

E. AFRICA
34174

REC'D
SEP 14 9 1914

By Trade

1914

8 Sept.

Last previous Paper.

32238

Union Castle Co. Freight rates

Considers that some increase is inevitable, but that for reasons explained it is not possible to say what is a reasonable increase. Notes as to other lines.

W. R. R. Sri. G. Fiddes

If any low insurance rates fell considerably after 32238 was disposed of, & the my account for the 25-20% better figure mentioned by B. G. T. for the East African trade.

Some increase above our contract rates is no doubt reasonable, & is also reasonable now, ~~justly~~ as later on; but there is no ground for our paying whatever the shipping companies choose to demand. 15% increase, to be reconsidered in 3 months, would be ample?

Cred 9/9/14

Yes. We have a definite agreement & I do not know why the first should be always expected to get the worst of the bargain. H. J. R. 9/9/14

CA. 7 Sept. the Conf. CAP Mysore 17 Sept the 9/14
Capt. Storey low Insurance

Next subsequent Paper.

6 a
4885)

Sir E. Anderson

I have no objection of judging it
no strong view; but we might follow
the S.A. president's guide here and allow
25% for 3 years.

M. 9.9.14

at once

10.9.14

Sir E. Anderson

Have no means of judging, &
no strong view; but we might follow
the S.A. precedent quoted here and allow
25% for 3 years.

M. 9.9.14

at once

10.9.14

Any further communication should be
addressed to—
**THE ASSISTANT SECRETARY
(MARINE DEPARTMENT),**
and the following letter and number
shall be quoted:—
M. 23696.
Telegraphic Address.
**BOARD TRADE, MARINE,
LONDON.**

[Handwritten signature]

C. O.
34174
REC'D
REC'D 9 SEP 14

**BOARD OF TRADE,
(MARINE DEPARTMENT),
7, WHITEHALL GARDENS,
LONDON, S.W.**

8th September, 1914.

Sir,

I am directed by the Board of Trade to acknowledge
the receipt of your letter of September 2nd (No. 32238/
1914) with reference to the increase in freight rates to
East Africa by the steamships of the Union-Castle Mail
Steamship Company.

In reply I am to state for Mr. Harcourt's information
that the Board have recognised that some increase
in freight rates is inevitable under present circumstances
as shipowners have to meet the cost of premiums in
respect of insurance against war risk and no doubt are
also involved in increased charges for bunker coal and
in other ways. It is not however possible for the
Board to form any definite opinion as to what is a
reasonable increase as this must depend in individual
cases on the value of the vessel, which determines the
amount of the insurance premium, and on whether the
vessel is able to obtain sufficient passengers and
cargo both out and homeward. The Board have, however,
asked shipowners in certain instances if they could
meet

Under-Secretary of State,
Colonial Office, S.W.

meet the complaints which have been received from shippers and merchants, and in the majority of the cases in which a war surcharge of 50 per cent. was at first demanded, reductions to 25 or 20 per cent. have now been made, as for example in the Brazil, River Plate and West Africa trades. The Secretary of State is no doubt aware that in the South African trade the surcharge which was at first 33-1/3 per cent. has now been reduced to 20 per cent.

I have the honour to be,

Sir,

Your obedient servant,

Ernest J. Propper

Est. B & T. 34174/1914

East Africa

350

11 SEP 11

12 September 1914.

Ans'd 48851

DRAFT.

The Brown Agents

Gentlemen.

I am &c. to acknowledge the receipt of your letter of the 25th of August (S. 75) on the subject of the East Africa Freight Contract and to inform you that, in view of the extra expense caused to the Union-Castle Mail Steamship Co. in consequence of the war, he is prepared as an act of grace to approve the rates of freight for Govt. cargo carried to East Africa being increased by

[CA. 32238]

MINUTE.

Mr. Haaper 11/9/14

Mr. Bottomley 11.9.14

Mr.

Mr.

Sir G. Fiddes.

Sir H. Just.

Sir J. Anderson.

Lord Islington.

Mr. Harcourt.

17 Sep 14

Conf. Copy for [unclear]

[Signature]

32238 + 872.
of 34174.
to [unclear]
inf: [unclear]

run

20 % for a period of
three months from the 1st
of September.

} State this
from CA/322

(Signed) H. J. READ.

For the U.S. Secretary of State

20 % for a period of
three months from the 1st
of September.

} State this
for CA/322

(Signed) H. J. READ.

for the U.S. Secretary of State