

EAST AFR. PROT.
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12/1

the Magadi
Loda Co. Ltd.

1914

9 Sept.

Last previous Paper.

A secret

69.

Magadi Railway.

In view of the fact that the Govt. has taken over the Ry. for military purposes, & therefore the contractors having to cease work, enquires whether Govt. wd. be prepared to allow them interest at 5% p. a. on the amt. expended up to date of taking over of Ry.

Mr. S. Fielder.

We have not heard that the Ry has been taken over by the local Govt.

So inf: the Co^y + say that their L^d will be referred to the Govt for report - a copy of concept to Govt for report D.T. ?

H. J. R
10/9/14

Mr. 10.9.14

at once

10/9/14

Copy to be sent to Mr. 10/9/14

Next subsequent Paper.

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REC'D
REG'D 10 SEP 14

Shell House,

25/27, Bishopsgate,

E. C.

9th September, 1914.

To the

Under Secretary of State for the Colonies,

WHITEHALL.

461

Sir,

MAGADI RAILWAY.

We venture to ask whether, in view of the Magadi Railway having been taken over by the British East Africa Protectorate for military purposes, so that it has been necessary for the Contractors to stop all work and even abandon maintenance on the line temporarily, the Government would be prepared to allow us interest at, say, 5% per annum on the amount we had expended up to the date the Railway was taken over for military purposes, until such time as the Contractors are allowed completely to resume their operations. Even after the Railway has been freed by the Military Authorities in the Protectorate there will still be a considerable delay as the Contractors had to disband their native labour, and we understand from them that it will take at least a month to collect same again.

Needless to say, in times like the present it is far from our thoughts to request any payment whatever for the use of the Railway, which we are only too happy should have proved of value to the Protectorate in the present emergency.

On the other hand, the stoppage of work on the Railway means that heavy interest charges are accumulating, that our preparations for exploiting the Soda Deposit at Magadi are disorganised and retarded, and that the productive stage from which eventually the Shareholders of the Company hope to derive

some return upon their expenditure is still further postponed.

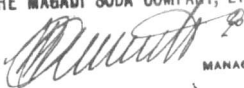
The amount that appears from our books to have been expended so far on the Railway is £571,118 - a sum which in any case can be verified by the Auditors appointed by the Government under the Contract.

Leaving the question of amount until it can be checked by the Auditors, may we ask you whether you would concede the payment of interest suggested above.

We have the honour to be,

Yours obediently,

FOR AND ON BEHALF OF
THE MAGADI SODA COMPANY, LTD.



MANAGERS.

M.S. 34300/1914
E.A.P.

G. D.
R. 11 SEP.
D. 11

463

Joe

25 Sept. 1914.

And so on

DRAFT.

The Managers,
Magadi Soda Coy. Ltd.

~~Sir~~
Gentlemen,

I am etc. to acknowledge
the receipt of your letter of the
9th of September and
to inform you that he
was not aware that
the Magadi Railway
had been taken over
by the Govt. of the East.

MINUTE.

- Mr. *Shaper 11/9/14*
- Mr. *Poltonley 11.9.14*
- Mr.
- Mr.
- Sir G. Fiddes.
- Sir H. Just.
- Sir J. Anderson.
- Lord Islington.
- Mr. Harcourt.

29 Sept 14

Top for the Com

Your letter is being
referred to the Govern
for his report, and a
further communication on
subject will be addressed.

READ