

1923

KENYA

50079

FROM Dep. Sec.
Denham

Conf
510

DATE

15th Sept, 1923

RECEIVED
13 OCT 23

FOR CIRCULATION :-

SUBJECT

538

Mr. *Byttner*

Mr.

Mr.

Asst. U.S. of S.

Draft Railway
Estimates

Perm^t U.S. of S.

Part^r U.S. of S.

Secretary of State.

Send memo. by
General Manager,
with observations

Previous Paper

MINUTES

888
49557

The Draft Estimates were discussed
in the Board meeting on 22.10.23.
Mr. Bottomley, yourself & myself were
present.

Generally, the chief features
which we remarked in the Estimates
were (a). The all round economies

which have been effected, enabling
an increased mileage to be worked
at considerably less cost.

(b). The greatly increased
contributions which it is anticipated
will be forthcoming for the
Renewals & the Betterments
Funds. (These two funds are
now to be divided, v. p 65 of the lib)

Ans^r TEL. 25 Oct/23
in answer to 26 Oct 23
20/10/23

X 59

Subsequent Paper

888
51461
51994
51994

as well to remind the Governor
 that definite approval is
 required before a European
 office can be put out of - & refer
 to para 2 (g) of draft of 19 June
 as in procedure.

para. 3 of Governor's despatch.

(1) Salary of Chief Stockkeeper.
 (Mto. G. 1 (1).) "There is nothing"
 to Infellico's proposal. In para
 13 of the memo on 35/63/23, to the
 increase of salary (from £800 to £900).

But we might point out that
 in that memo, it was recommended
 that the maximum should
 be increased to £900, & that
 the reference to the despatch was
 under no circumstances to an
 "incremental ^{scale} ~~increase~~", but
 say it was used that on further
 consideration it was decided to
 raise the salary of the Chief Stockkeeper
 to £900 fixed

(2) Salary of the Secretary to
 the G. P. & the Miles (Nominal ^{Council} Secretary).

No objection was proposed
 in 1954, but we should remark
 that in 35/63/23 it was proposed
 that the salary should be
 £400-£600, but that it is
 x.c. of £355 + £120.

2? suggest that
 it might be preferable
 to provide £200-£300
 + £120 under
 D I (1) also
 been done this
 year £200 + £120.
 acct.

* In new draft - this
 now, have been £500
 local acct

now shown as £500-£25-£600
 in the draft Estimate. D. II. (b) 6.
 paras (5)-(6) of the Gov's despatch
 No comment on these items
 appeared necessary at this
 stage. 510

~~ED. G. P. & Miles~~
 in the despatch

~~Att. to the despatch~~
 Att. to II. of the Draft Es

(Page 65) is rather puzzling. It
 will be necessary to ask how the
 figures of the Estimated Balance
 of the Renewals in the Department
 Funds, as on 31st 12 53
 arrived at, as we have no real
 data ~~to go on~~ for an estimate of
 these

A further point on which
 it appeared necessary to
 make enquiry was in connection

with the Estimate of Interest
and Sinking Fund Charges, 1924,
appended to the memo. by
Mr. Jelling enclosed with the
despatch.

The provision for interest
on the Railway's portion of the
£5,000,000 loan only takes
into account the share actually
received by the Railway, &
no provision is made for a
portion interest ~~expended~~
on the portion of the loan earmarked
for "cost of issue". We should
point out that such provision
is necessary (There is as
Mr. Bottomley pointed out, a
margin in such a case which meets
the difference between
the £1,899,880 actually
reckoned on the Schedule,
and the "say £2,000,000" which
is carried to the Net Revenue
Account.)

✓ a class of the
was £3,000,000
loan? act

✓ act

(i.e. the last Schedule
enclosed with the
present despatch)

Del. approving generally

57464/23

Draft Estimates, including
amendments to ^{Abstract} ~~Abstract~~ J
revised in Feb. of 19 October,
subject to reservation of points
on which further despatches
are promised to the Dept. and
to the Tel. Point out however
that such approval does not
cover ~~the actual~~ any measures
which may be entered for
the reinforcement of European
Staff unless there have been
specific arrangements. Observe
that it is not possible
before the end of the year
to still under-estimate
the impact of the
increasing volume of work
reduction of working expenses
in spite of the increased mileage
and at the increased provision
which has been found

✓ that if there
are further con-
siderations
to be made in the
present
procedure in
para 8 (g) of
Conf. Rep. 19 June
in 24299/23 Rev.
to be covered -
~~that~~

Possible for Renewals and
Retirements. S.P. is not quite clear

Observe that the ~~the~~
Expenditure ~~is not~~ ^{whether}
entirely clear what further
retirement of European Officers is
contemplated; if any are

contemplated; in the European
staff; & say ~~it has~~
been made clear
clearly ~~based~~ understood as

noted out in the let. that

the S. of S's approval of the
Esti generally does not cover
any proposals involving the

retirement of European
staff, which have a ~~separate~~
been specifically referred

to him in ~~the~~
X (9) of S.P.S's emp' letter of
19 June

Then proceed as suggested
on the various points mentioned
above; i.e.

① App. II Enquire as to figures
and Renewals + Retirement
Needs

② Enquire as to provision for

1-1-1947

Interest on cost of issue of
15,000,000 Loan + £3,000,000 Loan

(c) Enquire as to provision of
in Harwell & in Ford.

(d) ~~Discontinue~~ ^{to} ~~approval~~
~~of staff~~

Comment on salaries of
Chief Storekeeper

(e) Comment on scale of Secretary
to the G. O. & the Inter Col Council

SJS
23.10.23

I think this covers the
ground all right, in
all with our discussion

of the ~~provision~~ ~~of staff~~
So long as ~~the~~
provision ~~is~~ ~~not~~
provision there is no ~~real~~ ~~effect~~
and the outstanding point ~~is~~
to be that the ~~policy~~ ~~is~~ ~~a~~
matter ~~of~~ ~~economic~~
policy.

W. Col. 24.10.23
at home

KENYA.

* NO. 510.

CONFIDENTIAL.



50079

GOVERNMENT HOUSE,
NAIROBI,
KENYA.

RE
9/15 30163

18th September, 1923.

513

My Lord Duke,

With reference to my Confidential despatch No. 508 of the 14th instant and telegram No. 269 of same date, I have the honour to transmit for Your Grace's consideration an explanatory memorandum by the General Manager on the subject of the draft Railway Estimates for 1924.

2. In the enclosed memorandum Mr. Felling has explained the change in form of the Estimates which has been adopted in order to meet the conditions consequent on reorganization and to allocate more appropriately the items of direct and indirect expenditure.

3. With regard to alterations in the rates of salary appearing in the Estimates, the following have already received Your Grace's approval:-

Abstract A I (a) (1) Chief Engineer vide Colonial Office telegram of 26th May, 1923.

Abstract B I (a) (1) ...
Your Grace's despatch No. 117 of 20 August 1923.

The incremental scale suggested for the post of Chief Storekeeper (Abstract A Item I (a) (2)), and the question of consolidating the salary to be paid to the Secretary, Inter Colonial Railway Council (Abstract D Item II (a) (6)) have been referred to Your Grace in paragraph 13 of the memorandum enclosed in Kenya despatch No. 967 of the 19th June.

A further despatch is being addressed to Your Grace

in

40884
25790

Memorandum.
11-9-23.

30163

GRACE
THE DUC OF DEVONSHIRE, K.G., F.R.S., G.C.M.G., G.C.V.O.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET, LONDON, S.W.

in reference to the following proposed changes in rates of salary:-

Abstract A,	Item I (a)(2)	Senior District Engineer
"	D, " II (a)(3)	Superintendent Administration
"	D, " III(a)(2)	Deputy Chief Accountant
"	D, " III(c)(6)	Travelling Inspectors of Accts
"	G, " II (a)(1)	Press Superintendent.

4. Mr. Felling's proposals for the appointment of a Railway Legal Adviser (Abstract F(4)) are still under consideration.

5. It is to be observed that in the Net Revenue Account no provision has been made for Interest on Unallocated Stores and in this connection I would refer to correspondence terminating with my despatch No.339 of the 5th of March last. This question is being dealt with in connection with the outstanding financial adjustments between the Railway and the Colony and a despatch on the subject is now under preparation.

6. Details of expenditure from the Renewals and Betterment Funds are fully explained in Mr. Felling's memorandum. In regard to the Marine Funds reference is invited to Kenya despatch No.897 of the 31st of June last and previous correspondence.

I have the honor to be,

My Lord Duke,

Your Grace's most devoted
and most obedient servant,

S. B. Graham
GOVERNOR.

11th September 3

E 659A

545

The Honourable the Colonial Secretary,
Colony and Protectorate of Kenya,
Nairobi.

Draft Estimates, 1924.

In conversation with Sir Charles Bowring I understood it to be the intention to transmit the draft estimates of the Uganda Railway for the year 1924 to the Secretary of State without delay.

3. To facilitate submission to the Secretary of State of an indication of the probable results for the current year I have prepared a revised estimate and a reconciliation statement, both of which I attach. I also give below full explanations in connection with the estimates for 1924 which may be of assistance.

As far as can be foreseen at the moment there will be a substantial shortfall in the revenue for 1923 compared with the estimate. This is due partly to the loss of the Magadi soda traffic, partly to the curtailment of expenditure in the Colony owing to the difficult financial position, partly to reluctance to place orders overseas during the period of political uncertainty through which we have passed, but latterly mainly to dock troubles in England resulting in a serious falling off in import traffic.

4. It is impossible to say at the present stage to what extent there will be either recovery or further shortfall between this date and the end of the year, but the ^{on 12/9} estimate that can be given at this stage is a shortage in earnings of £53,775, and it is unfortunate that this shortage ^{is due to} in import traffic should coincide with an extremely heavy export traffic. At the moment

11th September 3

E 659A

545

The Honourable the Colonial Secretary,
Colony and Protectorate of Kenya,
Nairobi.

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4. It is impossible to say at the present stage to what extent there will be either recovery or further shortfall between this date and the end of the year, but the estimate that can be given at this stage is a shortage in earnings of 253,775, and it is unfortunate that this shortage ^{due to} in import traffic should coincide with an extremely heavy export traffic. At the moment

we are very hard-pressed in connecting the conveyance of export traffic to the Coast, and this increased work coincides with reduced earnings owing to the export traffic being carried at low rates. 546

5. On the expenditure side it will be observed that it is anticipated there will be a reduction in the estimated gross working expenditure of £223,743, but this is not a fair indication of the results which have been obtained in the matter of reductions in expenditure. To obtain a fair comparison it has been necessary to revise the estimates for 1923, as presented to the Legislative Council at the end of 1922, in the manner shown in the reconciliation statement attached.

6. It will be observed in that statement that allowance has been made for the difference in Asiatic rates of postage in connection with the one-sixth cut, which did not state the difference due to arrear leave payments in accordance with the decision of the Colonial Office; the credit for the balance on European local allowances; credits for stores previously charged out to working expenditure but during this year collected along the line and from the Workshops and returned to stock; credit for the non-payment of the interest on Unallocated Stores; and debit for the loss on the sale of the value of coal and for the loss on the working of the Magadi branch line.

7. After allowing for these debits against the working expenditure figures it will be seen from the statement attached that the actual expenditure for the year is a decrease at the rate of £262,743, on the basis of the estimate adopted in the estimates for the year 1923, as presented to the Legislative Council at the end of 1922.

ESTIMATES FOR 1934.

Revenue.

8. For the year 1934 the revenue is estimated to amount to £1,386,033. Provision has been made for the working of the Uasin Gishu Railway and earnings from that line, and, with the additional traffic expected from that railway, and other development in the two Colonies, the increase shown is regarded as a conservative estimate.

Working Expenditure

9. In calculating the probable working expenditure for the year 1934 it has been necessary to restore the provision for the existing rates of pay of Asiatics, and this, of course, results in a substantial increase in the estimated expenditure. In addition, it has been necessary to provide for an increase in open mileage of 19 per cent, representing the average open mileage of the Uasin Gishu Railway, which it is anticipated will be worked during 1934. Notwithstanding this 19 per cent additional mileage the working expenditure estimated for 1934 shows a decrease of £76,310.

Depreciation

10. Depreciation amounting to £14,025, or approximately 3 per cent of existing assets (including labour), has been provided for 1934 under the Net Revenue Account and Sinking Fund. In this figure is included £14,000 on account of fire insurance and depreciation formerly provided under Abstract "F".

Net Revenue Account

11. Net earnings are estimated to amount to £250,056. Under the Net Revenue Account interest and sinking fund charges have increased from £80,044 to £200,000. A statement showing how this figure is arrived at is attached. The estimated balance of Net Revenue Account is £50,056, which is carried to the Betterment Fund. The proposal is to transfer to the Betterment Fund any further balance of net revenue which may

accrue, and Abstract "I" is so worded.

12. The form of the estimates for next year has been altered to meet the conditions consequent upon reorganization in so far as the Transportation Department now covers what were formerly the Traffic Department and the running branch of the Locomotive, Carriage and Wagon Department. For comparative purposes the relative figures of the 1923 estimates under Abstracts B & C and D have been divided as far as possible and shown against sub-heads of the new B & C abstracts.

13. The local Superintendents, Kampala and Jinja, and their staffs have also been transferred from General Charges to Transportation. In this connection there will probably be changes in organization, but it is impossible to forecast, at this stage, the new organization in Uganda.

14. Abstract G (Stores, Printing and Stationery) has been taken to indirect expenditure, provision having been made under stores and material votes and special sub-heads for printing and stationery under each abstract of the estimates to cover such expenditure in so far as it is chargeable to revenue working. Certain other items, e.g., Crown Agents' commission, Consulting Engineers' expenses, loss on stores, previously taken as direct debits to working expenditure have been transferred to indirect debit and will be charged to the various works and services to which they relate.

15. Recommendations in respect of new posts proposed and increases in scales of existing posts have already been sent forward, and explanations appear in the estimates themselves of minor increases and decreases and alterations from the previous form.

RENEWALS & BETTERMENT FUNDS
Railway Section

15. The estimated position of these funds as at the 31st December, 1923, is shown in Appendix II.

Under the Railway Section the amount estimated to be standing to the credit of the existing Joint Renewals and Betterment Fund has been provisionally allocated in equal amounts to separate Renewals and Betterment Funds. With the additions of the estimated contributions during 1924 the amounts available for expenditure are Renewals £280,174 and Betterment £178,841.

Expenditure

17. Details of the proposed expenditure are set forth in Abstract "J". The main item is £383,414 for relaying the main line for the first section to Voi, which has been approved by the Secretary of State in his telegram dated the 14th July, 1923. It was at one time doubtful whether the whole of this money for relaying could be found from Renewals and Betterment Funds, and it was suggested that borrowing from loan funds might be necessary. The improved financial position has now, however, removed any such necessity, and it is anticipated that the programme of relaying can be carried forward continuously and met from these funds. Provision has been made for relaying the first section next year, but it must not be assumed that the whole of this work can or should be carried out within the year. The policy to be pursued will be to relay as steadily as material can be obtained and the maintenance staff can do the work economically and efficiently in advance of the construction of new branches. The expenditure under this estimate must, therefore, be taken as partly subject to progress on the Kitale and the Thika-Nyeri extensions.

18. Other works under this abstract are in the nature of renewals of old and dilapidated buildings, and extensions to give additional facilities at stations and yards.

19. Appliances for dealing with an outbreak of fire at the larger stations are either entirely non-existent or inadequate, and £3,800 has been allowed for improvements in this respect.

549

20. A sum of £5,000 has been allowed for further renewals of the permanent way on the Kisumu section. This section of the line was originally laid with inferior and short lengths of rails during the final period of construction and has given continual trouble for a number of years. The policy of relaying with new rails was commenced last year, and the sum provided is to allow for the continuance of this work.

21. It will be observed that the proposed expenditure chargeable to Betterment exceeds the funds available under this head. It is, however, doubtful, as explained above, whether the whole amount estimated will be spent during the year. It is also proposed to transfer the whole of the net balance, which may or may not be more than estimated, to the Betterment Fund. If the Betterment Fund should run short temporarily assistance would be available from the Renewals Fund.

RENEWALS,
BETTERMENT &
INSURANCE
FUNDS.
Marine
section.

22. The sums estimated as standing to the credit of the Marine Insurance and Depreciation Funds (Lakes Victoria and Kioga) have been provisionally allocated between Renewals, Betterment and Insurance, as shown in Appendix II. Following on the Secretary of State's confidential despatch dated the 18th July, 1923, in which he agreed to the principle of retaining in the case of the Lake Victoria Marine Insurance and Depreciation Fund a sum of £20,000 as an Insurance Fund, a further £45,000 (of which £25,000 is proposed to be expended) has been added from the Lake

£500 ✓
24273
23

Kioga fund. There will, therefore, remain, after the purchase of the proposed new steamer, £100,000 in the joint Insurance Fund which - accumulating at interest - will, it is anticipated, be sufficient to meet any expenditure likely to be met on account of total loss of vessels by wreck or other accident. Of the balance left for general renewals and betterment services proposals for the expenditure of £38,170 are put forward in Abstract "K".

enditure.

23. It will be observed that an amount of £8,000 has been provided to cover alterations, additions and renewals to the s.s. "Clement Hill". There are serious complaints in connection with the accommodation on this vessel, and careful investigation has been made as to what it is possible to do in the way of improving the position. At this stage an accurate estimate of the cost of the alterations necessary, together with the cost of the general reconditioning of the vessel which is now about due, cannot be given, but it is anticipated that the £8,000 allowed will be sufficient to meet requirements.

A proposal to run this vessel twice a week is still under consideration.

24. For cargo services from Uganda ports the use of tugs and lighters has been found to be most satisfactory and economical, and to meet the increasing traffic and develop new ports four new lighters are required. For these a sum of £10,000 has been allowed.

25. For alterations and additions to piers a sum of £5,000 has been allowed. Several of the piers require very heavy renewals, while those at Bukakata, Kampala and Jinja require extending and strengthening to carry rails and cranes. Further facilities for the handling and storage of cargoes at these piers will considerably increase the

efficiency and capacity of the Lake flotilla.

551

26. On Lake Kioga a new steamer is required to replace the s.w. "Grant", which sank in 1917. This has been fully dealt with in His Excellency's despatch No. 897, dated the 8th June, 1923, and for this a sum of £25,000 has been allowed chargeable to the Insurance Fund.

27. The steamers on Lake Kioga are shallow draught vessels and have no hold space for cargo which is conveyed in lighters pushed by the steamers, and with an extra steamer extra lighters are necessary to give her the necessary cargo capacity. For this a sum of £8,000 has been allowed. A further sum of £4,170 has been provided to allow for improvements in the decking and hatches of existing lighters and also for the extensive reconditioning of one lighter which was lost in the sudd in 1918 and recently salvaged.

C.L.N. Felling,

General Manager,
Uganda Railway.

805 ✓
35143

Enclosures: 3.

RECONCILIATION.

552

WORKING ACCOUNT.

	£	£
Expenditure as published	1,046,207	
Add		
Difference between Asiatic rates of pay allowed for and those actually paid	56,500	£
and		
Difference due to arrears of Asiatic leave pay and gratuities at florin for rupees	11,500	1,114,207
Deduct		
Savings on European local allowances	8,000	
Credits for stores collected from line and Workshops and returned to stock	14,000	22,000
Amended estimate		£. 1,082,207

NET REVENUE ACCOUNT.

	£	£
Expenditure as published	90,044	
Add		
Loss on coal	50,000	
and		
Loss on working Magadi branch	8,000	148,044
Deduct		
Interest on Unallocated Stores	12,000	12,000
Amended estimate		£. 138,044

Note: £ This corresponds to amount deducted from estimated expenditure when it was decided to provide for the one-sixth cut.

EXPENDITURE.

REVENUE.

	Estimates passed by Legislative Council.	Revised estimates (vide reconciliation statement attached).	Results as anticipated on 11.9.23.	Decrease		Estimated receipts as passed by Legislative Council.	Receipts as anticipated on 11.9.23.	Decrease.
	£	£	£	£		£	£	£
Working Account	1,046,207	1,092,207	822,464	269,743	Earnings	1,263,250	1,209,475	53,775
Net Savings Account	90,044	136,044	136,044	-				
Total Expenditure	1,136,251	1,228,251	958,508	269,743				
Balance net Earnings	126,999	34,999	250,967	-				
TOTAL	1,263,250	-	1,209,475	-		1,263,250	1,209,475	-

General Manager's Office,

Nairobi, 11th September, 1923.

C. D.
R 26 OCT.
D 26

Ref. no. 50079/23 Kenya

Final

*Checked & Sent
J. C.
10:30 p.m.
25/10/23*

~~October 23~~

DRAFT. Code Tel. 25. October

Governor
Nairobi

Your ~~let~~ desps. 15th September

Confidential No 510 *Draft*

MINUTE.

Railway Estimates

- Mr. Deell 4. 10. 23
- Mr. Parkin 25. 10. 23
- Mr. Bostonley 25. 10. 23

approved generally, including

amendments to ~~Expenditure~~

Abstract I reported in
your telegram 19 October,

subject to ~~revision~~ *consideration* of

points on which further
despatches promised in

your desps 15 September Confidential

and your let 19 October

It should be understood

that my approval does not

- Sir H. Read 25
- Sir J. Masterton
- Mr. Ormsby
- Duke of Devonshire

5146/25

in case

29th

covers any measures for
re-employment of European
staff which may be intended
unless these have been
specifically approved. It
further re-employment of
Europeans involved in ~~the~~
~~draft~~ 500 29/23 procedure
in paragraph 8 (g) of

my despatch 19 June 1923
should be reviewed
Annex 2 of 1923

2-231 ~~for publication steps~~
depends on final decision on the possibility of
~~the~~
~~can~~ I should be with

Ref. No. 500 29/23 Kenya

X
T.M.D.

26 October 1923

Sir

DRAFT. ~~of the~~

Kenya
Confidential
In. Compton
MINUTE.

- Mr. Seel 24. 10. 23
- Mr. Parkin 25. 10. 23
- Mr. Bottomley 15. 10. 23
- ~~Mr. G. Dyer~~
- ~~Mr. G. G. G. G.~~
- Sir H. Road: 25
- Sir J. Masterton Smith
- Mr. Ormsby-Gore
- Duke of Devonshire

For answer
2/10/23

500 29/23 (Rec. 25. Oct)
circulated herewith

I have etc. back the
receipt of your Conf. despatch
No 510, of the 15th of September,
on the subject of the draft
~~Kenya~~ Railway Estimates
for 1924, and to in the
reference to my telegram
of the 25th of October, intimating
my general approval of the
~~draft~~ Estimates.

2. The ^{anticipated} position as
disclosed in the draft Esti.
and in the memorandum by
the general Manager enclosed
with your despatch is a

matter for congratulation,
and I desire to express my
satisfaction at the reduction
in working expenses which
the General Manager has had our
~~been~~ effected in spite of the
increased mileage worked,
and also at the increased
production which has been
found possible to make for
Renewals in a better way.

3. General

however, it is to be
inclosed for the attention of
the Board of Directors and
the Board of Directors
therefore, it is suggested
to point out, in my report

the X of October, that
my approval of the draft
has generally did not
cover any proposals.

of herewith

involving the ^{retrenchment} termination
of the appointments of 557
European staff, which have
not been specifically reported
to me in accordance with
the instructions contained
in para 8 (g) of my Conf.
despatch of the 19th June.

24329
24.

4. With regard to the
Statement showing the approximate
position of Renewals,
Retirements, and Insurance
Funds, (Appendix II to the
M Estimates), ~~the figure~~
^{in each case} of £128,585 for the estimated
Balances of the Railway
Renewals and Retirement
Funds is not altogether
clear to me, and I shall
be glad to learn how
the figure of £128,585, in

Cover any measures for
retrenchment of European
staff which may be intended
unless there have been
specifically approved 96

proposed retrenchments of
personnel should be ~~well~~
in paragraph 8 of 1924

my despatch (9 June 1923) 2459/113
should be ~~referred~~

~~should be referred to~~
~~the Committee~~
~~reports on final decision on the publicity of~~
~~the matter~~
~~should be referred to~~

Ref. No. 50029/23 Kenya

X
~~Minute~~

20 October 1923

Sir

DRAFT. ~~Confidential~~

Kenya
Confidential

Mr. Compton
MINUTE.

- Mr. Seel 24.10.23
- Mr. Parker 25.10.23
- Mr. Bottomley 15.10.23

- ~~Sir C. Dunge~~
- ~~Sir G. G. G. G.~~
- Sir H. Road. 25
- Sir J. Masterton Smith
- Mr. Ormsby-Gore
- Duke of Devonshire

For Compton
2 of 15.

4652/23 (Mod. 25. 2023)
circulated herewith

I have etc. back the
receipt of your Conf. desps.
Nos 10, of the 15th of September,
on the subject of the draft
~~Kenya~~ Railway Estimates
for 1924, and to invite
reference to my telegram
of the 15th of October, intimating
my general approval of the
~~draft~~ Estimates.

2 The ^{anticipated} proportion an
disclosed in the Draft Ests
and in the memorandum by
the General Manager enclosed
with your despatch is a

C. D.
R 26 OCT.
D 26

Ref. no. 50079/23 Kenya

Final

*Circular sent
to J. C. 30 p.m.
25/10/23*

~~October 1923~~

DRAFT. Code Del.

25th October

Governor
Nairobi

Your ~~dep.~~ dep. 15th September ✓

Confidential No 510 *Draft*

MINUTE.

Railway Estimates

- Mr. Deel 24.10.23
- Mr. Perkins 25.10.23
- Mr. Broonley 25.10.23

Approved generally, including
amendments to ~~Expenditure~~

- Sir H. Road 25
- Sir J. Masterton
- Mr. Ormsby
- Uruba of Devonshire

Abstract J reported in
your telegram 19 October,

subject to ~~consideration~~ ^{consideration} of

points on which further
despatches promised in

Your dep. 15 September Confidential

and your tel 19 October ○

It should be understood

that my approval does not

296

Cover any measures for
retrenchment of European
Staff which may be intended
unless there have been
specifically approved 76
further retrenchments of
Europeans and in fact
in paragraph 4 of
my despatch of 14/10/23
should be
reported on final decision - Publicly &

Ref. No. 50079/23 Kenya

X
~~Ind~~

26 October 1923

Sir

DRAFT. ~~Confidential~~

Kenya
Confidential
To: Compton
MINUTE.

- Mr. Seel 24.10.23
- Mr. ~~Parker~~ 25.10.23
- Mr. ~~Boston~~ 15.10.23

- Sir G. Duggan
- Sir A. Grimble
- Sir H. Read. 25
- Sir J. Masterton Smith
- Mr. Ormsby-Gore
- Duke of Devonshire

For comment

2 of 5

40692/23 (Not 25. Sept)
circulated herewith

I have etc. back the
receipt of your Conf^d despatch
No 510, of the 15th of September,
on the subject of the draft
~~Uganda~~ Railway Estimates
for 1924, and to in the
reference to my telegram
of the 25th of October, intimating
my general approval of the
~~Draft~~ Estimates.

2. The ^{anticipated} position as
disclosed in the Draft 1923
and in the memorandum by
the General Manager enclosed
with your despatch is a

matter for congratulation,
and I desire to express my
satisfaction at the reduction

in working expenses which
the General Manager has had our
~~board~~ effected while of the

increase in lease worked,

and also at the increase

in the amount of lease

received in the last year

General Manager's letter of the

10th of October, that

the amount of lease

received in the last year

is

...

...

to point out

the X of October, that

of the month

my approval of the draft

...

involving the ^{retrenchment} ~~termination~~
~~of the appointments of~~ 557
European staff, which have
not been specifically reported
to me in accordance with
the instructions contained
in para 8 (g) of my Conf.
despatch of the 19th June.

24329/
23.

4. With regard to the
Statement showing the approximate
position of Renewals,
Retirements, and Insurance
Funds, (Appendix II to the
M Estimates), ~~the figure~~
~~of £128,585~~ ^{in each case} for the estimated
Balances of the Railway
Renewals and Retirement
Funds is not altogether
~~clear to me, and I shall~~
~~be glad to learn how~~
the figure of £128,585, in

each case, for the estimated
Balances of the Railway
Renewals and Betterment
Funds on the 31st of Dec., 1923, ✓

is arrived at, as no data
appear to be available for
ascertaining this appears
to be used as data which
are not available to us,
and I shall be glad to learn
how this figure is arrived at.

5. In the ~~schedule~~
Schedule of Interest and
Sinking Fund Charges,
1924 appended to the
memo by Mr. Telling enclosed
with your dispatch, I
note that provision is made
for the payment of interest
on the Railway's share of
the £5,000,000 and
£3,000,000 Loans. No

provision ^{however} (appears to have
been taken for the payment
of interest on a portion of that
part of either loan which represents
the cost of issue, of either
loan. I shall be glad to
learn what ~~steps~~ ~~is~~
~~being~~ ~~and~~ ~~to~~ ~~take~~ ~~to~~
arrangements are in
contemplation for making
such provision.

6. I would invite
your attention to the following
points ~~which~~ ~~in~~ ~~the~~ ~~cases~~
affecting members of the
European staff of the Railway.

(a) From the memoranda
by the General Manager enclosed
with ^{Mr. Charles Byrnes' to}
~~Mr. C. Ross~~ ~~Mr. Northcote's~~

✓ Copy No. 466
dated 18th of August,

46527/13
which is still under consideration,
I note that Mr. Telling
considers ~~that~~ it desirable
that only one Mechanical

Engineer will be required
at an early date in future.
You will no doubt furnish me
with the earliest possible
information as to the general

Manager & particulars regarding
Mr Harfield & Mr Ford

(b) I ~~do~~ have no
objection to the provisions made
under Abstract 1 (para) II (a) (6)

for the salary of the Secretary
to the Railway Council, viz
£395 in the 1st instance
and £400 in the 2nd instance
plus an allowance of £120 p.a.
however, in at a para (49)

if the memo enclosed with
Mr Charles Gowers' ~~letter~~
No 967
of the 19th of June, 1924
proposed that the scale
of salary for this post should
be £400 a year ^{rising} to £600

35163/125

I did not
put in the
minutes
what I really
meant -
see

Whereas the scale now shown
in the draft Estimates is
✓ £500 - £225 - £600. It would
appear to be a ~~reasonable~~
^{preferable}
arrangement - to provide in

the Estimates for a scale
of £220 - £500 ~~plus an allowance of £120 p.a.~~
in addⁿ to
of £400 ~~plus an allowance of £120 p.a.~~
which an allowⁿ of £120 p.a.
would be found from the

vote from the Railway
Council and Staff: ~~to~~
to ~~allow~~ ^{that} the holder of the
post ^{would} receive. During 1924,
£400 ~~a year~~, plus the
allowance of £120 ~~a year~~
Secretary to the Rly Council

(c) With regard to
the salary of the Chief Storekeeper,

✓ (Abstract G. 1(a)(1)), I note
✓ that in para 13(e) of

the memoⁿ enclosed with
Mr Charles Gowers' ~~letter~~
No 967,

of the 19th of June, Mr Jellens

35163/125