

point which they raise as to the use of the Co.'s pier for unloading fuel oil in excess of their own requirements or for watering steamers calling at the pier. There can, I presume, be no objection to the latter and, as regards the former, it is probably in the interests of the port as a whole that use should be made of the special facilities which the Company have for dealing with fuel oil.

3. With regard to your telegram of the 8th of January you will observe that there is no question of the Company having the benefit of a retrospective application of the new conditions.

4. I shall communicate with you further when the arrangements for reconstruction have taken more definite shape.

*I enclose for convenience of ref. a copy of the CO. L. in the 3rd of Jan. & etc. etc.*  
I have etc.

1924  
~~1923~~

KENYA

60105  
6000  
7 FEB 24

FROM *500*  
*Corryndon Conf 7* DATE *8th Jan., 1924*

FOR CIRCULATION:—  
Mr. *Bottleby*  
Mr.  
Mr.  
Asst. U.S. of S.  
Perm' U.S. of S.  
Parl' U.S. of S.  
Secretary of State.

*Railway Est. notes, 1924*  
*Replies to points raised*

Previous Paper  
*500*  
*4414 73*  
*24*

MINUTES  
As regards the renewals and betterment funds it is now estimated that the balances available on 31.12.1923 were renewals £128,585 and betterment £158,585. The contribution, which it is hoped to make to them during 1924 are renewals £151,589 and betterment £50,056, making a total available in the two funds of £488,825. The estimated expenditure is £447,584, so they are going to spend practically all the available money during 1924. We have agreed to that as

*18 FEB 1924*  
*19 FEB 1924*  
*Answer Conf.*  
*to be kept*

Subsequent Paper  
*500*  
*21347*  
*See 800*  
*1000*  
*(1000)*

*we are giving the General Manager a free hand, but it will leave them practically*

without reserves of the revenue in 1926 should fall short of estimate or if they have been year in 1925. They are also hoping to provide from the new funds for relaying the New-Helm Railway.

As regards interest I think the £200,000 may be a requisite, although interest on the £70,000 for purchase of the New-Helm line was not provided for.

As regards Mr. Higgins the salary provided for him in the Railway Estimate is £195 + £120 <sup>as salary</sup> to the Railway Council, total £ 315. They recommend that he should be put on the scale £500.25 - £600 as from 1.1.24. That is a nominal reduction of £15, but really a very substantial improvement in Mr. Higgins'

perfectly. I suppose we must agree also to £100 for the Chief Clerk's office.

106

I think I suppose there  
two or three CP.

JH  
14.2.24

[As the re-salting is now  
started the a loan reserve  
the Parliament expenditure  
will have to be recast.]

As proposed

Wed 14.2.24  
at 11.2

~~John~~  
John

KENYA

No. 7.

CONFIDENTIAL.



6066

7 FEB 4

107  
GOVERNMENT HOUSE  
NAIROBI,  
KENYA

8th January, 1924.

My Lord Duke,

I have the honour to submit the following remarks in reply to the points raised in Your Grace's Confidential despatch of the 26th October, 1923, on the subject of the Railway Estimates for 1924.

2. The terms of the second paragraph of that despatch have been conveyed to the General Manager.

3. With regard to the comments in the third paragraph, the General Manager points out that no re-organization would have been possible without some retrenchment. The number of officials actually retrenched, however, has been very small and no single case of even alleged unfair treatment has been brought to notice by the Railway Staff Association. So far as the future is concerned, the General Manager at present contemplates no further retrenchment, but in the event of such circumstances arising Your Grace's wishes will be duly complied with.

4. In reply to the inquiries in the 4th and 5th paragraphs of your despatch, the General Manager reports:-

\* The figures were arrived at by taking the estimated unappropriated balance of the existing joint Renewals and Betterment Fund as at the 31st December, 1923, and dividing it in equal proportions between the Renewals -

HIS GRACE

THE DUKE OF DEVONSHIRE, K.G., P.C., G.C.M.G., G.C.V.O.,  
SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET, LONDON, S. W.,

Renewals Fund and the Betterment Fund. Since the Estimates were prepared, however, it has become clear that a further sum, now estimated at £30,000 will be available from Net Revenue Account, and it is proposed to place this sum to the credit of the Betterment Fund. The figures in the estimates as now revised are, therefore, Renewals £128,585 and Betterment £158,585.

The remarks (in paragraph 5 of Your Grace's despatch) are not understood. The figure of £200,000 is an approximate one, as explained in paragraph 6 of my introductory memorandum on page 3 of the printed draft estimates, and is anticipated to be sufficient to cover payment of all interest and sinking fund charges on account of loan expenditure which will be debited against the Railway in 1924.

As regards the £5,000,000 loan, provision has been made, so far as figures were ascertainable, for payment of interest on that portion of the loan which represents the cost of issue. As regards Item 3, the figure taken is that given in Kenya despatch No. 1617 of the 24th November, 1922, and approved by Colonial Office despatch No. 13, dated the 3rd January, 1923.

With regard to expenditure against Advances in anticipation of the £3,000,000 loan, as this loan has not yet been raised, it is impossible to get a definite figure under the heading of cost of issue, etc.

5. As regards the points concerning European Staff cited in paragraph 6 of Your Grace's despatch:-

(a) The General Manager's proposals will be forwarded under separate despatch at an early date.

(b) The intention was to give this Officer an inclusive rate of salary with a maximum of £600 per annum, of which £120 per annum would be debited against the Railway Council and the balance against the Management Vote. I note that Your Grace prefers the lower scale of £400-£20-£500 per annum with a separate allowance of £120 per annum, which would be non-pensionable and not subject to the addition of local allowance. For the reasons given in the memorandum cited by Your Grace, I support the General Manager's recommendations for this post to be made permanent and pensionable at the inclusive scale of £500-£25-£600 per annum as the holder combines dual duties for which his aggregate emoluments would always exceed £500. I trust that the proposal will be accepted by Your Grace as from the 1st January next and that Mr. A. G. Higgins, who has

been -

( 3 )

been carrying out the duties for the past year, may be appointed definitely to the post in question with effect from the date mentioned.

(c) Your Grace's assumption is correct; it is desired that the Chief Storekeeper's salary should be fixed at £900 per annum, as he has been called upon to undertake considerable additional responsibility under the new organization.

I have the honour to be,

My Lord Duke,

Your Grace's most devoted and  
most obedient servant,

R. T. Couman

G O V E R N O R .

Sir: 6066/24 Kenya

110

Ind

SB

18 Feb 1924

DRAFT.

Sir,

nga  
Conf

Joint Congation  
MINUTE.

I have rs to act the next  
of your conf! desq N. 7 of the  
8<sup>th</sup> of Jan, dealing with the  
points raised in my  
predecessor's desq Conf  
desq of the 26<sup>th</sup> of Oct 24  
on the subject of the  
Railway Cots for 1924.

Mr. Butt Feb 15

Mr. Calder 15.2

Mr.

Sir C. Davis.

Sir G. Grindle.

Sir H. Read.

Sir J. Maisteron Smith.

Mr. Ormsby-Jore.

Duke of Devonshire.

2. <sup>now</sup> Approval of MP

self

M<sup>r</sup>. Higgins being  
appointed to the post of  
Secy to the Railway Council  
the Secy to the Gen. Manager  
with effect from the 1<sup>st</sup> of Jan  
1924 on the scale of salary  
£500 - £25 - £600.

3. I also approve of  
the salary of the Chief  
~~Accountant~~<sup>Inspector</sup> being fixed  
at £900 p<sup>a</sup> with effect  
from the same date.

(SIGNED) J. H. THOMAS.

Sm 6066/24 Kenya

111



DRAFT.

19 Feb 1924

Ch

Sir

MINUTE.

Mr. Brett Feb 15  
Mr. Calder 15.2  
Mr.  
Sir C. Davis.  
Sir G. Grindle.  
Sir H. Road.  
Sir J. Masterton Smith  
Mr. Ormsby Goff.  
Duke of Devonshire.

two copies pl. for files  
Done & made in files  
with Mr

I am to inform you  
that he has approved of  
Mr. J. H. Higgins, Section  
Clerk, Uganda Railway,  
being appointed Secretary  
to the Railway Council  
& Finance Secy to the Gen.  
Manager, as from the 1<sup>st</sup>  
of Jan. 1924, on a salary

on the scale £500-£25-£600,  
of the salary of Mr  
B.M. Carter, Chief  
Storekeeper, being  
increased to £900  
pa. as from the same  
date.

*H. J. Read*

(Signed) H. J. READ



on the scale £500-£25-£600,

of the salary of Mr

B.M. Carter, Chief

Storekeeper, being

increased to £400

pa. as from the same

date.

*H. J. Read*  
(Signed) H. J. READ