

The scheme would do, would be to give
an alternative route between the two
port jurisdictions (or addition to the
existing route via Zanzibar) at
a rate of 8¢ per unit instead of 1¢.
The C.P.O. doubt whether the 8¢ rate
would pay.

But if the Germans will consent
the present steamer of their line
line (Tabora) with Uldjei or
like Feringyida, Mr. Goring
feels out that it will connect
with the Trans Cape Continental

line if you would commence
line between the Cape, & Mombasa
& Waddai on the Nile
It is doubtful whether it would
on a land line is desirable

from an important point of
view, as the C.P.O. point out, but,
despite that may be, the Trans
Continental Co. has already
the right to carry this line through
Uganda to connect with the
the line to Waddai to the
C.P.O. suggest we might inquire
if that be whether they

if they
as there
as well
the paper
from the
and had
a business
and of

intended to send [unclear] of their rights to
[unclear] a [unclear] [unclear]
to [unclear] land [unclear] [unclear]
Tonga [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear] [unclear]
the [unclear] of [unclear] [unclear]
M. J. [unclear]

Mr Johnson
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]

W. J. [unclear]
[unclear] [unclear] [unclear]

I have nothing to add
July 27

Write to the Company as of [unclear]

C. P. [unclear]

27 [unclear]

intend to send them... of their right to
 do to the best...
 Junga... I do not think
 sufficient... for
 the... of...

Mr. Johnson
 If you have no objection to
 make, please pass on to Mrs. Lincoln.

W. Lincoln
 I have nothing to add
 12/27

Write to the Company as proposed
 C. P. O.
 27 at once

C O
12801

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GENERAL POST OFFICE, LONDON.

17 April 1905.

Sir,

With reference to your letter of the 17th ultimo respecting a proposal of the German Government to erect a telegraph line between Mombasa and Tanga to connect the telegraph systems of British and German East Africa, I am directed by the Postmaster General to offer the following observations, for the consideration of the Secretary of State for Foreign Affairs.

The question whether the cost of the proposed line is justified by the administrative or commercial requirements of the Colony must depend mainly on local conditions (such as those advanced in the interesting report of the Postmaster General of British East Africa) on which the Postmaster General is not in a position to offer an opinion. He would merely observe (1) that the revenue from the proposed line is based on the assumption that British East Africa will enjoy as much as 7d. out of a total charge of 8d. (or 5d. out of a total charge of 6d.) - a disproportion to which the German Government, in view of the fact

Secretary of State,
FOREIGN OFFICE.

that the telegraph systems of the two colonies are described as being of approximately the same extent as at the reception of the... as regards, it is estimated that 2% on the capital outlay no... maintenance and... of the line or for the cost of working the proposed... telegraph office on the frontier.

But it is a question of importance how far the proposed line was... on the scheme for the Cape to... telegraph.

Mr. Goslin... that a line between Tanga and... in... with a new line... to Tabora, could provide... links in a chain... from... with the... system of the Soudan.

It is... that such a line, although circuitous, would... certain advantages as an alternative route... recommends that in connection... the German Government should be... the line between Ujiji and Tabora.

The original scheme was for a line to be constructed

and worked by the African Trans-Continental Company as a homogeneous system by the shortest route through German East Africa and thence through Uganda to the frontier of the Soudan, where a junction was to be effected with the telegraph systems of the Soudanese and Egyptian Governments.

It was clear that, while the value of such a line from the Imperial point of view was discounted by the fact that it would pass through German territory, it would tend, if efficiently maintained and worked, as was then proposed, at a low rate of charge, to weaken the position of the cable routes which were, and are, regarded as essential to British interests.

These considerations were pointed out in various letters to the Foreign Office from this Department (see specially those dated the 13th, 19th and 20th March 1897) and the Postmaster General understands that, while His Majesty's Government did not consider it to be either necessary or desirable to oppose the scheme, they did not feel justified in giving it their support. It was accordingly decided not to take any steps to assist Mr. Rhodes in his negotiations at Berlin; and, as regards Egypt, it was pointed out to the Egyptian Government that the rate

proposed to be charged for the transmission of through traffic over the telegraph systems of Egypt and the Soudan appeared to be unduly low. On the other hand the Foreign Office intimated, in reply to an official application made by Mr. Rhodes on behalf of the African Trans-Continental Company, that they would be prepared to grant permission to the Company to construct and work their line from the Northern boundary of German East Africa through Uganda and the adjoining territories under British protection to the boundary of the Soudan, on suitable conditions, one of which was that the rates, whether for terminal or through traffic, should be subject to the approval of His Majesty's Government.

As Mr. Sealing points out, it is perhaps, scarcely probable that a line passing by the circuitous route via Tabora, Tanga and Mombasa and worked by a number of different Administrations would compete effectually with the cable routes: but any proposal to fix lower rates for through traffic via the Cape to Cairo line than those chargeable for transmission over the cables would require careful consideration.

The Postmaster General will be glad to have an opportunity of

of considering the matter further. But, in the meanwhile, it appears to him to be essential, before any definite action is taken that it should be ascertained how far the African Trans-Continental Telegraph Company may be concerned in the present proposal of the German Government. It is understood that, since the death of the late Mr. Rhodes, comparatively little progress has been made with the Cape to Cairo scheme; and it is possible that the Company may have renounced the more ambitious project of a line under their own control. On the other hand it has recently been stated in the public press - see attached extract - that the line is being surveyed northward from Ujiji along the Victoria Nyanza and that it is expected to be completed by 1906. The Postmaster General would suggest that the Company might be asked, with reference to the correspondence which passed between the Foreign Office and themselves in 1896, what progress is being made with the construction of their through line, and in particular whether the Company propose to avail themselves of the permission given to them to carry the line through Uganda.

I am, Sir,
Your obedient Servant,



