ <sup>over</sup> a public issue by the Crown Agents, but he pointed out that the same difficulty would occur in ~~other~~ <sup>both</sup> cases, viz. that under the provisions of the Colonial Stock Act the security could not be trustee security, and stamp duty on transfers could not be compounded, since the F.A.P. is not a part of the King's Dominions. This consideration was new to Baron Erlanger, and he agreed that it entirely altered the proposition as regards the terms which might be obtained. He pointed out, however, that in the case of bearer bonds stamp duty (1%) is paid once for all and the question of stamp on each transfer does not arise.

As an alternative it was suggested that a Company should be formed (of which the Govt. might well be the sole shareholder) and that the Company should then issue debentures under a guarantee of interest by the Government.

This would in some ways be more convenient