

1911

EAST AFR. PROT

13064

Forward Copy 7

Date

1911

27 Feb

From previous Paper

27 Feb 1911

Railway 3rd class passenger rates

Submits for approval of the proposals for reduction of rates

Mr Fiddes.

This despatch has crossed ours of the 29th of March on Treasury 9040, and the Governor was therefore unaware when he wrote it of the insistence of the Treasury on there being a reasonable probability of the net profits of the railway being increased by any reduction in passenger fares, and of their demand, in connection with any specific proposal for such a reduction, of a report on the results of the experiment on the Mombasa-Mazeraa local train service.

The present third class passenger rate on the Uganda railway is 3 cents (td.) a mile, but batches of Africans of ten or over travelling together, are carried at a lower rate, that is 1 cent (td.) a mile. I gather that what Mr Currie would now like to do is to introduce instead of the first rate a sliding scale which has proved efficient on the East Indian Railway, namely:-

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From subsequent Paper

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2.5 cents per mile for the first 100 miles

3.0 " " " " " " 101 to 300 "

1.5 " " " " " " over 300 "

and that he would like to reduce the special rate for  
through travelling in batches of ten or over to 1 cent  
per mile. He puts the loss on the introduction of the  
sliding scale for the individual third class passenger at  
£4,700 a year but says that this would be practically  
covered by the increased receipts from batches of ten or over  
if the fare for such batches were reduced to 1 cent per  
mile. The figures which he gives in paragraph 4 of his  
Memorandum to show the increase which may be expected  
from low rates for third class passengers are remarkable,  
but it is not altogether clear to me how the loss involved  
by the introduction of the sliding scale is to be cleared.  
Mr Currie says in paragraph 5 that, if he is allowed to  
put the third class fares low enough, he could get a revenue  
of at least £200 a month from the natives who at present  
walk between Nairobi and Mombasa; but this is only £2,400  
a year as against the £4,700 loss. He does mention in  
paragraph 7 a probable earning of £400 a month, or £4,800  
a year, from the labour to be brought down from Kavirondo  
for the construction of the branch railway to Lake Magadi,  
but this sum would no doubt be earned in any case whether  
the rates were reduced or not, as Messrs Samuel and Company  
are not likely to forgo building their branch because of the  
difference between Rs. 4.50 and Rs. 3. <sup>per man per month</sup> I fear that the  
Treasury <sup>may</sup> <sup>possibly</sup> even take the point that the receipts from  
this source are so sure that to reduce the rate <sup>for it is the loss</sup>  
from 1 1/2 cents a mile to 1 cent a mile is a sheer throwing  
away of £200 per month, or £2,400 a year.

However

However, the general effect of the Manager's  
Memorandum and of the observations which I have marked  
on pages 3, 8, and 50 of the annexed Report on the railway  
for the year 1909-10 are so strongly in favour of the  
probability of the reduction of third class fares being  
in the best interests of the Protectorate that I think  
we ought to make another attempt upon the Treasury  
without waiting for a reply to our despatch of the 29th  
of March.

? Send a copy of this despatch and its enci-  
sure to the Treasury, saying it has crossed our despatch  
of the 29th of March sending a copy of their letter of  
the 20th of March, and <sup>say</sup> that, in view of the urgency  
of a decision as explained in the 7th paragraph of Mr.  
Currie's Memorandum, Mr Harcourt would be glad if the  
Lords Commissioners could see their way to approve of  
the proposed reductions in third class fares without  
further delay.

HALB  
April 28

Lord Lucas  
Mr Harcourt  
It seems to me - I  
think the Treasury will take the point - that  
to make the change at the present is  
simply to pass transfer money from the  
C.A.P. pocket - that of the Magadi line?  
Transfer in the end - doesn't comply with

the requirements of the President's letter of  
20th (good), I will take no action until  
the Gov. responds further on this subject  
letter.

It will be a pity to hold up  
this experiment until the Magadi  
Rt is finished, and at the same  
time I quite agree with Mr. Hodder we  
don't want to put money into the  
pockets of the Magadi Co.

I suggest therefore our putting  
this difficulty to the Gov. in a telegram  
and asking him to suggest a solution  
if he can in his despatch in reply  
to ours of 29.3. Saying that we  
don't see our way to sanction his  
proposals unless a solution is found

L. 4.5

Jes: I was very keen to get this  
reduction, but the Magadi case  
makes my position more difficult  
Telegraph as proposed by Mr. Hodder

L. 4.5-11

C 50 504  
2007

GOVERNMENT HOUSE,  
NAIROBI,  
BRITISH EAST AFRICA

March 27th 1911.

EAST AFRICA PROTECTORATE.

CONFIDENTIAL (17)

Sir,

25-30 ←

Mr. Currie  
No. 48/100

I have the honour to refer to paragraph 8 of my Confidential Despatch No. 66 of July 9th last respecting the third class rates at present in force on the Uganda Railway.

1. I was given to understand during my recent visit to England that a certain latitude in dealing both with goods and passenger rates was admitted in principle; I think that the time has now come for putting it into practice, certainly in so far as third class fares are concerned.

2. Reference to the last Railway Report shows that the passenger traffic of this class is stationary or even retrogressive, vide paragraph 5 page 24. In 1909-10 it was actually less than in either 1906-07 or 1907-08 and very little more than in 1908-09. This is not as it should be when the large number of natives who travel to and from the coast for work is considered. At present they practically ignore the Railway as a means of propulsion, utilising it merely as pedestrian ways along the permanent way, scarcely a satisfactory state of affairs from the point of view of revenue.

THE RIGHT HONOURABLE  
LEWIS HARCOURT, F.C., M.P.,  
SECRETARY OF STATE FOR THE COLONIES,  
10, COVENTRY STREET, LONDON, S.W.

revenue.

4. I am convinced that if the fares were reduced to a reasonable rate, which would enable the labourer to travel approximately the same distance for a day's wage as he can do in other countries, it should set a steady and continually increasing and profitable passenger traffic which would have the further effect of facilitating the labour supply and preventing the wastage caused by the time taken on the journey between the men's homes and the place of their employment.

5. The Manager's proposals, which are set forth in his accompanying letter and include very low fares for batches of Africans travelling together as well as the introduction of a sliding scale varying from 2.5 to 1.5 cents per mile according to distance as adopted with success on the East Indian Railway, appear to me to meet the case exactly and I recommend them most strongly for approval as being in the best interests both of the Railway itself and the Protectorate as a whole.

6. Any small initial loss of revenue would, I am certain, be very soon counterbalanced by the extension of traffic which I confidently anticipate as a result of the reduction.

I have the honour to be,  
Sir,  
Your humble, obedient servant,

  
GOVERNOR.

INCLOSURE  
Comp. In Despatch No. 17 of 27/3/1907

No. 48  
100

Manager's Office,  
Nairobi,  
20th March 1911.

Sir,

In my letter No. 88/100 dated the 6th August 1907 I drew attention to the high rates for 3rd class passengers on this Railway amounting to 3 cents i.e. 1d. per mile and asked for sanction to charge half rates for Africans in batches of 10 or over. This was agreed to and with effect from the 12th October 1907 we have been carrying men proceeding to or returning from work on farms, plantations etc. within the East Africa and Uganda Protectorates at these rates.

2. In order to secure the reduction a certificate must be produced so that in effect the reduction is only applicable to natives travelling for employers and men travelling to and from the Coast in search of or returning from work are unable at present to obtain it.

3. In order to ascertain whether the large number of natives who walk from Ukamba Province to the Coast and back would travel by rail if the reduction was made available to them I authorised the Assistant Traffic Manager at Mombasa to canvas amongst the men, who, having served their time on plantation and other works

at

The Secretary

to the Administration,

East Africa Protectorate,

N A I F O B I .

the Coast, were walking back along the Rail. I offer to convey them to Nairobi or stations in neighbourhood at the reduced rates. The attempt was unsuccessful as the men preferred to walk rather than pay some Rs. 5/- for the journey.

After several months fruitless endeavours I authorised the Assistant Traffic Manager to offer "to any men or even who had been working on the line for some time, but who were not willing to return to their homes" for a period of 1 month from Mombasa to Nairobi i.e. at about 1/2 p.m. per mile. It was a considerable time even this rate was expected to attract a few gangs had been induced to travel and had realized the advantage others seem to have got to know of it with result that we have secured the following numbers during the past few months.

			Rs.
September 1910	..	27	67.50
October "	..	107	117.50
November "	..	206	515.00
December "	..	250	625.00
January 1911.	..	471	1177.50.
February "	..	42	1355.00

5. These figures, in my opinion, prove that if we put out 3rd class fares low enough we shall greatly increase the number of men we shall carry and thereby secure a revenue of at least £200 per month at once, from the natives who, at present, do not travel between Nairobi and Mombasa.

The Traffic Manager points out that a 3rd class passenger in America can travel about 60 miles for his wage, in England about 40 miles, in India

Iron

from 25 to 30 miles per hour in East Africa only about 8 miles. He suggests that we should introduce the sliding scale which has proved so very efficient on the East Indian Railway viz:-

2.5	cents per mile for the first 100 miles
2.0	" " " " 101 to 200 "
1.5	" " " " over 200 "

The average distance travelled by 3rd class passengers during 1909-10 was 123 miles, so that if the Traffic Manager's proposal is adopted the average earnings would be about 2.4 cents per mile.

Our total receipts from 3rd class passengers on the Railway during 1909-10 were Rs. 750,428 - £23,360. The proposed reduction would therefore mean a loss of 20% - Rs. 70,040 - £4,700 say. This however would be practically covered if we reduce our fares for Africans in batches of 10 or over to 1 cent per mile as stated in paragraph 5.

7. The question is somewhat urgent because I understand that the Magadi branch is to be constructed entirely with Wakavirondo labour. We shall therefore be called upon to convey very large numbers of these men from Port Florence to Kapiti and back, a distance of 300 miles each way. At existing rates these will cost the Company Rs. 4.50 per man for each journey; this is I consider too much, Rs. 3.00 per journey i.e. 1 cent per mile is reasonable. From this traffic we should probably earn about £400 per annum so the proposed reductions can be effected without any decrease of anticipated coaching earnings for 1911-12.

8. In continuing the low rate for natives I should have to extend it to batches of natives travelling on their own account but now that they are beginning



beginning to understand the advantages of the Railway, I think that an arrangement can be come to by which they will be able to obtain the necessary certificate from an Administrative, Railway or Police Officer or perhaps a Justice of the Peace without unnecessary trouble.

8. For previous papers concerning Passenger fares please see paragraph 8 of His Excellency's confidential despatch No. 68 of the 8th July 1910 to the Secretary of State, also remarks on pages 4, 5 and 50 of my Administration Report for 1909-10.

Yours, etc., etc.,

Sd/- H.A.F. CURRIE

Manager,

Uganda Railways.

for Lat...  
30th  
Int 4/15/95

DRAFT.

Winnard

Narrative

MINUTE.

- Mr. ~~Butler~~ 8/5
- Mr. ~~Butler~~ 8
- Mr. ~~Butler~~ 8
- Mr. ~~Butler~~ 8
- Mr. Just.
- Mr. Cor.
- Sir C. Lucas.
- Lord Lucas.
- Gen. Secy.
- Mr. Harcourt.

MS 15 155

Your despatch of 27th

comports (confidential) for our

rationing Railway rates has gone find up

They despatch of 29th

any difficulty in getting

your proposals to the

Tramway is that I

from that ~~it would~~ <sup>be</sup> ~~more~~ <sup>reasonable</sup> ~~to~~ <sup>have</sup> ~~the~~ <sup>same</sup> ~~rate~~ <sup>as</sup> ~~the~~ <sup>other</sup> ~~lines~~ <sup>are</sup> ~~at~~ <sup>present</sup>

the ~~proposed~~ <sup>reduction</sup> of

monopolies ~~the~~ <sup>proposed</sup> ~~reduction~~ of

the ~~proposed~~ <sup>reduction</sup> of

the ~~proposed~~ <sup>reduction</sup> of

A transfer ~~of~~ <sup>from</sup> ~~the~~ <sup>to</sup> ~~the~~ <sup>the</sup> ~~company~~ <sup>company</sup>

the ~~proposed~~ <sup>reduction</sup> of

the ~~proposed~~ <sup>reduction</sup> of

the ~~proposed~~ <sup>reduction</sup> of

the ~~proposed~~ <sup>reduction</sup> of

to transfer July 1913

*[Handwritten signature]*

~~in despatch in 1845~~

~~unlegal  
very deep of 29 hand ~~at~~ reply  
which should also~~

~~reference to exhibit in your  
reply, I feel great  
fear that your proposals~~

~~if we had independent trustee  
there would be peace~~

~~it was a very difficult matter  
to settle in <sup>disputing</sup> particular~~

~~difficultly in recommending  
your proposal to~~

Treasurer <sup>of</sup> your

~~ugh's~~ despatch should also

~~codigore~~ <sup>recovered</sup> ~~comply with the requirements~~

~~in Treasury letter of~~

~~120~~ <sup>magnum</sup> ~~March!~~