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27

Date

TEL
384

17th Sept. 1926.

21 SEP 1926

PORT OF KILINDINI.
Revenue and Expenditure.

States that difficult situation has arisen with regard to control of finance of Port, and suggests that as interim arrangement it should remain in hands of Railway.

Asks for early decision as to construction of 1,000 Feet of Wall.

Requests telegraphic reply.

Handwritten initials: HUI, SAID

Handwritten mark: WA

C.O. 533348

Print Paper

Handwritten note: 6905 11/24

Telegram from the Governor of Kenya to the Secretary of State for the Colonies.

6902

Dated 17th September

21 SEP 1926

(Received Colonial Office 8.20 p.m. 1926, September, 1926).

Handwritten notes: "checked XEA", "11-10-26", "JFK", "17/9/26"

No. 324. 17th September.

I have received from the Railway Advisory Council Resolution in the following terms: "Resolved as working is not under the control of the Railway Administration in terms of Kenya and Uganda (Transport) Order in Council 1925 this Council cannot make provision in the Railway Estimates for 1927 for revenue expenditure or interest charges in connection with Kilindini Port Harbour". As High Commissioner I cannot out concur with this though it places Kenya in very difficult position. The Commission's recommendations under Section 96 assumed institution of charges as suggested under Section III. Such charges cannot be established until the present arrangement with the Shipping Company has been terminated and methods of shore and lighterage working settled.

If Kenya took over the management without the power to fix shore charges and to negotiate for lighterage work as recommended by the Commission the deficit allowing for interest charges would be very heavy and would fall very disproportionately upon Kenya tax payers since the value of traffic at the Port is approximately 60 per cent Kenya and 30 per cent other Territories.

After full discussion my Executive Council agree unanimously with me that in the absence of power to control and arrange efficient working and sound system of charges Kenya Government cannot undertake responsibility

for

Original
DECODE

of a telegram from the

Governor of Kenya

(2)

6/17th Sep 1926 Received in the Colonial Office at 8.20 pm on 18th Sep

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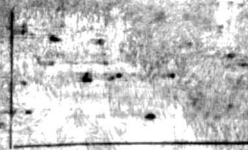
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suggested under Section III.
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of a telegram from the

431

1927 Received in the Colonial Office at

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After full discussion of my
Executive Council agree unanimously
with me that in the absence of power to
control and arrange efficient
working and sound system of charges
Kenya Government cannot undertake
responsibility for finance which
involves taking over losses
at present carried against
railway rates.

This situation places me in
very grave dilemma since it affects