

DESPATCH.

EAST AFR. PROT.
N^o. 35427

C. O.
35427
Rec^d
4 OCT 05

No. 1905
1905
previous Paper.

(Subject.)

Railway Rates for Agricul^e Produce.

Your tel of 2nd Oct Rates have been brought into force —

(Minutes.)

Mr. Read

See my minute on 33232. You will see that on the whole I am inclined to favour the rates proposed. But of course it is always the grant of rate least is favourable rates to if not more favourable ones to goods & timber in their loads.

The action of the General Manager in reducing the rates was however with a view as Treasury letter of 2nd Sept 1904

copy to the ...

subsequent Paper.
66895

allowed by the directors
of the company in the event of
a failure to raise the amount

to be raised by the company
under the provisions of the
articles of association of the company
and to be applied to the redemption
of the debentures

I think we must telegraph that
the new rates must be regarded
as temporary. I don't discuss
the matter with the Trustees
advising the directors at least
for a year, till it is seen
what the effect is

should be
obtained
sanction

11/10/10

2 meeting to the directors we must
point out the bearing which this will
have on the balance sheet and the
I understand that the directors of the
have not yet answered our letter containing
our last offer but they will probably do
soon. I don't think that the terms offered are not
good enough & we shall probably have to
give more favourable ones. I believe that it
will pay us to do this provided that
the directors are strong enough to carry
them out.

W. R. 10/10

C. O.
35427
REC'D
RES. 4 OCT 05

293

Copy
32226

TELEGRAM. The Officer Administering the Government of the East Africa Protectorate. to Mr. Lyttelton.

(Received, Colonial Office 7.50 p.m. 3rd October, 1905.)

No. 193. Your telegram of 2nd October Rates have been brought into force.

REPLIES SHOULD BE MADE

THE EASTERN TELEGRAPH



HEAD OFFICE: CHIEF STATION, 11, OLD ROAD, W. LONDON, E.C. 1.
BRANCH STATIONS:

1. LEADENHALL STREET, E.C.
2. WHEAT TOWER STREET, E.C.
3. HOLBORN VIADUCT, E.C.
449, STRAND, W.C.

4. AEGHIE, S.W.
5. 2 & 4, PAFLS, S.W.
Foreign Address BILLS OF
THE BAILEY, ST. MARKS

REMARKS

The following TELEGRAM Received at

From Mombasa

via "Eastern"

No. of Words 9 Dated 3 Title Cap. m.

Chapelries
London

Your telegram of 2 October
concerning lockst
ates have been brought into force
belch brazenface
Jackson

Rec^d 7.50 PM
3 Oct

Doubtful words should be OFFICIALLY repeated. See Rule Book.

No inquiry respecting this Telegram can be attended to without the production of this Copy.
ON WHICH THIS TELEGRAM HAS BEEN ACCEPTED. The Telegraph Administration and Companies through whose hands this
MISTAKES OR DELAYS in the transmission or delivery of, or for the NON-TRANSMISSION, MIS-DELIVERY or NON-DELIVERY of
Any complaint, however, will meet with every attention on being brought to the notice of the Company.

Com
35/27

t.A.P.

295

DRAFT.

Tell to
Jackson
Mombasa

luck penny
5 October 25

Pitt's Incl

MINUTE.

Mr. Wills 5/10.

Mr. Read 5/10.

Mr. Antrobus.

Mr. Cor.

Mr. Lucas.

Mr. Graham.

Sir M. Ommamney.

The Duke of Marlborough.

Mr. Lyttelton.

referring to gr. lib of
luckily rates
3rd Oct

Brought considered
must be

Seal
W.A.P.
5/10/25

temporary pending

Sevare

Secretary of Treasury

d/t over leaf

Lyttelton

The Sec to the

Treasury

6 October 05

Sir

I am directed by
Mr. P. Lythellton
to transmit to you the
accompanying copies of
minutes with the Comar
of the C.A.P. on the subject
of rates for the carriage
of grain & goods on the
Uganda Railway

Ans'd 36895

M 5/10

Mr. Ross 5/10

P. P. Stewart to P. P.

Lythellton of Mr. P. P.

P. P. to Mr. Jackson

Mr. Jackson to P. P.

P. P. to Mr. Jackson

It will be seen
that in his despatch
of the 15th of August the
Comar asked that a
reduction of approximately
from one penny to one
half penny per ton mile
might be sanctioned

on all grains & goods in
full wagon loads, 296
and a similar reduction
in the rate for potatoes,
conditional on a
proportional lowering
of freight by the
shipping companies
It appears from the
subsequent evidence
that the reduced rates
already ^{advised} by the
on the 1st ult, and
as such a reduction, at
least as a first step
measure, requires the
sanction of the C.A.P.
as indicated in their
letter of the 2nd
Sept 1904, Mr.
Lythellton telegraphed
requesting that the
reduction should be

ordered no temporary
funding then ^{and} approval of

and

In the course of the negotiations as to the rate to be granted for the carriage of soda from the Magadi Lake, which formed the subject of the proposals noted in the margin, Mr. Lyttelton was led to suspect that the General Manager was inclined to give too low an estimate of the probable profits on large consignments when carried at a relatively low rate, and accordingly he is now inclined to

C.O. to Treas & 2nd
Treasury to C.O. of Dept

DRAFT

MINUTE.

Mr.
Mr.
Mr. Antrobus.
Mr. Cox.
Mr. Lucas.
Mr. Graham.
Sir M. Ommanney.
The Duke of Marlborough.
Mr. Lyttelton.

297
It will be seen that the Mr. Currie estimate that after providing for the maintenance losses incurred by the reduction the deficit estimated deficit of £10,000 on the working of the Railway for the year will not be incurred.

In view of these considerations, & of the necessity of ascertaining which of any of the Prohibitions

products can find
a profitable export
market, Mr. Lythellton
wishes to state that
the L. C. will not
refer to a restriction in
the maintenance of the
reduced rates for
a period of twelve
months at least, in
order that the result
on the receipts of the
railway & the export
of the country
may be gauged.

It will be shown
that the rate is not
quite a flat rate of
1/2 d per mile, but
is ^{slightly} graduated - the
charge from the station

near Bombay being
charged considerably
more than 1/2 d a mile.
This principle of charging
proportionately more for
a short haul Mr. 298
Lythellton believes is
advised on most
railways, & he thinks
it might probably be
pushed somewhat
further with advantage
on the Uganda Railway.

Mr. Lythellton thinks
it right to point out
that if the ^{proportion} rate proposed
for needs of grain is
maintained, or at least
if it is made permanent,
it will be difficult
to raise a permanent
rate of ^{1/2} d per ton
for other goods.