

EAST AFR. PROT.

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14438
REC'D
14 MAY 10



14438

Secretary
Khartoum 218

1910

UNYA - TAYLOR RAILWAY

Expresses opinion that it will be much more satisfactory if the loan for the construction of is made to the E.A.P. Administration. Gives reasons. Submits proposals for construction of line. If proposals are approved asks that the total amount of £160,000 may be placed with the Crown Agents to the credit of the Uganda Railway Capital Account.

th April
previous Paper

16993

Wt ~~sent~~ 7/10/10

It will be convenient to take this despatch in sections

Para. 2, 3, 4, & 9 are concerned with the proposal that the loan for the construction of this line shall be made to the E.A.P. & not to Uganda, that the E.A.P. shall ~~take~~ take all responsibilities, risks, & profits. In a telegram of the 25th April (copy) of Governor has asked that consideration of this proposal ~~should~~ be postponed until the receipt of a despatch which he was sending

Placed in D. 30 June 1910
Dated 30 June 1910
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in that date. We can only wait & see what the result may be. We have now told Sir P. Gouard that Mr. Collard cannot be spared from N. Ny.

Para 6.7. In view of these paragraphs & the preliminary estimates at the end of his despatch should be sent to the C.A., with ref. to our letter of the 13th of May 1993. They should now be instructed to place the orders for the materials referred to in that letter & by doing so at once they can obtain any advantage in prices, provided that delivery of the materials can, at need, be suspended till August or September or even later.

Para 8. See now further minutes on this subject. Proceed as there proposed. P. Gouard's suggestion to the effect that the

See para 6.7
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various Cpt. Dept. in Uganda should give every assistance that is possible. In particular the construction of all buildings should be undertaken by the Uganda P.W.D.; that labour should be recruited through the Provincial Staff of Uganda, & that some of that staff should actually be in charge of earthworks. This is the system followed in the construction of the Baro-Kano Railway in N. Ny. But here Sir P. Gouard was handling his own Dept. & will be a much more delicate operation to work the same system with his staff & another Cpt. However, we are committed to the attempt. The C.A. of Uganda has had a copy of the despatch (733) in our conf. despatch of 24 Feb. 1993. See his attention.

face course

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But B approves in principle of the
arrangements proposed in the
last two paragraphs of 2, & leaves it
to the two Generals to arrange
to their mutual satisfaction the
necessary details.

And we should tell Sir P.
Garnard what we are doing
(or not doing) on the whole
despatch.

WAB

May 18

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GOVERNMENT HOUSE 14 MAY 1910
NAIROBI.
BRITISH EAST AFRICA

EAST AFRICA TELEGRAPH.

No. 218



1910

My Lord,

I have the honor to acknowledge your Lordship's cable of the 10th inst. and in reply to inform you that the following proposals have been approved by the Board of Directors of the East African Telegraph and Cable Company Limited on the 12th inst. and have been forwarded to the Government for their consideration.

The Board of Directors have on the 12th inst. April 1910 resolved to accept the proposal of Mr. Piddes that the East African Telegraph and Cable Company Limited should be authorized to borrow from the Government of Kenya the sum of £1,000,000 for the purpose of constructing a cable line from Nairobi to the Victoria Falls and to the Cape of Good Hope. Mr. Piddes's proposal is that the loan should be repaid by the annual interest on the loan of £250,000. I also observe that Mr. Piddes proposes that the loan will be repaid by the Government of Kenya and that the Government will be responsible for the charges of the loan and entitled to the profits eventually earned by the railway.

In reply to your proposal for the actual construction of the line I venture to submit to your Lordship that in my opinion it will be more satisfactory if the loan is made to the

THE RIGHT HONOURABLE
THE EARL OF CREW, K.C.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET, LONDON, E.C.

14433

GOVERNMENT HOUSE, NAIROBI, 14 MAY 1910

BRITISH EAST AFRICA.

April 16th 1910.

EAST AFRICAN PROTECTORATE.

No. 218



My Lord,

In accordance with Your Lordship's cable dated the 13th March, I beg to submit the following proposals for the construction of the Jinja-Kakindu Railway.

2. I gather from your cable dated the 2nd April - in reply to my cable of the 21st March - that the construction is to be undertaken by the Uganda Railway and from paragraph 4 of Mr. Fiddes's despatch No. 3510/1909 dated the 12th February 1910 to the Secretary to the Treasury that the amount sanctioned for the work is £100,000. I also observe that in paragraph 5 of his despatch Mr. Fiddes remarks that Your Lordship presumes that the loan will be made to the Government of Uganda and that that Protectorate will be responsible for the charges of the loan and entitled to any profits eventually earned by the Railway.

3. Before giving my proposals for the actual construction of the line I venture to submit to Your Lordship that in my opinion it will be more satisfactory if the loan is made to the Uganda Railway.

THE RIGHT HONOURABLE

THE EARL OF CREVE, K.C.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET, LONDON, E.C.

Handwritten notes and scribbles at the bottom of the page, including '38' and '30'.

(2)

the East Africa Protectorate Administration and that that Administration and not the Uganda Protectorate will be responsible for the charges of the loan.

My reasons for holding this view are:-

(1) If the line is constructed as a branch of the Uganda Railway system the material can be carried over that system at the very low rates in force for the carriage of material required for the parent line; whereas if the line is to belong to the Uganda Administration the rates will have to be such as are charged for Government materials required by that Administration which are higher than the former rates.

(2) The Uganda Railway has in store a quantity of materials such as girders, engines, pipes, etc. originally bought for the construction of that line; these are spare and stand against the Capital account of the line under "Suspense". If the Jinje-Kakindu line is to form a separate part of the Uganda Railway system these materials can be issued to the branch without any cash transfer. All that will be required is a book transfer of their value to debit of Capital Bridge-work (or whatever the head may be) by credit to "Suspense". On the other hand if the line is to belong to the Uganda Administration these materials will have to be paid for out of the loan and the Uganda Railway Capital Account credited with their value. For the above

(2)

perhaps your Lordship will observe that it will be considerably cheaper to build the line as a branch of the Uganda Railway system.

(B) From an administrative point of view I consider that the line when completed is more likely to be efficiently worked if the Department which works it is allowed to reap the fruits of its labours. To allow the Uganda Government to become entitled to any profits which may eventually be earned by the line will be anything but an incentive to the parent line to work it economically and will give that Government strong ground for interference in the working, which, I foresee, can only lead to friction and inefficiency. Moreover, if the Uganda Government is to be entitled to any direct profits earned by the line per se, it can also reasonably claim a share in the profits earned by the through traffic over the parent system - rail and steamer - from traffic to and from the branch. To admit this would entail an expensive addition to our present system of accounting on the Railway which would in my opinion not be justified by the results. The steamers belonging to the Uganda Railway have for several years been running in the Uganda Administration waters, that Government being satisfied with the instructions and advantages gained by the opening up of the Lake shores and increased facilities for transport. I consider that the same principle should apply to the Jinja-Kinshasa Railway.

(2)

Further investigations will observe that it will be considerably cheaper to build the line as a branch of the Uganda Railway system.

(3) From an administrative point of view I consider that the line when completed is more likely to be efficiently worked if the Department which works it is allowed to reap the fruits of its labours. To allow the Uganda Government to become entitled to any profits which may eventually be earned by the line will be anything but an incentive to the parent line to work it economically and will give that Government strong ground for interference in the working, which, I foresee, can only lead to friction and inefficiency. Moreover, if the Uganda Government is to be entitled to any direct profits earned by the line per se, it can also reasonably claim a share in the profits earned by the through traffic over the parent system - rail and steamer - from traffic to and from the branch. To admit this would entail an expensive addition to our present system of accounting on the Railway which would, in my opinion not be justified by the results. The steamers belonging to the Uganda Railway have for several years been running in the Uganda Administration waters, that Government being satisfied with the indirect advantages gained by the opening up of the Lake shores and increased facilities for transport. I consider that the same principle should apply as regards the Jinja-Kampala Railway.

(8)

reasons Your Lordship will observe that it will be considerably cheaper to build the line and a branch of the Uganda Railway system.

(8) From an administrative point of view I consider that the line when completed is more likely to be efficiently worked if the Department which works it is allowed to reap the fruits of its labours. To allow the Uganda Government to become entitled to any profits which may eventually be earned by the line will be anything but an incentive to the parent line to work it economically and will give that Government strong ground for interference in the working, which, I foresee, can only lead to friction and inefficiency. Moreover, if the Uganda Government is to be entitled to any direct profits earned by the line per se, it can also reasonably claim a share in the profits earned by the through traffic over the parent system's rail and steamer - from traffic to and from the branch. To admit this would entail an expensive addition to our present system of accounting on the Railway which would in my opinion not be justified by the results. The steamers belonging to the Uganda Railway have for several years been on the Uganda Administration waters, that is to say, they are operated by the Uganda Administration and are charged with the indirect expenses of the Lake shores and the ... I consider that the same principle should be applied to the Jinja-Katindu Railway.

(4)

4. As regards responsibility for the charges for the loan the East Africa Protectorate, which of course includes the Uganda Railway, is in a good position to bear it as the Government of Uganda.

5. Turning now to the actual construction of the line, I propose in accordance with Your Lordship's instructions to place it under the control of the Manager of the Uganda Railway. As Mr. Currie has not an Engineer to spare to take charge of the construction I asked Your Lordship to endeavour to obtain the services of Mr. Collard, at present employed as Executive Engineer on the Bahr-Ghazal Railway in Northern Nigeria, on a salary of £700 per annum. To assist him I propose transferring a couple of Assistant Engineers from the Public Works Department Staff, which I desire to cut down.

6. In my cable of 9th April I asked Your Lordship to place an order for 50 miles rails and fastenings and 53,000 steel sleepers, Uganda Railway pattern, for the work. I did this in order that, if possible, I might take advantage of the existing rates for such material which, I gather from Messrs. Bendel and Robertson's letter of the 28th January last to the Crown Agents, are unusually low. I also asked that shipment of this material may be deferred on this point. I shall advise you as I propose to order this material which may consist of rails and other articles. This can be effected. I shall not want the rails, etc.

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until

W. E. Gladstone

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7. The balance of the estimate requires another 57,000 or so. I am endeavouring to procure from the forests of Uganda and East Africa.

8. In my cable of the 21st April I also asked that £30,000 may be placed at my disposal for local expenditure. This sum I require for

(1) The erection of houses at Jinja; these I consider should be commenced at once, the climate is unhealthy and it is very essential that the construction staff at Jinja shall be well housed. I am in correspondence with the Acting Governor of Uganda in regard to this;

(2) The purchase of sleepers referred to above;

(3) The execution of the necessary detailed surveys and commencement of works generally at the terminus at Jinja.

9. The financial control of the construction will be undertaken by the Accounts Staff of the Uganda Railway and if Your Lordship agrees with the recommendations I have made above, I beg that the total amount of the grant viz: £160,000 may be placed with the Crown Agents to credit of the Uganda Railway Capital Account. The Manager of the Railway will then deal with the construction of the line in accordance with the system in force for the execution of Capital Works on that Railway.

10. In my cable of the 21st April I also asked that the necessary arrangements be made for the recruitment and control of labour made in the last two paragraphs of my confidential despatch No. 20 dated the 14th December 1902. I think

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that His Excellency the Governor of Uganda should be
informed of the fact and further arrangements can then
be easily settled between us. I feel sure that
you shall receive the greatest possible assistance from
His Excellency the Governor of Uganda, and Your
Lordship may rest assured that my officers will
work in cordial co-operation with the officers of
the Uganda Administration for the successful and
early completion of the line.

I have the honour to be
Your Lordship's humble,
obedient servant,

A. J. ...
GOVERNOR.

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14438

REC'D
MAY 14 1910

PRELIMINARY ESTIMATES FOR CONSTRUCTION
OF JINJA-KAKINDU RAILWAY.

	Per mile.
1. Survey	£.38
2. Compensation	2
3. Earthwork	326
4. Bridges	180
5. Permanent Way	1,500
6. Stations and Buildings	200
7. Telegraph	60
8. Plant	77
9. Rolling Stock	40 (1)
10. Administration	370
Contingencies	418

£5,200

or for 50 miles = £260,000

50 lbs. rails and fastenings	2800
1/2 steel sleepers at Rs.5.00)	500
1/2 wooden " at Rs.2.50)	500
Laying	100
Ballast	50

£1,500



Handwritten scribbles and notes at the top of the page, including the word 'Ward' and 'to'.

DRAFT.

CA.

30 May 1860

MINUTE.

Genl.

- Mr. Parkhurst
- Mr. Butler
- Mr. Pidda
- Mr. Inst.
- Mr. Cox
- Sir G. Lucas
- Sir F. Hopwood
- Col. Seely
- Lord Ovens

With reference to the letter from this
 26th of the 13th of May relating
 to the purchase of rails, sleepers
 etc. for the Simpa-Kakinda
 Railway, I am etc.
 transmit to you the
 accompanying ~~set of~~ ^{extract from}
 report from the Com. of

to Genl. 21-10-60
 Railway

Estimates for the construction
 of this Railway

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 of this left
 13/3
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to inform you that
the ~~handling~~ ~~address~~ ~~of~~ ~~our~~
~~presented~~ ~~has~~

placing the order for the
materials referred to

in the letter quoted above,

if by so doing you can
obtain any advantage
in price, ~~it must,~~

~~however, be clearly understood~~
~~provided that~~
~~that, in such a case,~~

arrangements ^{can} ~~must~~ be made, as necessary

for the delivery of the materials,

~~at such~~ to be completed

until August or September

or even later

BY HAND