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KENYA

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CIRCULARS

SUBJECT

VOI - KAKE RAILWAY

Mr. Grindle

Sir H. Lamb

Sir H. Paul

Sir G. ...

Col. Amery

Mr. Churchill

Trans Col Hammond's report on the  
administration of and recommends the  
approval. Invites attention to part of  
report. If proposals are approved  
may be referred back before a final decision  
is taken.

Previous Paper

MEMORANDUM

idm

13503/2  
27

The Secretary  
Sir H. Paul

Col. Hammond's report in

favours of

(a). retaining the Voi-Kake railway

for use as a branch of the Nairobi and  
Mombasa railway. Cost of 250,000.  
A cost of 200,000.

(b). T.T. line for the road

(c). The Uganda Railway  
line as a branch, but T.T.  
people not likely to  
buy the works, take the  
including the opening of  
Bogota to supply over the  
road line with Voi.

(d). Taking up the Nairobi  
the Tanga Rly. & ...  
to relay the line

Grand ... 1921

x T.T. ...  
1921 - 1922 ...

Handwritten initials

Subsequent Paper

Handwritten numbers and notes

As to the arrangements for  
 proposed with the U.S.,  
 before this come some I  
 and said Mr. Hamilton  
 means flood year (which  
 - has since a 1870 or  
 heard earlier) & S. of  
 the bridge. It is not  
 discussed as to whether  
 we change the first thing to

I feel the thing is  
 that the S. of the bridge  
 in N. by water bridge  
 that is from ~~the~~  
 city of the report ~~has~~  
 must show it should be  
 done at once.

Col. 10.5.21

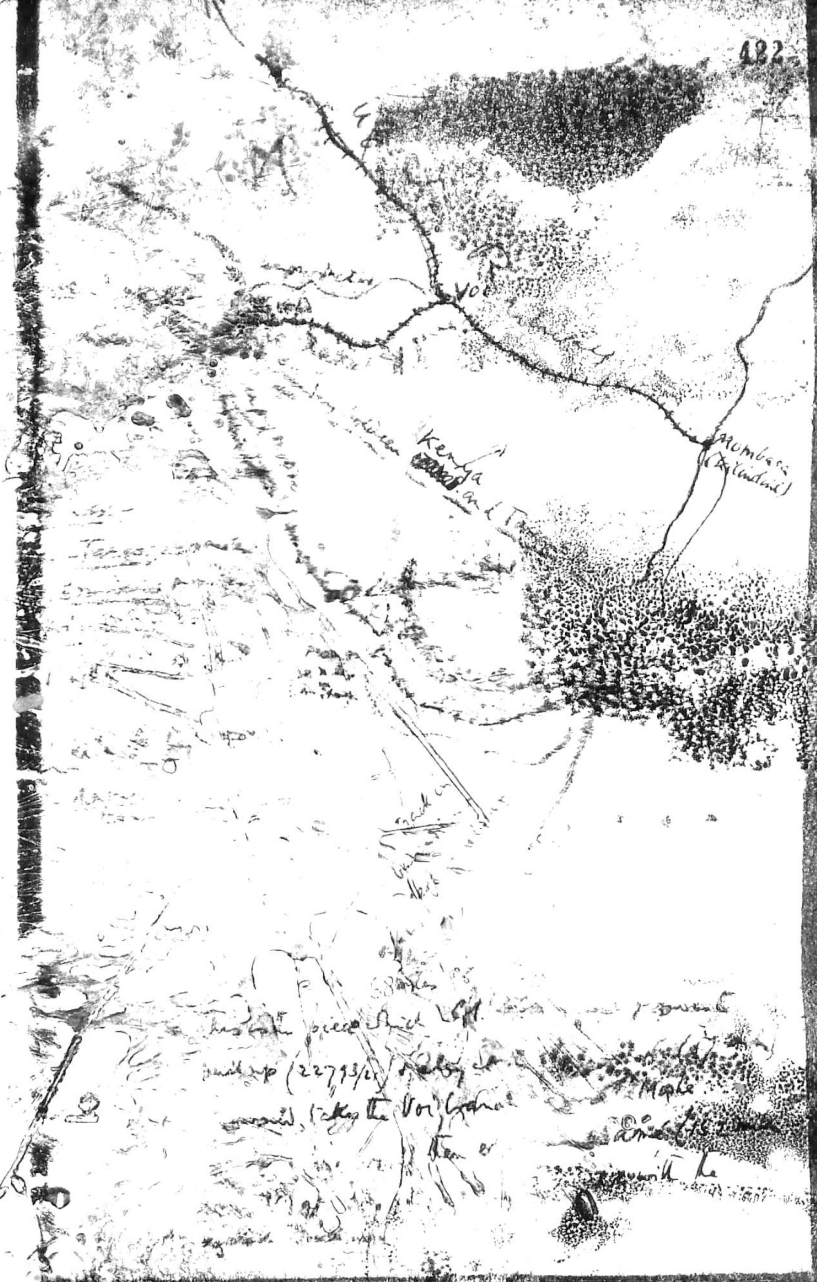
is the proposal to cover up 57 miles of  
 all built railway & then have connection  
 which means that I find it hard to  
 accept. - But as proposed.

14.5.21

atones  
 H. J. G.  
 18/12/21

Was found

See



As to the arrangements  
proposed with the W.O.,  
before this came home I  
had sent Col. Hammon  
news of last year (which  
I had written a report on  
before) (to S. H. &  
the others). It is a  
discomfiture as it is a  
not clear of the first try.

I feel it strange saying  
that the S. of S. will  
in H. P. 1000's vision  
that ~~it is~~ <sup>it is</sup>  
of the report has been  
and I think it should be  
sent at once.

Col. 10.5.21

is the proposed to cover up 57 miles of  
all small mail lines & then have connection  
with the main line that I find it hard to  
accept. - But as proposed.

C.P.  
14.5.21

atones  
H. J. B.  
18/4/21

More found

See

Sir,

I have the pleasure to forward to you  
Colonel Huggins' report on the  
administration of the Territory.

3. The Report was considered in Executive  
Council and an unanimous recommendation was passed  
that these proposals be recommended to you: with  
this Sir Edward Northey concurred fully.

3. I wish to invite your attention in  
particular to paragraph 25 of the Report: this  
provision will, it is considered, amply safeguard  
the interests not only of this Colony but of the  
Tanganyika Territory also.

4. Should the proposals not receive your  
approval, I would ask that the question be referred  
back for this Government's further suggestions  
before any final decision is made.

I have the honour to be,

Sir,

Your humble, obedient servant,

  
GOVERNOR'S DEPUTY.

THE RIGHT HONOURABLE

WINSTON CHURCHILL, P.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET,

LONDON, S. W.





of which still remain unballasted. On the coastal section of the Tanga Railway fifty-seven miles are laid with old 31½" track, which is too light for the heavier engines, and must be replaced. If the Voi-Kahé section is pulled up, the material can be used for relaying on the Tanga line, at a cost of approximately £100,000. If it is retained, the coastal section of the Tanga Railway will still require relaying; for this purpose, either fifty-seven miles of the Moschi-Buika section of the Tanga Railway will have to be picked up and used for relaying at an approximate cost of £35,000, or new material will have to be employed at a cost of about £200,000. Assuming the former alternative, the cost of retaining the Voi-Kahé section and relaying the light section of the Tanga Railway will be approximately £415,000 as against £100,000 if the Voi-Kahé section is abolished. In all the above estimates, the cost of purchasing the old track from the War Office is not included; this would be the same in either scheme, and is difficult to assess.

9. The main arguments put forward by those in favour of maintaining the Tanga route and lifting the Voi-Kahé section are as follows:-

(a). The extra loan charges entailed by the expenditure of £415,000 will exceed by a large margin any profits which may accrue, and will constitute a heavy drain on the Territory, whereas an expenditure of £100,000 on the second scheme would provide all that is required, at any rate for the immediate future

(b). The Port of Tanga may eventually be developed to a certain extent to export the traffic from

BRITISH

Page 6.

...

... and the productive area is for an mile, 110

(8). The central 40 miles of the Voi line is a waterless and unlikely to produce traffic.

(9). The country tapped for traffic is amongst the best in Tanganyika, and the profits arising from the development should accrue to the territory, and not to the Government, especially as the former is a developed country.

(10). All communications between the Government of Tanganyika Territory and the area under review, and all private and Government stores therefor, will have to pass through the territory of a neighbouring country.

10. As the routes are very nearly of equal length, and the gradients will be the same when the Voi route has been realigned, the first argument showing a difference in favour of the Tanga route of 2215,000 would undoubtedly determine the point, unless a preponderating advantage can be shown in favour of Mombasa as the point of exit as ~~presently~~ Tanga as a natural port is distinctly inferior to Mombasa; at present, it possesses a lighter ~~water~~ ~~way~~ ~~than~~ ~~the~~ ~~port~~ ~~of~~ ~~Mombasa~~. The cultivated areas in the ~~area~~ ~~under~~ ~~review~~ ~~are~~ ~~mainly~~ ~~planted~~ ~~with~~ ~~sisal~~ ~~and~~ ~~other~~ ~~plants~~ ~~which~~ ~~have~~ ~~run~~ ~~wild~~ ~~and~~ ~~are~~ ~~now~~ ~~overgrown~~ ~~with~~ ~~thick~~ ~~and~~ ~~impenetrable~~ ~~“~~ ~~spiky~~ ~~”~~ ~~jungle~~, ~~harder~~ ~~to~~ ~~clear~~ ~~than~~ ~~the~~ ~~area~~ ~~at~~ ~~Mombasa~~. It is estimated that it will ~~take~~ ~~at~~ ~~least~~ ~~seven~~ ~~years~~ ~~for~~ ~~it~~ ~~to~~ ~~reach~~ ~~its~~ ~~former~~ ~~state~~. Whether any ~~part~~ ~~of~~ ~~the~~ ~~traffic~~ ~~will~~ ~~ever~~ ~~be~~ ~~able~~ ~~to~~ ~~pass~~ ~~through~~ ~~the~~ ~~Rubber~~ ~~forests~~ ~~which~~ ~~are~~ ~~now~~ ~~being~~ ~~planted~~ ~~is~~ ~~doubtful~~. It is ~~not~~ ~~likely~~ ~~that~~ ~~the~~ ~~local~~ ~~people~~ ~~will~~ ~~be~~ ~~able~~ ~~to~~ ~~produce~~ ~~in~~ ~~this~~ ~~country~~ ~~any~~ ~~exportable~~ ~~rubber~~, and that the forests will ~~be~~ ~~able~~ ~~to~~ ~~produce~~ ~~any~~ ~~rubber~~ ~~at~~ ~~all~~.

As a result of the above, on the other hand, I have information that the port is capable of handling ordinary bulk cargo of 100,000 tons per year. It is not possible to estimate the exact amount of cargo which can be handled at the port.

As has been reached, the port should suffice for many years, provided the port only serves this restricted area. If the Zanzibar and Arusha traffic is added it will soon be necessary to increase the accommodation, and eventually will probably be to build deep-water wharves. In fact if the aim of this plan area is to be developed, port facilities and their auxiliary, i.e. port services, etc. will have to be expanded.

On the other hand, the port will not be expanded in building deep-water wharves at locations which is capable of extension to meet increased traffic.

13. The policy of using the Tanga route would thus entail the development of two expensive deep-water ports within seventy miles of each other, and the chief duty of the second port would be merely to tap an area which would be equally well served by the first. The extra initial cost of realigning the Voi route would be far less than that entailed eventually in providing harbour works at Tanga, which will be necessary if the want of facilities there is not to be allowed to strangle development. I am convinced that a serious mistake would be made in attempting to build two ports so close to each other, which is the necessary consequence of pulling up

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Artificial water can be obtained for the labour, either by piping or by water trains. It is further supported by the fact that on the upper section of the Tanga Railway ten years, at least, may elapse before productive traffic is obtained, and it is doubtful whether a portion, owing to scarcity of water, of argument (d) that profits from development should go to the Territory and not to Kenya Colony could be settled by suitable financial adjustments.

15. With regard to the contention that, being a mandated territory, no taxation could be raised in the absence of the League of Nations to railways being pulled up to such a Territory, and communication established with a British port, I think that these objections are fully met by the fact that the problem has been studied and the action taken with a view solely to the good of the Territory itself, and in order to foster its development.

16. Argument (e), that all communications, relief's Government stores, etc., would have to pass through the territory of a neighbouring Colony, only presents minor administrative difficulties, which could easily be overcome, and which should not be allowed to weigh in the balance when vital questions of policy are involved.

17. I therefore recommend most strongly that the Voi-Kale section should be retained and as not only will it prove more economical in the long run, but will aid the development of the country better. As it will form in the future an important artery of traffic,

the 12 miles of the line between the two stations should be operated by the Kenya Railway Corporation. The 12 miles of the line between the two stations should be operated by the Kenya Railway Corporation. The 12 miles of the line between the two stations should be operated by the Kenya Railway Corporation.

*Port of call*

18. The ~~operation~~ of the Tanga Railway should be effected by ~~making~~ the various sections of the line ~~be~~ operated as the Kenya Railway Corporation. The 12 miles of the line between the two stations should be operated by the Kenya Railway Corporation. The 12 miles of the line between the two stations should be operated by the Kenya Railway Corporation.

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19. As the Voi-Kilifi Railway will be guaranteed and administered solely in order to develop a portion of the Tanganyika Territory, it is only just that the capital expenditure should be borne by that Territory, and that the profit or loss should accrue to it. The only portions of the line in Kenya which promise traffic are the area round Nairobi and the stretch of twenty-five miles from Mombasa to Voi. The ~~benefits~~ of the former would naturally have gravitated to the Tanga Railway, had the Voi line not been built. As regards the latter, as many ~~of~~ the ~~benefits~~ ~~of~~ the ~~line~~ ~~will~~ ~~be~~ ~~derived~~ ~~from~~ ~~the~~ ~~fact~~ ~~that~~ ~~it~~ ~~is~~ ~~the~~ ~~only~~ ~~line~~ ~~in~~ ~~Kenya~~ ~~which~~ ~~is~~ ~~operated~~ ~~by~~ ~~the~~ ~~Kenya~~ ~~Railway~~ ~~Corporation~~.



... to be borne by the Territory of certain capital, and as the same will not be called upon to expend any capital they cannot expect to share in any of the direct profits as will be seen later, under the scheme proposed.

20. Similarly, I consider that any profits or losses resulting from this branch and the expenditure of capital on it should accrue to or be borne by the Tanganyika Territory, and the rolling stock necessary to carry all traffic originating on the Voi-Moshi branch at the time the reconstructed line is handed over to open line working should be provided by the Tanganyika Railways.

21. On the matter of revenue, leaving aside such items as the traffic between stations on the branch, which in any event would be credited to it, the earnings for all traffic interchanged with the Uganda Railway falls naturally into two portions, those for the portion of the journey on the branch as far as the junction, Voi, and those for the remainder of the journey over the main line. The net profits of the former naturally are credited to the branch, and I consider that the net profits for the second portion should also be credited to it. These profits are the direct outcome of the expenditure by the Territory of certain capital, and as the same will not be called upon to expend any capital they cannot expect to share in any of the direct profits as will be seen later, under the scheme proposed.





The above arrangement has been proposed for the purpose of enabling the Government to meet the cost of the branch line. It will be necessary to introduce a system of income tax which will be necessary to introduce a system for the purpose which will elapse until that date of certain other rates. The system which I would propose is as follows:-

The Uganda Railway should keep exact costs of the working of the branch, including a fair share of working the junction at Voi, but excluding any costs for items of general charges, such as the Headquarter office or of the general superintendence charges of department. The gross earnings of all traffic from, to or in the branch as in the former case should be taken as the gross earnings of the branch. These earnings should be divided by the Clearing House under two heads in a mileage proportion; the first would represent the proportion actually earned on the branch, the second that earned on the main line. The cost of working the latter should then be taken as in the former case at the same percentage as the ordinary working expenditure of the whole line bears to the gross earnings. If to this is added the actual cost of working the branch line as shown by the books, the result will show the total working expenditure to be debited to the branch. Renewals, depreciation, betterment and loan charges would be treated on the same lines as in the previous cases, and the total net loss would be borne by Tanganyika Territory. As soon as the total gross earnings in any year exceed the total of the working expenditure including renewals and depreciation, as arrived at above, this temporary scheme would automatically give

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Sheet 15.

March 16th, 1921.

way to the permanent scheme, which would be applied from that year inclusive.

24. Both systems as described above are fair to both parties and have the further advantage of being simple to carry out. A Clearing House already exists in the Uganda Railway in connection with the Magadi line, so that no additional organization would have to be created.

25. As conditions change so rapidly in a new country, this arrangement should be reviewed, and, if necessary, revised after the completion of five years from the date of its coming into force, i.e. on the handing over of the branch to open line.

26. The Uganda Railway should administer the branch as an integral portion of their main system, and the same rates, classifications and conditions should apply. The Railway Ordinance of Kenya should be made applicable to the branch and any extensions of it, and any future amendments to that Ordinance would have to be made applicable also by legislation. No difficulty should arise as regards this.

27. Suitable Customs and control arrangements will have to be made at the frontier, so that goods can pass into bond, and avoid paying double customs duty.

28. I would suggest that any profits accruing to Tanganyika Territory after deficits in previous years had been paid off, should be applied to strictly railway purposes, and not absorbed in the general revenue of the Territory. The term "railway purposes" should

The work of reconstruction could best be  
 carried out by the direct process of surveys and recon-  
 struction, as was done in the Spain-Ohio survey, as  
 the various organizations, and it is better to  
 have all these reconstruction work under the one hand.

During the period of reconstruction it will  
 be necessary to keep the Tange Railway open right  
 through from the coast, and the relaying on  
 the main line has to wait until the Voi branch has  
 been completed.

The Tange Railway for the first 62 miles of  
 the length has already received a paying traffic, and  
 will carry it again when the State are replanted.

In the next section, 28 miles, develop-  
 ment has already been begun by the Germans, and  
 the railway will be practically completed.

From 28 to 62 miles, a distance of 34 miles, the  
 slopes of the State Government: the first  
 section for State Government provided for the  
 survey of the Tange Railway has been completed.



March 1921, 1921.

The lower slopes of this section are doubtful as regards their suitability for an inland railway, to which they are not well adapted.

The line of railway should run through the country which would probably grow sisal, but owing to this, is unlikely to produce anything else.

A fair estimate of the time which will elapse before the northern portion of the Pare Mountains is developed is at least ten years. Under these circumstances, although I am extremely averse in principle to suggesting pulling up an existing and well-laid track, I am compelled to recommend that the last fifteen miles of track at the Masahi end should be lifted, and used to re-align the light coastal section. I would not feel justified in recommending the diversion of the coastal line, especially at the high prices now ruling, in order to run a section which will probably carry no traffic for ten years. Even after this section has been lifted, the Tanga line will still stretch up to Sana, and top the majority of the middle section of the Pare Mountains, which I understand will take at least five to seven years to develop.

An approximate estimate of the cost of this re-aligning is £25,000.

SE. This Railway should be run and administered by the Tanganyika Railways: if the physical connection between the two lines had remained, it might have been preferable to merge the whole, including the Port of Tanga, in the Uganda Railway, in order to have the advantage of working it as a single system, and to avoid competition. In the absence of such connection, no



March 10th 1921

The above views of this section are doubtful as regards their accuracy, and I am informed, to ascertain the same.

It is said that the railway run through the country which would probably grow Jaisal, but owing to it, is unlikely to produce anything else.

A fair estimate of the time which will elapse before the northern portion of the Pare Mountains is developed is at least ten years. Under these circumstances, although I am extremely averse in principle to suggesting pulling up an existing and well-laid track, I am compelled to recommend that the last fifty-seven miles of track at the Moschi end should be lifted, and used to relocate the light coastal section. I would not feel justified in recommending the purchase of new material, especially at the high prices prevailing, in order to run a section which will probably carry no traffic for ten years. Even after this section has been lifted, the Tanganyika line will still stretch up to Sana, and top the majority of the middle section of the Pare Mountains, which I understand will take at least five to seven years to develop.

An approximate estimate of the cost of this re-laying is £55,000.

SE. This Railway should be run and administered by the Tanganyika Railway: if the physical connection between the two lines had remained, it might have been preferable to merge the whole, including the Port of Tanga, in the Uganda Railway, in order to have the advantage of working it as a single system, and to avoid competition. In the absence of such connection, no

agency would result, and its administration should be left in the hands of Tanganyika.

33. The estimates which have been given the cost of the reconstruction of the Voi-Kuhé line are approximately £260,000 for the East-Africa line and £100,000 for the relaying on the Tanga Railway, a total of £360,000, which must be added for the cost of maintaining the old material on the Voi-Kuhé line from the station. Detailed estimates are unobtainable, especially for the Voi line, until a proper survey has been made.

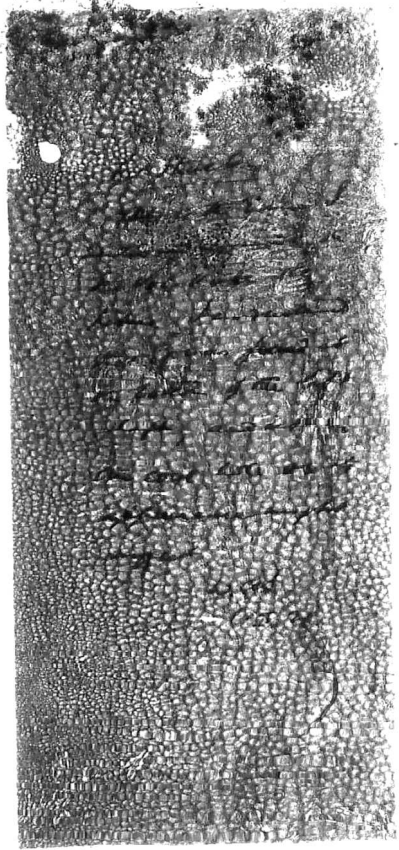
34. It is important that the future of the Voi-Kuhé section should be decided early, and its reconstruction taken in hand without delay, because large sums have now to be spent in maintaining sections of line which will disappear when the branch is realigned, and also because, until it is reconstructed, the relaying of the Tanga Railway, which is also an urgent matter, cannot be taken in hand. I therefore recommend that the proposals put forward in this report should be approved in principle, and a sum of £26,000 granted at once to enable survey and preliminary work to be commenced.

I have the honour to be,

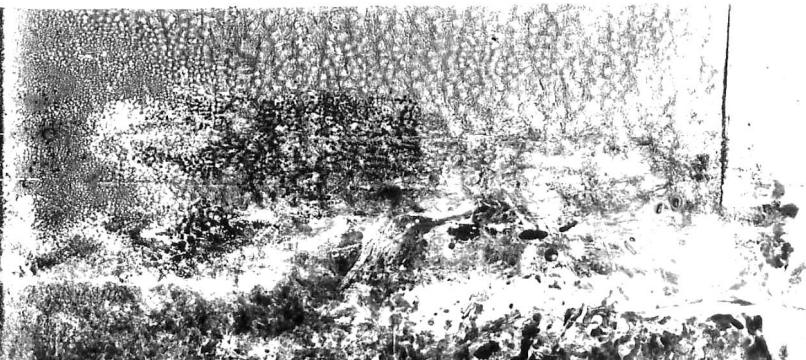
Sir,

Very respectfully,  
 Your obedient servant,

SPECIAL COMMISSIONER FOR RAILWAYS,  
 EASTERN AFRICA.



C.O. 500 257



Specimen for Mr. Klemm  
sent 7.5.21

VOI KAKE RAILWAY.

As the Hon. Secy consider that the Voi Kake Railway should be paid for by the Civil Administration on the estimated commercial value of the line, the best way to regard the price to be paid will be as though it was a transaction taking place between two commercial firms.

The line was built for a certain definite object, which has now been completely fulfilled in its design and standard it was built expressly to serve that object, and therefore, in respect of its value for any other purpose, it is of no value.

The line is situated in a very remote and isolated part of the country and the only way of reaching it is by a long and difficult journey. It is a very expensive site, which is very difficult to transport to a market unless he is lucky enough to find a buyer locally.

The Civil Administration on the other hand, may be regarded as a contractor who has just obtained a contract on a site close by, for which similar plant will be required; this plant he must buy and transport to the site unless he can obtain it cheaper from the first contractor.

The first contractor can only hope to be paid for such articles as are removable to a market. These are really the only portions of his plant which have in fact a market-ABLE VALUE. This is all the truer in this case, because the final decision might be to abandon entirely the Voi Kake section, and use the rails to strengthen the other line.

It is therefore to the advantage of both parties to come to terms.



~~CO.~~ MA

22793/21 Kenya

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MARSHEDOR  
19 May

Your despatch of

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Governor Nairobi.

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1st April N°

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MINUTE.

- Mr. Clark 18/5/21
- Mr. Koburner Bittcher
- Mr. acc 18/5
- Mr. Grindle.
- Sir H. Lambert.
- Sir H. Read.
- Sir G. Fiddes.
- Col. Amery.
- Mr. Churchill.

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