

X 4234
1926

KENYA
C O 533/358

X 4234
1926

From
Gov's Deputy Conf
Northwest 1/8

KENYA

Date
9th April 1926

(i) Cable Rates

(ii) Wireless Communications

CLOSED
UNTIL

~~1926~~

Previous paper

m 8/3/99

(Minutes within)

Subsequent paper

100 5K/27 K.

if

VF
4.14/26

1 ----- Gov's Dep. Northcote ----- 9th April,
Conf 46. A

The memorandum from the P.M.G. and requests that the views expressed may be forwarded to the Post Office for consideration. Suggests that the Eastern Tel. Co. be asked to state their reasons for their inability to make any of the concessions contemplated in the clause of the agreement quoted.

2 ----- Eastern Tel. Co. ----- 18th May, 1926.

In order to avoid payment of fees for telegraphic transfer of their share of the revenue, enquire if it would be possible for payment to be made in this country through the Crown Agents, a corresponding deduction being made from the settlement effected in Mombasa.

A

1. In his memorandum Mr. Fitzgerald deals with two points which have already been fully considered. They are that the Company should be asked to state in writing why they cannot make any concessions as to reducing rates, and that if after examination of such statement the Postmaster General is not satisfied the question of proceeding under the arbitration clause in the various landing licenses should be considered.

Mr. Fitzgerald raised the first of these matters in para. 8 of his memorandum in 2786/24-25. In 16386/25, the G.P.C. furnished a report of an interview showing the Company's attitude, and doubted if any useful purpose would be served by asking the Company to re-state their position in writing. The despatch on that paper stated that the Secretary of State did not feel justified, at any rate pending further consideration by the Colonial Government, in pressing the Postmaster General to obtain a written statement. In his memorandum in 41898, para. 4, Mr. Fitzgerald said that he did not question the discretion exercised

in the matter of obtaining a written statement, but considered that nevertheless the Colony's case should be taken up and energetically pressed. The despatch on 49850 said that in the circumstances the Secretary of State did not consider that any useful purpose would be served by pressing matters further at the present time.

As regards the arbitration question, the point was dealt with fully in para. 7 of the G.P. letter in 1946, and as is quite obvious that the G.P. see... to adopting such a course... which he cannot see the result of... do not think there... the Post Office with this... At the Secretary of State sees no... view expressed in the despatch on 49850... useful purpose would be served by pressing matters further at present. (And I do not see how to... of the...)

If the Company escape the cost of refinance on the proposed £2,000 a month, clearly the Colony will have to bear the charge since it does not collect revenue in this country, but we can leave the Colony to deal with this, so I copy to Gov. asking what reply should be returned to the Company and tell the Company that their letter has been referred to the Colony for their consideration.

1946
20/7/46
1. I agree with the... The E.P.O. note of... with the E.T.C. - in 16386/24 - was very full. The... is now 18 months old, but nothing will...

letter to change the...
this is (written) completed

In any case, the... requests a...
3189 and 122 of the file for...
a much better handle for...
the questions than they have now.

2. In the... of it, the...
...
... £2000 a month...
... but the...
... very...
...

20/7/46
3 To E. Tel. Co (no 2 answer)
To Co 496 (copy 2) con
To Co 496 (copy 1) con

Eastern Tel. Coy June 26

In order to receive some explanation on proposals received, suggests that a meeting with Mr. Deane would be desirable, and asks to be put in communication with him.)

(2)

This relates to the proposals which the Eastern Telegraph Coy sent on X.3199, which have been referred to the Governor for views. While it would perhaps not do for Mr Deane to discuss them officially while they are under reference to the Governor, we can scarcely expect if he is willing to discuss the matter informally in delicate matters as far as he is able.

Copy Mr. Deane with X.3199 & 2 reply to Mr Deane say that as the Coy's proposals have been referred to Gov for views it is not desirable pending the receipt of his reply, that they should be discussed officially with the Coy, but that if he is prepared to meet the Coy's Managing Director informally it will no doubt be of assistance in the elucidation of the questions at issue. Ask if he is willing. If so, the Coy will be pleased also to supply any necessary communications with him with

a view to arranging an interview

Send admt. letter to the Coy

Obced

2.6.26

Write to Mr Deane 100 for my signature putting the matter to him: make the point that if he agrees to do the Co. he might perhaps naturally wish to have a copy of the proposals & the Gov's

J. W. Allen

St. James

To Deane S.O. Cons. X 3199 11 JUN 1926

(Meeting with Director)

Arthur

in letter

In the annexed S.O. letter

and the acct. mt. go.

Mr. B. Stanley in Deane while expressing willingness to see the Coy, suggests that he should be first put in touch with Mr. Fitzgerald.

Mr. F. however is not on leave at present, & we have not heard of his coming, though he called on

1/2/26

his last leave is left over, & is therefore quite due for leave. On the other hand it seems better, as you have suggested, to send an interim reply to the Coy. as in draft here with, I think, say, June ~~15~~^{22nd}, when Mr Denham will be available & we can discuss with him. Mr Fitzgerald's file should also be brought up there, in case he reports there.

Para 7 of the draft is for cons. - cf. § 3 of your letter of 11 June to Mr Denham. We might as well see what it is all about.

16.6.26
The dates we need not worry in making out further copies in the meantime J.H. Allen

16/6/26

b To E. Tele. ref. Co. (1444) cons. 78 JUN 1926
(Proposals for Journal)
Buckley & Co. 21 June 1926
Incl. copy of letter received from Harbasa before giving final proposals referred to.



1/2/26

42

As to the enclosure, there is a good deal of difference between what the Coy proposed (2/3 to X3199 - 1/3 terminal charges to go to the Coy, 2/3 to the Govt.) and what the Govt. have now proposed (20% to Coy, 80% to Govt.). But I don't think we need go into the matter in detail until we do so officially, i.e. when we get the Govt. reply to the despatch to him on 21/7/26.

I have had the file up but do not send it on.

With regard to Mr Denham's s.d. letter of June 15, Mr Fitzgerald is still not here - nor has there been any sign that he is coming.

I we must now tell Mr Denham that Mr Fitzgerald has not yet reported arrival on leave & if I understand a circulation of his coming, give him a copy of the enclosure to No. 7, and pointing that it is the copy of the "proposals of the Govt." which the Coy. have received for their local Sup. I enquire whether he is prepared to go & see the Coy. if not without Mr Fitzgerald. - if so, if he will state a line, what we will arrange.

This action can either be taken by

8. In letter, or if Mr. ...
likely to be coming in ...
in which case a copy of the enclosure to you
should be made ready for him

J Steel

24.6.26

I do not know the ...
and, so write on ...

Good morning

24.6.26

8. To Denham (w/ copy) cons¹⁷ 28 JUN 1926 9.0.
(Interview w/ managing director)

9. G.P.O. 30 June 1926

Ask whether Joff is now in a position
to supply any whether the rates quoted in the letter
of the 12th November from the International Bureau
of the Telegraph Union at Berna may not be
replied to the Bureau.

(w)

M Jeffries

act. says that reply
has not yet been received to the ...
depts. of ...
with C.O. letter of ...
that Gov. is being asked to expedite
his reply

? copy 9.0 reply to Gov.

for info. ask whether he is now
in a position to reply to the ...

(The record so on ...
of the question of ...
interview with the ...)

J Steel

5.7.26.

C Jeffries 5.7.26

above.

10 To G.P.O. (no 9 and) 10 JUL 1926 ✓

11 To Gov. (copy of 9) cons¹⁷ 10 JUL 1926 ✓
reply

if re-appeared in
x(EA) 27/7 to 27/7.

12. 29 June 1926

copy ...
general emergency has authorized P.M.C. to negotiate with the
Co., and considers that if negotiations are confined to ...
remuneration at the rate of 15% of the terminals on the
traffic handled by the Co. shall be offered.

W. Roberts

In spoke time ...
be ...

W. Roberts

3/8/26

3.8.26

13 To Denham cons¹⁷ (w/ copy no 12) 8 AUG 1926 ✓
14. To E. Tel. Co. 9 Aug 1926 ✓

1/12/24

16
2/24
26

16

8 July 1916

leaf 113

has not effected an uniform terminal rate of 40 centimes per word with a special rate of 35 centimes for traffic with London, as from 1st of October next. Data that rates may be notified to the Dir. of the International Bureau at Bern.

Mr. Allen (P)

The news referred to in G.S. does not give much about the terminal rates. So far as I can see, the new standard terminal rate, 40 centimes per word, represents an increase over the former rates - see your note on 5/25/16. I have looked through the file again but cannot find any info to supplement that in your note. There is mention however of the new rate in the letter which the E.T. has received from their local Supo' - enclos. to No for this file.

In the case of send copies of this to C.P.O. ref. No 10, I say that subject 10 and others which C.P.O. say are worth to offer, SGS presumes that the new rates & the date of their application will be notified to Bern.

Edw. 10/12/24

Handwritten notes and scribbles on the right side of the page, including "No. 10" and "10/12/24".

I had an opportunity of talking to Mr. FitzGerald about this to-day. He explained that this 40 centimes rate is purely a terminal rate, and that the transit rate is additional. I pointed out that in that case we naturally could not understand why, as it represents an increase on the two terminal rates mentioned in the enclosure to 56851, there should be any question of loss of revenue. He explained this, however, by saying that as a matter of fact they hadn't been charging the 40 and 35 centimes there mentioned, it was something like 50 centimes, at any rate for outward traffic.

His view was that this despatch relates solely to terminal rates, and that the question of the transit rate will have to be cleared up.

Telegraph to the Governor saying that it is understood that the 40 centimes relate solely to terminal rates and ask whether it should be understood that the transit rate remains unaltered at 50 centimes.

No. 12 on the file.

Mr. FitzGerald told me that he had already had two discussions with the Company, and he was going into the matter further with them in October. He will write about this.

I also understood from him that he had discussed some of the other matters referred to in all this voluminous correspondence with the Post Office, and that they were now prepared to ask the Company for the written statement for which Mr. FitzGerald had been pressing; but there is no

question

question of action as regards this point.

J. W. Allen
13/8/26
above

16. Tel. to Gov comm — 7/9 — 14 Aug 1926 #10

18. Fitzgerald 14 Aug 1926
Continues relate solely to terminal rates and transit rates. Status unaltered at 50 centimes

19. Fitzgerald 14 Aug 1926
Has had two discussions with the Eastern Tel. Co. States their present attitude and adds that matter will be further discussed

20. Fitzgerald 16 Aug 1926
Extract of letter from Mr. Fitzgerald regarding cable rates. (Original on 16/6053/26)

To Gov Conf/19/25 SEP 1926 4/1

Mr Allen (a)

No 17

Instead of action originally proposed on No 15, I now inform G.P.O. ref. No 10 that a dept has been received in reply to SPS Conf. det. of 6 Jan. (S 6557/14) stating that on the receipt of that dept Gov considered it desirable to review the rates of the Colonys terminal rates, that he has now approved an uniform terminal rate of 40 centimes per word etc etc (as in 2 of No 15). Gov 2nd and 3rd sentences of 23 of 15 say that Gov Uganda have agreed to the terminal rates now decided upon, a quit rate of 8.5. Add that as it was not quite clear to SPS whether the rate of 40 centimes per word was purely a terminal rate enquiry was made of the Gov. by telegram whether the transit rate remained unaltered at 50 centimes per word. I enclose in this connection copies of SPS. tel. of 14 Aug 9 of Gov's reply (16 and 17). Ask that Bureau make notes as to 2 rates. Copy above letter to Gov. 16/8/26

(1) X

No 15

This relates to No 12 - 93199/26

- direct dealings with the public. Not much progress on both sides stick out for guarantee against loss of the Company undertake direct dealings. Further progress may be made in October. Meanwhile we need only I think send a copy to Gov. Lt. w/ ref. No 12.

No 19 This is an extract from No 3 on XF 6053 (written communications)

Although it will be useful to have the whole on XF 6053/26, as the letter bears mainly on the possibility of developing wireless competition with the E.T.S., I think the whole of this letter should be sent to Gov. made for his information with a reference to No 1 on this file (423416). The reply (Conf) 825 May. The despatch could also refer in connection with the possibility of developing wireless

X (12)

(Copy this despatch on XF 6053)

Communication with these countries. No 1 on XF 6053/26.

And act: No 4 + No 3 on XF 6053/26 (which I have in an extract) - saying that copies of both have been communicated to the Gov. for his information.

808es
20/8/26
W.M.K.
208ata

20 To Fitzgerald (2018 ans) } 26 AUG 1926
To G.P.O. (w/copy nos. 16217)
To Gov. (w/copy 3 on XF 6053/26) 2 AUG 1926

21 To Gov 917 (w/copy + at long 25 SEP 1926) 27 Aug 1926
C.P.O.
No copy notes of Mr. Fitzgerald's discussion with C.P.O. and consequential letter to Eastern Tel Co.

23 - Gov. Dep. Chalkley 6 Aug 1926
+ 182
as means by the P.M.C. on short wave system for long distance wireless for transmission to C.P.O. and asks that the advice which he requests may be given.

No 23
transferred to
C/F 12014/26
Sent.

16
XF 6053/16
(a)

[The Ashworth discussed with me the difficulty of keeping straight with the reputation of correspondence on the various matters connected with Keenan's telegraphic traffic. I expressed the view ~~was~~ that the question of the E.I. Coy's rules on E.A. Traffic (all dealt with on this file) & the possibility of instituting a wireless competitor (which it has been intended shall be dealt with on XF 6053) are so inseparably mixed up that it would be best to keep both on this one file -> the note on the cover of XF 6053/16 is ~~apparently~~ ~~the~~ result. In Fitzgerald's letter of 18 Aug. (No 3 on XF 6053/16) and the G.P.O. letter of 27 Aug. (No 12 on this file) amply justify this course, in my view - it is impossible to split them up. But No 23 - for the Governor - is a subject quite distinct; the Gov. asks for technical advice on this subject of long distance w.f., but here again the defk. which (C1164/26) it assumes creeps into the G.P.O. letter ~~the~~ ~~letter~~ No 22 on this file. I think we had better keep everything on this file; with the exception that if Keenan ever demands, the question of direct dealing by the E.I. Coy. at the base or Nairobi (Nos 18, No 12, No 1) & (No 4) might be made into a separate

C1164/26

Such a copy. It has not had it & S.P.O. have no objection D.V.D. 17/9

19

sub 1/16

... [The Ashworth] ... ref No 22 ... together with copy letter suggested below ... with regard to the defk. mentioned in para 3 of the G.P.O. memo. ... 800 June ... (no need to add 23 in this as it is his confidential) ... ref No 20 ... by the ... with ... [I assume he has ...] ... that he undertook ... his ... the ... regarding the ... for short ... sent ... direct ... a copy of G.P.O. letter to the Coy. dated 23 Aug. (2nd enclos. to No 22) ... 23 Aug. ... being ... for his wife ... be ... received. And

take the opportunity to refer to C 12614/26
enclose copy of No 23 in enclosure on
this file, and say S.G.S. is glad
to have for comment to the Gov. any
advice which the P.O. may be at a
position to offer on the questions raised
L.F. to Gov. still required on 18

This action
can be
taken
separately
9/20/26
S.G.S.

8/22/26
1926

(This hasten delays no representation
of No 23 to the C. 12614 Govt
Intending that the Govt
has been copies No 1 (which
has an extra) recall to No 5 in
C. 12614 adding that the G.P.O.
keep advice to advise
Draft X Allen

By advice

- 24 To G.P.O. (no 22 and) } 15 SEP 1926
- 25 To Fitzgerald (copy copy) } 15 SEP 1926
- 26 To Gov. (copy 22) } 15 SEP 1926

27----- Fitzgerald -----22nd Sept., 1926.
Acks. G.P.O. letter of 15th Sept. and states
as to distribution of infan regarding proposed ex-
perimental transmission by G.P.O.

28----- G.P.O. -----23rd Sept., 1926.
Tr. copy farther advice, with Eastern Tel.
Co. and draw S. of S.'s attention to the fact that
increase of the terminal rate by the Government
may strengthen the company's hand. Amended rates
must be notified to the International Bureau before
middle of October.

No 27. ...
No 28. ...

the attitude of the cable corp. when
we took by its own action part of the
since of cables
with Fitzgerald in this country.
we should consult him on the first step
It may be necessary to forward the
Proposals to the ...
time.

Send copy of No 20 & No 28 with
enclosures to Fitzgerald, enclosing
also for personal & return copy
of the Int. Tel Convention (it will have
to be the library copy) Ask for his views
on the G.P.O. letter & draw attention
to the last para & say that it will
be necessary to consult the Gov.
on receipt of their views before
communication again with G.P.O. S.G.S.

20

XF 6134/26

would be glad to have his answer as soon as possible

Streed
27/9/26

As proposed; he, subject to meet Mr. J. ... it looks as if it will be necessary to ask the Govt by telegraph to defer the introduction of the new rate until we have seen the matter further revised

W. Allen
27/9/26

To Mr. Fitzgerald (re: ...)

W. Allen

27/9/26

W. Allen

To Mr. ...

To Mr. ...
30 to Mr. ... (w/ copy memo)

7 OCT 1926

To Mr. ... 9 Oct 26

XF 6234/26

21

... further ... states that at present he inclines to the view that the pass terminal might be fixed at 25% of the ...

to ...

(read as ...)

It is a pity that this letter has ... field of ... but in view of what he ... says I doubt if there is any real necessity to telegraph to the Govt ... which case I write O.S.P.O. as in letter ...

If you think it worth while I will save the ... the position

W. Allen

... 11/10 ... would to ... by telegraphing if it can be ...

I have ... but this ...

W. Allen

33 1/2 ... 11.10.26 ... OCT 1926

Hotel. 16 Oct, 1926.
Apks if International Bureau &
C.P.O. have been notified of new terminal rates.

In March (S.P.O.) tells me
that a copy to No 33 is in draft.
[I had not come] about this any
more as he had previously telephoned
that same has been notified].

I have discussed this
tel with him & he agrees that
we may telegraph as in draft
herewith. [He saw the date
& modification was the day after
the date of No 33].

+ ? send copy 3rd &
copy to S.P.O. (I told him to
avoid do this)

10/10/26

16/10/26

16.10.26

55 to Gen Tel. 16 Oct. 26
50 to G.P.O. (all copies 34+35) - 20 OCT 1926 - 13/11

21 Oct 1926

New rates were notified by International
Telegraph Bureau on 12 Oct. Does not feel
justified in taking up further concern of effects
on Eastern tel. Reg's attitude

(a)

Dr Allen

2 Nov send to Gen. L.F. with copy of No 35

copy of 26 in dossier, 29, 32, 33, 37

Effect 25.7.26

I send a copy of 37 to the St. James

W. H. H.

W. H. H.

W. H. H.

38 to Fitzgerald (copy of) 1 NOV 1926

39 to Gen Reg 1036 2 NOV 1926

Dr Allen

(b)

No reply has yet been returned
to the 5754 numbered despatch of 29.5.26.
I don't think we want to press the
Gov. but he has had plenty of
time to reply. I remind a short of
whether 5754 may shortly expect to receive

(NBS on file)

reply

G. A. C. L.

5/11/26

They may be changed if in
Mr Fitzgerald's stance. State
insufficient to stand it - if the
G.P.O. it's up a job on to

but J.M.K.L.

6/11 article

9/11/27

440 To Gen Hya 1059 co- - 29 NOV 1926 92 H.A.

41) G.P.O. ----- 30.11.26. (Copy - Original
Regd GPO/CF/12614/26
General)

Trs copy telegraphic
correspondence with Postmaster General, Kenya
on the subject of the proposed establishment
of a short wave wireless service.

42) Fitzgerald T. ----- 17 12.26.

Submits report on negotiations
with the Eastern Telegraph Co with regard to rates,
and the opening of offices at Mombasa and
Nairobi.

No. 41. As regards No. 41, I note here that the tele-
graphic correspondence between the acting P.M.G. Kenya
and the G.P.O. is connected with the broadcasting pro-
posals in X.F.8280. Those proposals (as I gathered
from Mr. Fitzgerald) contemplate a short wave station in
Kenya with communications with the station in this
country and possibly stations in India and South Africa,
the station in Kenya to be handed over for certain months of
hours at certain times for broadcasting purposes. I

also

also gathered from Mr. Fitzgerald that this short wave
system is a recent development, and that if it is
carried through, the idea of a beam station would fall
to the ground - a short wave system being much cheaper
to operate.

H. A. C. L.

5/11/26

41 My object in having this put on the
file was, so far as I can remember, that
on the introduction of a short wave wireless
system would be a factor in securing the
'cable rate' war with the E.T.C., it would
be useful to have a note of it on this
file in which the cable rates are
dealt with. I do not think any action
is needed to be taken here, but the file
to be reviewed with Gen. Fisher later
to consider.

42. Not much progress made (8
which a copy was sent to Gen. 6 31.) The
attitude of the Gov. is not unreasonable
nor is the other hand is that of the Gov.
the arguments of the E.T.C. as typified in
Mr. Wigglesworth's remarks (p. 32) of the
extract) do not inform me much. If one
maintains lower rates on a deal. I suppose
another one gains it. What the Gov. has
to do is to see the general public interest
I refer to Gov. ref. 31 for that day
which enclosure says the matter will
no doubt be further considered on the
Fitzgerald's return.

I don't think we need send copies of this to C.P.D., who have not been taking part in this particular discussion. - cf Nos 12, 18 & 21.

[7]6, as I suppose, a new file will be opened on this complicated subject for 1927. I will draw attention to my remarks at the first B to B Committee as to the implications of future changes on this particular point - direct dealings by the E.I.C. with the public.]

of Steel
C. 1. 27

We need not act. I will tell Mr J. Ellis action taken (I have already referred it to him)

STYKEN
by reference

43 To Gen. Conf (copy 42) (not enclosed)

12 JAN 1927

10054
Direct dealings with public by Eastern Ind. Co.
A separate file should be commenced for this subject - opportunity offer.

Accord with Genl
get a red 6
and 44 to 250
upper available

RECEIVED
20 DEC 1926
COL. OFFICE

St Helena 14/4-2
Leeson Pond
Dublin
17 Dec 1926

The Under Secretary of State
Colonial Office, S.S.O. 1

[Handwritten mark]

En

With reference to Colonial Office despatches (Kenya
Confidential) of the 7th April & subsequent correspondence

I have the honour to inform you that I received
negotiations with the Eastern Telegraph Coy in London
last month.

The general position of the Company is that they
are not prepared to make any financial sacrifice
in order to open public offices at Mombasa or Nairobi.

The cases of Mombasa & Nairobi were discussed
separately. As regards the former the Company's
first offer was that they were prepared to open an office
if they were allowed to retain 3% of the Colonial
Rates. They estimate that their additional
expenditure would amount to £2,000 per

in 2
399
copy sent 12/1/27 of
1/11/27
copy
sent
12/1/27
of
1/11/27
copy
sent
12/1/27
of
1/11/27
copy
sent
12/1/27
of
1/11/27

the present terminals at Mombasa would yield £2070. No loss would therefore fall on the Company under their proposal. They were not prepared to make any allowance in respect of natural increase in traffic in the future. They felt that ^{this} should be regarded as a reserve against possible warlike competition.

As against the £2070 above referred to about the Colonial Govt would lose, savings in staff & passages etc would not amount to more than £750. (A sum of £6900 as savings was previously stated but this has had to be reduced as the Coy. were unwilling to adopt certain working arrangements). A net loss of revenue of £1320 to would thus fall on Govt.

Although I consider the Company's estimate of £2070 in additional working expenditure very high, I suggested negotiating on the basis of showing the loss of £1320, but the Company declined to consider this. In the circumstances I had no alternative

but to inform them that while I would place
them before Government, I would be unable to
recommend its acceptance.] A

* In regard to Nairobi this Company's final offer
was that they should be allowed 50% of the
Nairobi terminals, Govt. to provide them with a
private coach from the Coast to Nairobi free of
charge. The financial effect of this proposal on
Government revenue would be as follows:

<u>Loss</u>		
50% of £6301 (being present value of Nairobi terminals)	£	3150
Cost of providing private coach (Capital, maintenance, etc)		1,300
		<hr/>
<u>Gross Loss</u>		4,450
Less Savings (50% of 800)		800
<u>Net Loss</u>		<hr/> 3,650

11

The Colonial Government will not I feel entertain
consideration of a loss of this magnitude in
revenue of 1000000. | Y

B | I regret, particularly in the case of Mr. [unclear],
that the negotiations have proved barren. Sir John
Ryder, the Chairman of the Company, Admiral
Grant, the Managing Director & the Senior Officer
of the Company whom I met were most courteous
& the discussions were conducted in the
friendliest spirit. But both sides now perhaps
understand each other's position a little better.

I may perhaps here refer to the
Joint East African Board's memorandum
on East African cables a copy of which was
forwarded to me under your letter of X 7th group
of the 7th October. I attached, by enclosure, a
plan

Recent meeting of the Council & the Board for the purpose of discussing this memorandum. I dealt with the various points raised therein and gave an outline of the negotiations with the Cable Company on their proposal to open a Newlands station, & how ~~these~~ negotiations had proved fruitless. I think it is with ~~too~~ much to say that the Council was satisfied that the Colony's attitude was not unreasonable.

I enclose for information, the report in "East Africa" of the 9th inst., dealing with the matter.

I have the honour to be, Sir,
 Your obedient servant

T. Fitzgerald

Prof. Kemp Nyamira

EAST AFRICAN CABLE RATES AND SERVICES

UGANDA'S PETROLEUM RESOURCES TO BE EXPLORED.

Joint East African Board Meeting Specially Reported for "East Africa."

SIR W. GOWERS, Governor of Uganda; the Hon. T. M. Partridge, Member of the Legislative Council of Nyasaland; Mr. T. Fitzgerald, Postmaster-General of Kenya and Uganda; Mr. Fowles Cobb and Major Orde-Browne, were present by invitation at the December meeting of the Executive Council of the Joint East African Board, at which Lord Cranworth was elected to the chair. There were also present Major Blake-Taylor, Mr. J. W. Bridgen, General Sir Hubert Gough, Sir Humphrey Leggett, Mr. C. Ponsonby, Mr. E. Porpo, Mr. Alfred Wigglesworth, and Mr. J. G. Mellish, Secretary.

A vote of sympathy with the Vice-Chairman, Mr. J. Sandeman Allen, M.P., in his illness, was passed, and directed to be communicated to Mr. Allen, who is making very satisfactory progress, but is nevertheless, medically advised not to concern himself with business affairs for several weeks.

Postmaster-General on East African Cables.

At the invitation of the Chairman, Sir Humphrey Leggett briefly recapitulated the attitude of the Board towards the question of cable communication with East Africa, and referred to the memorandum drafted recently by the Vice-Chairman.

Mr. T. Fitzgerald, Postmaster-General of Kenya and Uganda, felt that the next paragraph of that memorandum might be taken to mean that the Kenya Postal Department was responsible for the delays mentioned, but he could not admit that any avoidable delay existed in the service of Uganda business men, for instance, would he was sure, testify that their cables arrived fairly quickly.

The main point at issue, however, was whether the Eastern Telegraph Company should be given direct access to the public at Mombasa and Nairobi, and on this point there had been full discussions and conferences with the representatives of the Mombasa Chamber of Commerce. Once, at the instance of Sir Robert Coryndon, he had examined in detail a number of representations submitted by the Chamber, with the result that the position appeared not to have been thoroughly understood by the Chamber. There was nevertheless, the feeling that the position would be improved if the public could deal direct with the Cable Company, and to meet that desire the Governments had given very careful consideration to a proposal of the Company to open an office at Mombasa, and hand to the Governments, on third party terms, the present terminal charges. Mr. Fitzgerald figures showing the present revenue accruing to the Department from handling cable traffic, and the amount on which he would feel able to recommend a concession to be made, should accept the proposals of the Company.

Though the latter had now very carefully considered upon their original offer, they had not gone far enough to enable the Governments to reach a decision. It was further proposed to open their offices at Nairobi on the basis that terminal charges should be equally divided between the Government and the Cable Company, the Government to pay for the Company's use a private

wire from Mombasa to Nairobi, but this suggestion would also mean a heavy loss of revenue to the Post Office without sufficient compensatory advantages to the public. It was true that the Post Office had made a substantial profit in 1925, but in his opinion it would be of far greater benefit to the general public to allow any revenue that could be surrendered to go against a reduction of inland postage rates rather than enter into an arrangement with the Cable Company such as was proposed. The proposals meant duplicating services and the establishment and maintenance of separate wires, separate offices, and separate delivery staffs, and there did not appear to him to be any case which would justify the Government in foregoing any substantial part of its present revenue, though he was quite prepared to recommend that the Telegraph Company should be allowed to deal direct with the public at Mombasa on the basis of sharing equally with the Government any loss that might occur at that point through the setting up of duplicate services.

In the memorandum of the Board there appeared to be a certain reflection on the efficiency and work of African telegraphists and he therefore welcomed the opportunity of stating that many of the Africans employed by the Postal Department were excellent operators, and, subject to proper supervision, were in his opinion not inferior to operators of any other race, both in the matter of speed and accuracy. He was convinced that the African operators as a whole were doing really good work. He was in no way hostile to the proposal of the Company opening its own office at Mombasa provided the financial adjustments were reasonable.

Referring to cable rates, Mr. Fitzgerald said it was his opinion that the Company's rates for East Africa were far too high. They were much above those in India and Ceylon and were the same as those in Australia. East Africa should not be paying more than Ceylon. The cables down the East African coast were at present, he felt sure, carrying a fairly economic load, and it had to be remembered that the East African lines also served as relief and alternative routes to Australia, South Africa, and other places.

Business Men's Criticism of Rates.

Sir Humphrey Leggett said that it was not the intention of the Board to attack the Postal Department, the delay mentioned having reference to the fact that telegrams could at present be handed in at the Mombasa Post Office during only one hour of the day, and that it was an inconvenience to business houses not to be able to transmit and receive messages during the other fifteen. Even if the Postal Department were to lose £1,500 or £2,000 per annum by a concession to the Telegraph Company, did the public advantage not justify the loss? It ought not to be forgotten that some ten or twelve years ago the Cable Company had agreed to a similar arrangement.

Copy regd. letter on 9/10/26 of Lt. General
General Post Office.

London, E.C.1.

30th November, 1926.

Sir,

With further reference to your letter of the 16th September and to the reply from this Office of the 13th November on the subject of the proposed establishment of a short wave wireless service between this country and Kenya, I am directed by the Postmaster General to transmit, for the information of the Secretary of State, a copy of recent telegraphic communication exchanged with the Postmaster General of Kenya on the subject.

I am etc.,

(Sgd) W. Weston.

For the Secretary.

The Under Secretary of State,
Colonial Office.

Paraphrase of telegram from Postmaster General,
Kenya, of 24th November, 1926.

Negotiating for use Radio Station between 45 and 75
metres 5 kilowatts. If successful have you suitable
station correspond and would you be prepared exchange
traffic direct approximately 12 months hence.

Copy of Reply to Postmaster General Kenya of
27th November, 1926.

Reference your telegram 24 instant Post Office will
be glad to co-operate in direct service with Kenya on
short wave system stop. As soon as your station is ready
a suitable corresponding station in this country will be
made available for such periods as may be required by
exigencies of traffic.

22

Mr. Whitehouse 27/10/
Mr. Allen 27/10/

500
KF 4234

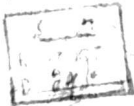
- Mr. F. J. Harding
- Mr. Sturrock
- Mr. Shackbutch
- Sir G. Grindle
- Sir J. Davis
- Sir S. Wilson
- Mr. Ormsby-Gore
- Earl of Clarendon
- Mr. Amery

26 Kenya

~~6 Oct 1946~~

NOV 1946

Sir,



With ref. to your ltr. of

(32) the 3rd. of Oct., I am etc. to

DRAFT.

J. Fitzgerald copy

re. to you, for your info,
 the enc copy of a letter from
 Mr. G.P.O. regarding the
 introduction increase in
 the terminal rates charged
 by the Government of Kenya

2/10/46
4037

10/11/46

for dealing with
overseas telegrams.

(b1)

9 am etc.

(Signed) W. O. BOTTOMLEY.

Your reference: 4254/26.
P.O. reference: 78461/26.
is to be addressed to
THE SECRETARY,
General Post Office



GENERAL POST OFFICE,
LONDON, E.C.1.

XF624
26 37
23

RECEIVED
COL. OFFICE

21 October, 1926.

H

Sir,

I am directed by the Postmaster General to refer to your letter of the 11th October on the subject of the increased terminal rates for telegraph traffic proposed by the Government of Kenya, and to say, for the information of the Secretary of State, that the new rates have been notified to the International Telegraph Bureau on the 12th October. A copy of the relative service-message is enclosed.

It is observed from Mr. Fitzgerald's letter of the 3rd October that the Kenya Government has fully considered the possible effect of the increase of rates on the attitude of the Eastern Telegraph Company; and in the circumstances the Postmaster General, though regretting the increase in charge to the public, does not feel justified in pressing for further consideration of the matter.

I am, Sir,

Your obedient servant,

J.W. Phillips

The Under Secretary of State,
COLONIAL OFFICE.

No. 33

copy to Secy general
10/26
21/10/26

COPY OF TELEGRAM SENT ON 15TH OCTOBER TO :-

Burirtarna,
Berne.

Reference your letter T 39/34 27 November 1961
Administration of Kenya and Uganda notify that on and
from 1st November next uniform terminal rate of
40 centimes per word will be introduced in Kenya and
Uganda with special terminal rate of 25 centimes
per word for traffic exchanged between Kenya and Uganda
on one hand and Zanzibar on the other side. Present *terminal*
rate of 30 centimes per word remains unchanged.

GENERAL LONDON.

L.F. 4234/26.

Telegram from the Secretary of State for the Colonies to the Governor of Kenya.

Sent 1.40 p.m. 16th October, 1926.

Important

16th October

Your telegram 16th October 363 advised by General Post Office that notice given to same 12th October and that no objection to introduction of new rates from 1st November.

17.

18/10/26.

Mr. ~~W. M. W.~~ 16/10
 Mr. ~~Mottanley~~ 16.10.00
 Mr.
 Mr. E. J. Harding
 Mr. Strapher
 Sir J. Shuckburgh
 Sir G. Groudie
 Sir C. Lewis
 Sir S. Bacon
 Mr. Ormsby-Gore
 Earl of Clarendon
 Mr. Amery

XP
 4234
 35
 18
 26
 1.40
 16 Oct 353



16 Oct
 Tortie
 16 Oct 353

advised by General Post
 Office that notice

given to Berne 12 Oct

that no objection

to introduction of

new rates ~~from~~ as

from 1.11.00

DRAFT. Del casa
 1 minute

Important

Evremov

Navroli

copy to G.P.O.

14
27

TELEGRAM from the Governor of Kenya to the Secretary of State for the Colonies.

Dated 16th October, 1926.

(Received, Colonial Office, 10.20 a.m. 16th October, 1926).

Important. 353. 16th October. Confidential

My despatch of 8th July, Confidential No. 113, paragraph 5. ~~Has~~ the International Telegraph Bureau Berne and the General Post Office been notified of the new terminal rates operating from 1st November. Local representatives of the Eastern and South African Telegraph Companies have been informed but state that cannot be responsible credit increased terminal if fifteen days notice by publication not given under Lisbon regulations.

Handwritten notes:
10/15
6/10/26
6/10/26
6/10/26
6/10/26

PRIORITY

28

// October 2-6

4234/26.

Sir,

I am directed by Mr. Secretary Amery to acknowledge the receipt of your letter of the 23rd September (78461/26) and to transmit to you, to be laid before the Postmaster General, the accompanying copy of correspondence with Mr. T. Fitzgerald regarding the proposed increase in the terminal rates charged by the Government of Kenya for dealing with overseas telegrams.

~~By Mr. Fitzgerald
28th Sept.~~

~~Fl. -40-
3rd Oct.~~

2. I am to enquire whether, having regard to the views expressed by Mr. Fitzgerald, the Postmaster General is of opinion that there is sufficient justification for deferring the introduction of the increased rates in order that the matter may be given further consideration and reference made to the Colonial Government. If so it will apparently be necessary to telegraph at once to the Governor to postpone the date proposed for bringing the new rates into force, i.e. the 1st November. If not I am to request that the amended rates may be notified

THE SECRETARY,
GENERAL POST OFFICE.

20

to International Bureaus in time to enable them to be
brought into operation on the 1st November.

I am,

Sir,

Your most obedient servant,

(Signed) W. C. BOTTOMLEY.

File 4234
Kangra

20

33

MCC 11/10
Mr. Rotherby 11/10



- Mr. P. J. Harding
- Mr. Strachey
- Sir J. Shackleton
- Sir G. ...
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby Gore
- Earl of Clarendon
- Mr. Amery

Priority
Important
11 Oct 26

DRAFT. Carson
v. ...

The ...

S.P.O.

copy to be 10 36 - 2 NOV 1926

I enclose to acc: ...
 receipt of your letter of the 23rd
 (78461/26) to be transmitted to
 Pa, to be laid before the
 Postmaster General, the acc:
 Copy of copies with the
 J. Fitz Gerald regarding the
 proposed increase in the
 terminal rates charges of the
 Post & Telegraphs for dealing
 with overseas telegrams
 I see to require
 further having regard to
 the views expressed by
 the Hon. ... the ...

To Mr. F. 28 Sept
(No 23)
 3 Oct
(No 32)
 From

of financial help here is
different jurisdiction
defining the introduction of the
new rates increased rates in order
that the matter not given
for the cause & reference made
to the Col. Gov. If so it will ^{apparently be} ~~not~~ ^{of course} ~~be~~
necessary to look to the Gov.
to postpone the date proposed for
~~the introduction of the~~ ^{new rates} ~~into force~~
into the ^{same} ~~same~~ into force
as ^{the} ~~the~~ proposed the 1st Nov. (C)
If ^{not} I am to report that
the amended rates may
be added to the
International Bureau in line
with those of the brought
into operation on the 1st Nov.

(Signed) W.C. BOTTOMLEY

copy St. Helens 31

Lesson Park
Dunedin
31 Oct 1928

The Under Secretary

RECEIVED
50 T. 28
COL. OFFICE

copy to G.D. of paper
for 1036 = 2 NOV 1928

I have the honour to acknowledge the
No. 29 receipt of your letter No. X.F. 4234/26 of the 28th
September

The considerations which led to a
revision of the Otago Terminal rate, its
financial effects in New Zealand, and its effect
on through rates have, I believe, all been fully
set out in the Governor's despatch on the subject.

The report referred to in the B.P.O. letter
No. 28. of the 23rd September had not been sent.

of when the various interests are
 considered. It is a thing which has
 necessarily been and should be
 always considered, and the things that
 accepted they were not the terminal rates
 fixed in a country are nothing whatever
 to do with the ~~interest~~ rates - that
 are no bearing whatever on the rates
 by the latter of their raised rates?
 I hope to discuss it in the future - for
 that is all it is - during my forthcoming
 discussion with the B.P.O. & Landin
 on the subject of rates
 The view is now endorsed by the

British Post Office - side their letter
of the 18th September 1944. I am
satisfied it is not necessary to refer back

Cie Ltd and
in No 28

to the Government of the United Kingdom

Reuters news agency, which is

the revision. The other agencies

press and as the present position

and as the present position

affected to the extent that it was not my

intention to

the result of certain

agencies I am making. I hope to

takes the matter up on any other
 thing and I may say that at present
 I incline to the view that the pro-
 terminal... .. be fixed
 at 25 of 4... .. On this matter
 also I would suggest that it is not
 necessary to refer to the... ..

Take the... ..

Sent to
 Primary

Convention... ..

I am Sir

Your obedient servant

T. Fitzgerald

XF 4234/26

Kenya
9 October 1926

- Mr. Humphrey
- Mr. Allen
- Mr.
- Mr. E. J. Harding
- Mr. Strachey
- Mr J. Shuckburgh
- Sir G. Grenville
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby Gore
- Earl of Clarendon
- Mr. Amery

Ind 31

Sir.

With ref. to your confidential despatch

№ 105 of the 29th June
 subject of proposals made by
 African Telegraph Company, Ltd.
 regard to the working of the telegraph
 system of Kenya, I enclose to transmit
 to you a copy of a letter of the 18th
 of August from Mr. F. Fitzgerald,
 Postmaster General, Kenya.

I take this opportunity of
 enclosing for your information a copy
 of a memorandum of the 2nd of July by
 the Joint East African Board on the subject
 of East African Cables. At the recent
 Conference with the Board at the C.O. and
 which the memorandum was discussed
 it was decided that a copy of
 the memorandum should be sent to you &
 that a copy would be sent to you &
 has also been
 copy of the memorandum is also being
 sent to Mr Fitzgerald

DRAFT.

Kenya
No Absentia
Gov

From the File: 18 Aug 26/10
 18 in XF 4234

copy of memo of 2nd July by Board
 (and related 5.11)

2/25

2/25 a X P 530

(S) (Red) S. AMERY

7 October 1926

L.F. 4234/26.

Sir,

In continuation of the letter from this Department of the 15th September, I am directed by Mr. Secretary Amery to transmit for your information, the enclosed copy of a memorandum of the Joint East African Board of the 2nd of July on East African Cables. A copy of the memorandum is being sent to the Governor of Kenya.

Memorandum

I am, Sir,

Your obedient servant,

(Signed) H. T. ALLEN.

For Under Secretary of State

T. J. FITZGERALD, Esq.

37
30

Gas
XF 4234/26
Manga

- Mr. Huxley
- Mr. Allen
- Mr. E. J. Harding
- Mr. Strachey
- Sir J. Shuttleworth
- Sir G. Grindie
- Sir C. Durr
- Sir S. Wilson
- Mr. Ormsby-Gore
- Earl of Clarendon
- Mr. Amery

~~September 1928~~
7 OCT 1928

Ind
St

DRAFT.

(No 72)

Sir.

In continuation of the letter of the 15th September from this department, I am etc to transmit for your information the enclosed copy of a memorandum of the Joint East African Board of the 2nd of July on East African Cables. A copy of the memo is being sent to the Hon. G. Murray
I am etc.

T. Fitzgerald Esq

(Memo with of PS 2024 - attached to file)

(Signed) H. T. ALLEN

FOR OFFICIAL USE ONLY

24p 1750
KF
of 500

28 September 6

IMPORTANT

I.F. 4234/26.

Sir,

I am directed by Mr. Secretary Amery to acknowledge the receipt of your letter of the 22nd of September, and to transmit to you, the accompanying copies of further correspondence, as noted in the margin, regarding the rates charged on cable traffic to and from Kenya. A copy of the International Telegraph Convention (Paris Revision 1925) is also enclosed for reference and return to this Department with your reply.

To G.P.O. 26 Aug:
Fr. de. 23 Sept:

Convention

2. Mr. Amery will be glad to be furnished with your observations on the letter from the General Post Office dated the 23rd of September, and in view of the last paragraph of that letter and of the fact that it will be necessary on the receipt of your observations to consult the Governor of Kenya before communicating further with the General Post Office, I am to request that you will

T. FITZGERALD, ESQ.

will reply to this letter at the earliest possible date.

I am, Sir,

Your obedient servant,

40th 29

Sept 27 1926

X.F. 4234/26 Kenya.

- Mr. Allen
- Mr. Harding
- Mr. Strachey
- Sir J. Shackburgh
- Sir G. Grindle
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby Gore
- Earl of Clarendon
- Mr. Amery

28/9

Ind
answ
32-5

~~28/9~~
3/

Important.

28 September 1926

DRAFT.

L. Fitzgerald Esq.

to
926
NON 2-1201/23
22/10/26
20/9

I am able to ack.

The receipt of your
letter of the 22nd of
September, and to
his letter on the ac-
count of further
correspondence, as
noted in the margin,
regarding
relating to the rates
charged
on cable traffic to

90 G.P.O. 26 Aug (No 20)
~~20 G.P.O. 26 Aug (No 20)~~
20 G.P.O. 23 Sept (No 28)

enclosures
Int. Telegraph Convention (below)
draft (1925 Revision)
information

and from Kenya Act of
of the International Telegraph
Convention (Paris Revision. ¹⁹²⁵ 1900)

is also enclosed for reference
and return ~~in accordance with the Dept.~~
with your ~~copy~~

2. The Agency will be
glad to be furnished with
your views on the letter
from the General Post Office
dated the 23rd of September,
and in view of the Coast Areas
of that letter and of the
fact that it will be necessary
to be receipt of your views
to consult the Gov^t of Kenya

Mr.

Mr.

Mr.

Mr. J. Harding

Mr. Strachey

Sir J. Shuckburgh

Sir G. Grindle

Sir C. Davis

Sir S. Wilson

Mr. Ormsby-Gore

Earl of Clarendon

Mr. Amery

DRAFT.

478
before communicating
further with the General
Post Office. I am to request
that you will ^{reply to} ~~submit~~
this letter ~~for review~~ at the
earliest possible date.

Yours etc

(Signed) W. C. BOTTOMLEY

11614 28
21

Post reference **4234/26**
P.O. reference **78461/26**
All communications should be addressed to
THE SECRETARY
General Post Office



GENERAL POST OFFICE
LONDON, E.C.1.

RECEIVED.
24 SEP 1926
COL. OFFICE

23 September 1926.

copy

Sir,

With reference to your letter of the 15th September and previous correspondence on the subject of cable and wireless questions affecting Kenya Colony, I am directed by the Postmaster General to forward herewith for the information of the Secretary of State a copy of further correspondence on the subject between this Department and the Eastern Telegraph Company.

In this connexion I am to refer to your letter of 4234/26 of the 26th August notifying the increase to 40 centimes per word of the terminal rate for the Colony charged by the Kenya Government for dealing with overseas telegrams.

This increase will have the effect of raising the rates for telegrams from Great Britain to the Colony from 2/3d. to 2/4d. per word full rate and from 1/1d. to 1/2d. per word deferred rate. The increase of the terminal rate must inevitably tend to strengthen the Company's resistance to demands for a reduction in the through rate;

copy to Under Secy 11/10/26
28.9.26
2 NOV 1926

The Under Secretary of State,
COLONIAL OFFICE.

and/

and while there is evidently little prospect of obtaining such reduction from the Company at the present time, it is thought desirable to draw the attention of the Secretary of State to this aspect of the matter before the International Bureau of the Telegraph Union is informed of the increased rates.

I am also to point out that the Kenya Administration apparently intend to charge the full rate of 40 centimes in respect of press telegrams. Were the usual reduction of 50 per cent made, as contemplated by Article 66, paragraph 2 of the Regulations of the International Telegraph Convention (Revision of Paris, 1925), an appreciable decrease in the through rate for press traffic from this Country to the Colony would be possible.

The amended rates must be notified to the International Bureau before the middle of next month, if they are to come into force on the 1st of November.

I am, Sir,

Your obedient Servant,

J. W. Phillips

COPY.

THE EASTERN TELEGRAPH CO. LTD.

Eletra House,

Moorgate, E.C. 2.

Ref. EE/E66/3.

25th August, 1926.

The Secretary,

General Post Office,

LONDON, E.C. 1.

Sir,

I have the honour to acknowledge the receipt of your letter No. 78461/26 of the 13th instant regarding the telegraph charges between Kenya and the United Kingdom, and should be glad if you would kindly favour us with copies of recent correspondence which has caused the Department to again bring this question to the attention of the Company.

May I refer you to the correspondence with your Department ending with your letter No. 9763h/24 of the 4th September, 1925, as thus far we are not aware that any amelioration in the collection charges has been accorded to the public by the telegraph Department of Kenya Colony.

I am, Sir,

Your obedient Servant,

W. J. DENISON PENDER.

Vice Chairman.

COPY.

THE EASTERN TELEGRAPH CO. LTD.

Electra House,

Moorgate, E.C. 2.

Ref. EE/266/3.

25th August, 1926.

The Secretary,

General Post Office,

LONDON, E.C. 1.

Sir,

I have the honour to acknowledge the receipt of your letter No. 76461/26 of the 13th instant regarding the telegraph charges between Kenya and the United Kingdom, and should be glad if you would kindly favour us with copies of recent correspondence which has caused the Department to again bring this question to the attention of the Company.

May I refer you to the correspondence with your Department ending with your letter No. 97636/24 of the 4th September, 1925, as thus far we are not aware that any amelioration in the collection charges has been accorded to the public by the telegraph Department of Kenya Colony.

I am, Sir,

Your obedient Servant,

W. DENISON, F.R.S.

Vice Chairman.

COPY.

GENERAL POST OFFICE.

LONDON. E.C. 1.

1st September, 1926.

P.N./266/3

78461/26.

Sir,

With reference to your letter of the 25th August last regarding the ^{telegraph} ~~telegraph~~ charges between Kenya and the United Kingdom, I am directed by the Postmaster General to state that he is not in a position to furnish the Company with copies of the correspondence which has caused him again to bring the question to the notice of the Company. The Company must accept his statement that public dissatisfaction has been felt in the Colony for several years past at the high telegraph rates charged by the Company, and indeed the Postmaster General has no reason to doubt that the Company is aware of this.

The terminal rates to be charged in the Kenya Colony are, as was explained in the Post Office letter to which you make reference, a matter of the Colonial Office and for the Kenya Administration. It is not considered that these rates have any bearing upon the amount at which the cable rates should be fixed by the Company.

I am, therefore, again to request that the Company may be so good as to inform the Postmaster General whether they are now prepared to reduce the rates between Kenya and this country.

I am, Sir,

Your obedient Servant,

(SDB) H.G.C. WELCH.

for the Secretary.

The Chairman,
Eastern and Associated Companies.

COPY.

THE EASTERN TELEGRAPH CO. LTD.

Eleotra House,

MOORGATE, E.C. 2.

2nd September, 1946.

Ref. TA/866.

Sir,

In reply to your letter of the 1st instant, reference No. 78461, I beg to inform you that this question was carefully considered by my Board in 1944 and it was then decided that the Companies could not see their way to reduce the rates between Kenya Colony and Great Britain and there does not appear to be any sufficient reason to call for any alteration in this decision.

I would take this opportunity of pointing out that the Companies' rates generally have not been increased since the war but in many cases decreased, and it is therefore difficult to understand, particularly in view of the increases of other Administrations' terminal and transit rates, why the Companies should be asked to make further sacrifices considering also the enormous increases in our working expenses.

I am, Sir,

Your obedient Servant,

R. C. DENISON PENDER

Vice-Chairman.

The Secretary,
General Post Office,
LONDON, E.C. 1.

C. J. J.

GENERAL POST OFFICE.

LONDON, E.C. 1.

8th September, 1926.

TA/266

78461/2

Sir, -

I am directed by the Postmaster General to acknowledge the receipt of your letter of the 2nd of September relative to the cable rates between Kenya Colony and Great Britain. The Postmaster General has received from the Secretary of State for the Colonies an intimation that the Kenya and Uganda Governments have decided to apply, as from the 1st November next, a uniform terminal rate of 40 centimes per word for telegraph traffic, except that a special terminal rate of 25 centimes per word will be applied to traffic with Zanzibar. The existing transit rate of 50 centimes per word will remain unchanged.

The Postmaster General will be glad if the Company will be so good as to inform him as soon as possible what through charge for messages from this country for Kenya and Uganda is proposed in view of this change.

I am, Sir,

Your obedient servant,

(Sgd) H.C.G. WELCH

for the Secretary.

The Managing Director,

The Eastern Telegraph Co. Ltd.

COPY.

THE EASTERN TELEGRAPH CO. LTD.

Electra House,

Moorgate, E.C. 2.

Ref. FE/266.

9th September, 1926.

The Secretary,

General Post Office,

LONDON. E.C. 1.

Sir,

We have the honour to acknowledge the receipt of your letter 78461/26 of the 8th ultimo, advising us that the Kenya and Uganda Governments have decided to apply, as from the 1st November next, a uniform terminal rate of 40 centimes per word for telegraph traffic, except that a special terminal rate of 25 centimes per word will apply to traffic with Zanzibar.

We presume that the terminal rates in question will apply in all cases to the whole of Kenya and Uganda, including the Island of Mombasa, in accordance with Article 25 paragraph 1. of the Paris Regulations.

As regards traffic from the United Kingdom, we beg to inform you that the tariffs to All offices in Kenya and Uganda will be as follows :-

	<u>ORDINARY</u>	<u>DEFERRED</u>	<u>BRIT. GOV.</u>	<u>PRESS</u>
	F.cts	F.cts	F.cts	F.cts
Companies	2.50	1.25	1.25	.365
Kenya & Uganda ..	.40	.20	.20	.40
	<u>2.90</u>	<u>1.45</u>	<u>1.45</u>	<u>.765</u>
Sterling	<u>2s.4d</u>	<u>1s.2d</u>	<u>1s.2d</u>	<u>.7sd</u>

For Daily Letter telegrams the charge will be as under:-

Minimum for 20 words	11s. 0d
Each additional word7d

I am, Sir,
Your obedient Servant,
for Managing Director

A.W. HIBBERDINE.

traffic accountant.

YF 6236 27

St. Helens 47
Descon Penic
Dublin

22 Sep 1926

The Under Secretary
Colonial Office

Sir
RECEIVED
23 SEP 1926
OPL. OFFICE

Sir

→ No 25

I have the honour to acknowledge with thanks
the receipt of your letter no XF 4234/26 of the
15th Sept. I was glad to have the papers which
were enclosed.

Remaining paragraph 2 ^{has} ~~been~~ sent in
instructions referred to and to the officers concerned
together with certain information which I
obtained from Mr. Dalzell relative to actual
& proposed experimental transmission by the
Antwerp Post Office.

I am Sir
Yours faithfully
J. H. ...

~~CONFIDENTIAL~~

CONFIDENTIAL (2)

48
DOMING STREET,

15 September, 1920.

Sir,

~~CONFIDENTIAL~~
~~CONFIDENTIAL~~
~~CONFIDENTIAL~~

With reference to my Confidential despatch of the 16th of August, I have the honour to transmit to you, for your information, the accompanying copy of a letter which has been received from the General Post Office enclosing a copy of the notes of the discussion which took place with Mr. Fitzgerald on the 11th of August, on the subject of certain cable and wireless questions affecting the Colony, together with a copy of a letter addressed by the General Post Office to the Eastern Telegraph Company on the 23rd of August. A copy of a letter which has been sent to Mr. Fitzgerald is also enclosed.

2. The reference in paragraph 3 of the notes of the discussion is to my despatch No. 607 of the 30th of June, in which I communicated to you a copy of a letter from the General Post Office, dated the 21st June on the subject of the development of the short wave system for long distance wireless telegraphy. You will observe from the enclosed letter to Mr. Fitzgerald that I have received your despatch No. 702

GOVERNOR

LIEUTENANT COLONEL

MR. H. W. JONES, R.N.V.R., R.F.C., R.C.A.F.

etc., etc., etc.

49

of the 6th of August on this subject, and that a copy of the memorandum by the Acting Postmaster General which you enclosed has been transmitted to the General Post Office with a request for advice on the questions raised.

I have the honour to be,

Sig

Your most obedient,
humble servant,

(Signed) L. S. AMERY

26/9

Mr. Seel 10/9/26

Downing Street,

Mr. Allen *[Signature]*

15 September, 1926.

Mr. *[Signature]*

Sir,

Mr. E. J. Harding

Sir C.

~~Mr. Strachey.~~

Sir J. Shackburgh

Sir G. Grindle

Sir C. Dims.

Sir S. Wilson

Mr. Ormsby-Gore

Earl of Clarendon

Mr. Amery

X (E.A.)

With reference to my

Confidential despatch of the 26th of

August, I have etc. to transmit to you

for information, the accompanying copy of a letter

which has been received from the G.P.O.

enclosing transmitting a copy of the notes of

the discussion which took place with

Mr. Fitzgerald on the 11th of August,

on the subject of certain cable and

wireless questions affecting the

Colony, together with a copy of a

letter addressed by the G.P.O. to the

Eastern Telegraph Coy. on the 23rd of

August. A copy of a letter which has

been sent to Mr. Fitzgerald is also

enclosed.

2. The reference in paragraph 3

of the notes of the discussion is to my

despatch No. 607 of the 30th of June in

which I communicated to you a copy of

letter from the G.P.O. dated the 21st

DRAFT.

KENYA

Confidential (2)

Gov. Grigg.

From G.P.O. 21/9/26
To Fitzgerald. (15 SEP 1926)

3 drafts and
1 on C.F. 12614

June on the subject of the development
of the short wave system for long dis-
tance wireless telegraphy. You will
observe from the enclosed letter to Mr.
Fitzgerald that I have received your
despatch No. 782 of the 6th of August on
this subject, and that ^{a copy} the memorandum
by the Actg. P.M.G. which you enclosed
has been transmitted to the G.P.O. ^{a with a}
~~the request for their advice.~~ ^{copy of the same}

I have, etc.,

(Signed) I. S. AMERY

copy of 1264/106
(we have as well
to this...)
JAW

15 September 1926

I. 2. 4254/26.

Sir,

In reference to the letter from this Department of the 26th of August last, I am directed by Mr. Secretary Asery to inform you that he has been furnished by the Postmaster General with a copy of the notes of your meeting with representatives of the General Post Office on the 11th of August, at which certain matters relating to cable and wireless traffic between this country and East Africa were discussed. A copy of this memorandum, together with a copy of a letter addressed by the General Post Office to the Western and Associated Telegraph Companies on the 23rd of August, is enclosed for your information.

2. It is observed from page 4 of the notes that you have undertaken to send out certain instructions to your technical officers in Kenya regarding the setting up of a receiving station for short wave tests. Mr. Asery presumes that you have sent these instructions direct to the officers concerned.

T. FITZGERALD, ESQ.

R.G.P.O. 21 June

3. I am also to transmit to you copies of a letter with enclosure, which was received from the General Post Office on the 21st June, 1926, on the subject of the development of the short wave system for long distance wireless telegraphy. A copy of this letter was transmitted to the Governor of Kenya for his observations, and the Governor has now communicated in reply a memorandum by the Acting Postmaster General, a copy of which is also enclosed. A copy of this memorandum has been transmitted to the General Post Office, who have been asked to advise the secretary of state on this subject in accordance with the request in paragraph 3 of the memorandum.

I am, Sir,

Your obedient servant,

(Signed) W. C. MONTGOMERY.

33
25

Mr. Seel (9/26

Mr. *Ulan* 11/β

Mr.

Mr. E. J. Hawling

Mr. Strachan

Mr. Shuckburgh

Mr. G. Grouse

Mr. C. Davis

Mr. S. Wilson

Mr. Ormsby-Gore

Lord of Alington

Mr. Innes

Downing Street,

September, 1926.

Sir:

With reference to the

letter from this Dept. of the 26th
of August last, I am etc. to inform

you that he has been furnished by

the Postmaster General with a

copy of the notes of
~~memorandum~~ regarding your meeting

with representatives of the G.P.O.

on the 11th of August, at which cer-

tain matters relating to cable

traffic between this country and

East Africa were discussed. A copy

of this memorandum together with a

copy of a letter addressed by the

DRAFT.

T. Fitzgerald, Esq.

11. 11. 1926
~~Fr. G.P.O. to E. & A. T. Co. 23rd Augt.~~
~~Fr. G.P.O. 21st June 1926~~
11. 11. 1926
~~(See copy of P. 11. 11. 1926 Kenya on 12. 6. 1926)~~

copy (in envelope) to Mr. Seel (?)

If still reqd. on No. 18.

3 drafts and
1 on C.F. 12614.

Eastern and Associated
 on the 23rd August
 your information.
 observed from page 4
 that you have under-
 certain instructions
 officers in Kenya re-
 setting up of a receiving
 wave tests. Mr.
 that you have sent these
 to the officers con-
 also to transmit to you
 which was received
 Post Office on the 21st
 June,

- Mr.
- Mr.
- Mr.
- Mr. E. J. Harding
- Mr. Strachey.
- Mr. Shackburgh
- Sir G. Gendle
- Sir C. Davis
- Sir S. Wilson.
- Mr. Ormrod
- Earl of Clarendon
- Mr. Amery.

(C.F.12614/26)

DRAFT.

(Enc.) to Mr. Wilson
 12614/26

June, 1926, on the subject of the
 development of the short wave system
 for long distance wireless telegraphy.
 A copy of this letter was ^{transmitted} ~~communicated~~
 to the Governor of Kenya for his ob-
 servations, and the Governor has now
 communicated in reply a memorandum to
 the Acting P.M.G., a copy of which is
 also enclosed. A copy of this
 memorandum has been transmitted to
 G.P.O., who have been asked to advise the
 S. of S. on this subject in accordance
 with the request in para.3 of the
 memorandum.

I am, etc.,

(Signed) W. C. BOTTOMLEY.

15 September 1926

4234/26.

Sir,

I am directed by Mr. Secretary Amery to acknowledge the receipt of your letter No. 78461/26 of the 27th of August, enclosing a copy of the notes of a discussion with Mr. T. Fitzgerald, Postmaster General of Kenya, on the subject of cable and wireless questions affecting that colony; and to request you to inform Sir William Mitchell Thomson that copies of this memorandum, and of the letter addressed to the Eastern Telegraph Company on the 13rd of August, have been communicated to the Governor of Kenya for his information.

It is noted that a further letter may be expected when the reply of the company to the letter of the 13rd August has been received.

I am, Sir,

Your most obedient servant,

(Signed) W. O. BOTTOMLEY.

24
R
14

Mr. Seal 10 9/26

Mr. Allen *10/26*

Mr.

Mr. E. J. Harding

Sir C. Strachey

Sir Shackburgh

Sir G. Grindle

Sir C. Davis

Sir S. Wilson

Mr. Denaby Gore

Earl of Clarendon

Mr. Amery

Downing Street,

15 September, 1926.

Sir,

I am etc. to acknowledge the receipt of your letter No. 78461/26 of the 27th of August, enclosing a copy of the notes of a discussion with Mr. T. Fitzgerald, Postmaster General of Kenya, on the subject of cable and wireless questions affecting that Colony; and to request you to inform Sir William Mitchell Thomson that a ^{copy} copy of this memorandum and of the letter addressed to the Eastern Telegraph Coy. on the 23rd August, has been communicated to the Governor of Kenya for his information.

DRAFT.

The Secretary,
G. P. O.

3 drafts and
1 on C. F. 12514

information.

2. It is noted that a further letter may be expected when the reply of the Company to the letter of the 23rd August has been received.

I am, etc.,

(Signed) W. C. BOTTOMLEY.

Yours reference X F. 4234/26

P.O. reference 78461/26

All communications should be addressed to
THE SECRETARY
General Post Office

XF 613/26 22
LONDON, E.C. 1 57

GENERAL POST OFFICE,

LONDON, E.C. 1 57



RECEIVED
23 AUG 1926
COL. OFFICE

27th August, 1926.

3^c

Sir,

With reference to your letter of the 9th August,
I am directed by the Postmaster General to say, for the
information of the Secretary of State, that

No 2
a. H. E.

Mr. T. Fitzgerald, Postmaster General of Kenya, called
at this Office on the 11th instant, and that the
Postmaster General's representatives had the pleasure
of discussing with him the cable and wireless questions
which affect the Colony.

15 SEP 1926
Copy (with envelope) for [unclear]

I am to enclose a copy of the notes of the
discussion and of a subsequent letter sent on the
23rd instant to the Western Telegraph Company. The
Company's reply, when received, will be communicated
to the Secretary of State.

I am, Sir,

Your obedient Servant,

H. G. Welch

for the Secretary.

The Under Secretary of State,
COLONIAL OFFICE.

4

Memorandum.

Mr. Fitzgerald, the Postmaster General of Kenya Colony, called upon Mr. Dalzell on the 11th instant to discuss the question of providing a wireless service between Kenya and this country. Mr. Welch, Col. Angwin and Mr. Crawford were also present.

Mr. Fitzgerald said the Kenya Government felt they had been badly treated by the Cable Company, and the object of his visit was to find out whether the Post Office saw any objection to his approaching the Marconi Company with a view to ascertain whether, and if so on what terms, they would be prepared to erect a beam station in Kenya. The scheme which the Government had in mind would involve no expense on the part of the Colony apart from the provision of a site. He understood that the Marconi Company were prepared to put up a station at their own expense.

Mr. Dalzell said that the policy of the Imperial Government was that all wireless stations in Great Britain communicating with the Dominions and Colonies should be owned and operated by the State through the Post Office, and he thought that the question whether the proposed wireless station in Kenya should be operated by the Colonial Government or by the Company would require careful consideration. The Post Office had arranged through the Colonial Office for a despatch to be sent on the 30th June to the Kenya Government, inviting them to co-operate in short wave tests between this country and Kenya and had furnished the Kenya Government with all the necessary technical information for the purpose. The cost of a short wave transmitter of the type specified in the memorandum was estimated at about £8,000, exclusive of buildings. If the Kenya

15 SEP 1926

Copy to Fitzgerald

G.P.O.

Cribb
Special

Kenya Government were prepared to incur this expense, it was thought it would be possible to provide a service adequate to meet the exigencies of the traffic. On the other hand, a beam station of the type contemplated by the Marconi Company would probably cost about £100,000.

Mr. Fitzgerald pointed out that South Africa, for example, had been allowed to entrust the operation of a beam station there to a private company, and he had to see how the conclusion of an agreement with the Marconi Company for the erection and operation of a station in Kenya would conflict with the policy of the Imperial Government in this respect.

Mr. Dalzell said that the Imperial Government was concerned to the extent that a reciprocal station would be required in this country which would have to be owned and operated by the Post Office, and he doubted whether the traffic requirements would justify the Post Office in incurring an expenditure of the order necessary for the provision of a reciprocal beam station.

Mr. Fitzgerald said it had been hoped that the beam station in this country for communication with South Africa could be made available also for communication with Kenya. Mr. Dalzell said that that station was designed to work with a reciprocal station in South Africa, and the suggestion that it should be used for communication with other places, even if it were practicable, would probably meet with strong opposition on the part of the South African

Wireless Company. Incidentally he remarked that it was proposed to offer facilities for traffic between this country and Kenya via the South African beam service at rates representing reductions on the corresponding cable rates of 4d. a word for ordinary and 2d. for deferred telegrams. Mr. Fitzgerald doubted whether this service would be much use to the Kenya public owing to the number of re-transmissions which would be involved between Cape Town and Kenya. What the Kenya Government wanted was a direct wireless service which could compete with the cable service as regards not only rates but also expedition. The delay by cable on full rate traffic was at present about 2½ hours and about 5 hours on deferred. An indirect service via South Africa could not hope to compete with the cable service, even though the rates were fixed at 4d. less. He reckoned that the revenue accruing to the Eastern Company from the traffic with Kenya was about £95,000 per annum. If the wireless rates were fixed at one-third less than the corresponding cable rates the wireless service might be thought attract about one-third of the existing cable traffic. On this basis it would represent quite an attractive financial proposition.

Mr. Dalzell pointed out that the contract for the South African beam service only guaranteed an average of 11 hours effective communication a day. Taking this as a criterion, it was doubtful whether a direct beam service with Kenya could compete with the full rate cable service in regard to expedition. He thought, however, that there might be scope for a cheap rate service on the short wave system for telegrams with delivery the morning after the day

day on which they were handed in.

Mr. Fitzgerald said that the Post Office proposal for a short wave service opened up a new prospect which he agreed should be explored before the Marconi Company were approached. He doubted whether the Kenya Government would be prepared to incur an expenditure of £8,000 unless there was a reasonable prospect that the service would be adequate to meet the requirements, but he would write to his technical officers in Kenya and instruct them to put up a receiving station for the purpose of short wave tests in the direction from this country, and the proposal could be further considered in the light of the results obtained in connection with these tests.

Col. Angwin remarked that full particulars of the apparatus required had been furnished to Mr. Hughes and Mr. Willoughby of the Kenya Government who had recently called upon him in the course of a visit to this country, and that they had been kept informed of the hours when the short wave stations in this country were operating.

Mr. Fitzgerald said that the Kenya Government had gained the impression that the Post Office was antagonistic to the opening of a wireless service between this country and Kenya, and they felt that the Colony's representations to the cable company for a reduction of the cable rates had not been pressed as energetically as they might have been. Mr. Dalzell said that was not so. The Post Office were anxious to establish

60
a wireless service with Kenya, but thought that the economics of the question required careful consideration. The Post Office had pushed the Colony's case against the cable company with all the resources at its command, but it was difficult to refute the Company's argument that the circumstances in the case of a Colony such as Kenya, where the traffic was comparatively small, were different from those in the case of India, where the traffic was many times greater.

Mr. Fitzgerald suggested that, at all events, the Cable Company should be invited to state in writing the reasons why they could not afford to reduce their rates. The cables to Kenya carried traffic for other places than Kenya, and he thought that this factor should be taken into account in considering the case for a reduction. The Kenya terminal was, however, outside the scope of the discussion.

Mr. Dalzell agreed that a letter should be written to the Company stating that the Post Office understood that the Company had not yet seen their way to reduce their rates, and that the Post Office would be glad if the Company would reconsider the matter with a view to ascertain whether any reduction was now possible. The South African beam service would probably be ready for working in about a month's time. In the meantime we would be glad if the Kenya Government could arrange to listen for both the English and South African stations with a view to establish whether they could be heard in Kenya. If experience showed that the English station could be picked up with reliability in Kenya, the Post Office would consider whether arrangements could be made with the South African Company for devoting the British station to traffic with Kenya for such periods of the day

AS

as might not be required for South African traffic.

Mr. Fitzgerald said he would probably be in London again about the middle of September, in October and again in January before he returned to Kenya, and it was arranged that he should call and discuss the matter again in the light of subsequent events. Incidentally Mr. Fitzgerald stated that reception in Kenya was subject to serious interference from atmospheric; but that at Nairobi the 8 p.m. and midnight Foreign Office messages from Rugby could be read with reliability. The noon message from Rugby, however, could rarely be picked up.

(Incl.) R. A. D.

12th August, 1926.

COPY.

GENERAL POST OFFICE, LONDON, E.C.1.

Regd. No. 78461/26

23rd August, 1926.

Sir,

I am directed by the Postmaster General to state that, as your Company is aware, public dissatisfaction has been felt in the Kenya Colony for several years past at the high telegraph rates charged by the Company for traffic between Kenya and the United Kingdom as compared, for example, with the rates to India and Ceylon.

The question was fully discussed with the Company in 1924, and it was understood that at that time the Company did not see their way to make any reduction. The Postmaster General would be glad if the Company would reconsider the matter, and inform him whether you are now prepared to reduce the rates.

I am, Sir,

Your obedient Servant,

(Sgd.) R. A. Dalzell

The Chairman,
Eastern and Associated Companies.

Copy to Fitzgerald 15 SEP 1926

61

26 August 1946

X.F.4254/26.

Sir,

With reference to the letter from this Department of the 10th of July last, I am directed by Mr. Secretary Amery to request you to inform the Postmaster General that he has now received a despatch from the Governor of Kenya, in reply to the Confidential despatch addressed to him on the 6th of January, on the subject of the terminal rates on telegraphic messages between Europe and Kenya and Uganda.

2. The Governor states that on receipt of the Secretary of State's despatch on the 6th January he considered it desirable to review the whole question of the Colony's terminal rates; and that he has now approved, with the concurrence of the Government of Uganda, a uniform terminal rate of 30 centimes per word for inward and outward telegraph traffic, with a special terminal rate of 25 centimes per word in respect of traffic with Zanzibar. These terminal rates will be applied locally as from the 1st of November, 1946.

3. The Governor further states that the terminal rates now

THE SECRETARY,
GENERAL POST OFFICE.

now adopted are in conformity with international regulations on the subject, and asks that the rates indicated above and the date of their introduction locally may now be notified, on behalf of the Governments of Uganda and Kenya, to the Director of the International Bureau of the Telegraph Union at Berne.

5. As, however, it was not quite clear to the Secretary of State whether the rate of 40 centimes per word mentioned by the Governor was purely a terminal rate, enquiry was made by telegram as to whether the transit rate remained unaltered at 50 centimes per word. I am to enclose, in this connection, copies of the Secretary of State's telegram dated the 14th August to the Governor, and of the Governor's reply dated the 18th August.

To Gov. Tel
14th Aug.

Pr. de
Tel. 18th
Aug.

6. The Secretary of State would be glad if necessary notification could now be made to the International Bureau of the Telegraph Union as requested by the Governor.

I am, Sir,

Your most obedient servant,
(Signed) H. T. ALLEN.

for Under Secretary of State.

Mr. Sec 123 8.26.

Mr. Allen *mf*

Mr.

Mr. E. J. Harding

SIR *Mr. Strachey*

Sir J. Shackburgh

Sir G. Arnold

Sir C. Davis

Sir S. Wilson

Mr. Ormsby Gore

Earl of Clarendon

Mr. Amery

I.P. 427 Kenya

*Ans. P.S. Salt
(No. 28) W*

C. D.
R 24 AUG
D. 25

Downing Street.

26 August, 1926.

Paul

copy

Sir,

With reference to the letter from this Department of the 10th of July last, I am etc., to request you to inform the Postmaster General that he has now received a despatch from the Governor of Kenya, in reply to ^{the} ~~his~~ Confidential despatch ^{addressed to him} of the 6th January, on the subject of the terminal rates ^{of} telegraphic messages between Europe and Kenya and Uganda.

*copy to Gov 917 20 SEP 1926 9/26
copy to assigned*

DRAFT.

The Secretary,

G.P.O.

To Gov. tel. 14th AUG.

Fr. Gov. " 18th "

Copy required for L.F. to Gov.
L.F. also required on No. 18.

2. The Governor states that on receipt of the Secretary of State's despatch of the 6th January he considered it desirable to review the whole question of the Colony's terminal rates; and that he ^{with the concurrence of the Secy of Uganda,} has now approved a uniform terminal rate of 60 centimes per word for inward and outward telegraph traffic, with a special terminal rate

rate

rate of 25 centimes per word in respect of traffic with Zanzibar. These terminal rates will be applied locally as from the 1st November, 1926.

3. The Governor further states that the terminal rates now adopted are in conformity with international regulations on the subject, ~~but their adoption will~~ have the effect of slight reductions in the revenues of Kenya and Uganda. The loss of revenue per annum entailed by the introduction of the new rates will total approximately ~~£~~ £1,250, of which Kenya's share will be £960, and Uganda's £290. The Government of Uganda have agreed with the adoption of the terminal rates as now decided upon.

~~The Governor requests that~~ the rates indicated above and the date of their introduction locally may now be notified, on behalf of the Governments of

Uganda

Uganda and Kenya, to the Director of the International Bureau of the Telegraph Union at Berne.

5. ^{As a result} ~~I am to say that~~ as it was not quite clear at the S. of S. whether the rate of 40 centimes per word mentioned by the Governor was purely a terminal rate, enquiry was made by telegram as to whether the transit rate remained unaltered at 50 centimes per ord. I am to enclose in this connection, copies of the S. of S.'s telegram dated the 14th August to the Governor, and of the Governor's reply dated the 18th August.

6. The Secretary of State would be glad if the International Bureau of the Telegraph Union might be notified of the new terminal rates

*if necessary notification
could now be made to*

~~and the date of their introduction locally.~~

as requested by the Governor.

I am, etc.,

(Signed) H. T. ALLEN,

for Under Secretary of State

66

26 August 1926

XV.4234/26.

Sir,

I am directed by Mr. Secretary Amery to acknowledge the receipt of your two letters of the 18th of August, dealing respectively with the question of direct relations between the Eastern Telegraph Company and the public in Kenya, and with the transit rates charged by the Company on cable traffic to East Africa and the possibility of developing wireless communication between East Africa and Europe.

2. The Secretary of State notes that you anticipate that further discussions will take place on these subjects before your return to Kenya. In the meantime he is communicating copies of your letters to the Governor of Kenya for his information.

I am, Sir,

Your obedient servant,

(Signed) H. T. ALLEN.

Under Secretary of State

T. FITZGERALD, ESQ.

67

20

Mr Seele 23 8.26.

Mr Allen 24/8

Mr. E. J. Harding

Sir C. Strachey

J. Shuckburgh

Sir G. Grindle

Sir C. Davis

Sir S. Wilson

Mr. Ormsby Gore

Earl of Clarendon

Mr. Amery

Price

[Handwritten mark]

Downing Street,

26 August, 1926.

Sir,

I am etc., to acknowledge the receipt of your ⁶² letters of the 18th of August, dealing respectively with the questions of direct relations between the Eastern Telegraph Company and the public in Kenya, and with the transit rates charged by the Company on cable traffic to East Africa and the possibility of developing wireless communication between Europe and East Africa.

DRAFT.

T. FITZGERALD, ESQ.

30/8

2. The Secretary of State notes

that you anticipate that further discussions will take place on these subjects before your return to Kenya.

In the meantime he is communicating copies of your letters to the Governor of Kenya for his information.

I am, etc.,

(Signed) H. T. ALLEN.

Secretary of State

~~CONFIDENTIAL~~

DOERING STREET,

26 August, 1926.

Sir,

With reference to your Confidential despatch No. 48 of the 9th of April, 1926, and to my Confidential despatch of the 29th of May, I have the honour to transmit to you, for your information, the accompanying copy of a letter from Mr. T. Fitzgerald, Postmaster General, Kenya-Uganda, on the subject of the rates charged by the Eastern Telegraph Company on cable traffic to and from East Africa, and the possibility of inaugurating a wireless telegraph service between East Africa and Europe.

I would refer, in connection with Mr. Fitzgerald's remarks on the development of wireless communication with Europe, to your Confidential despatch No. 105 of the 29th of June, 1926.

I have the honour to be,

Sir,

Your most obedient

humble servant,

(Signed) L. S. AMERY

GOVERNOR
LIEUTENANT-GOVERNOR
SIR T. G. SMITH, K.C.V.O., G.C.B., D.S.O.,
Esq. Esq. Esq.

20

69

Mr. Seel 23 8.26

Mr. Allen *AL*

Mr.

Mr. E. J. Harding.

Mr. C. Strachey.

Sir J. Shuckburgh

Sir G. Grindle.

Sir C. Davis.

Sir S. Wilson.

Mr. Ormsby Gore

Earl of Clarendon

Mr. Amery.

Allen

Downing Street.

26 August, 1926.

Sir,

With reference to your Conf. despatch No.48 of the 9th of April, 1926, and to my Confidential despatch of the 29th of May, I have etc., to transmit to you, for your information the accompanying copy of a letter from Mr. F. FitzGerald, Postmaster General Kenya-Uganda, on the subject of the rates charged by the Eastern Telegraph Company on cable traffic to and from East Africa, and ~~on~~ the possibility of inaugurating a wireless telegraph service between *South Africa and* *Europe*

2. I would refer in connection with Mr. FitzGerald's remarks on the subject of the possibility of developing ^{the} ~~the~~ wireless

DRAFT.

KENYA

Confidential.

Gov. Grigg.

From Mr. FitzGerald 18th Aug. '26.
(No. 2 on I.P. 6053)

*Copy this draft
to Gov. Grigg
3/26*

3/26

of wireless

of wireless communication with Europe, to your

Confidential despatch No.106 of the

(X.P.6055/26)

29th June, 1926.

I have, etc.,

(Signed) L. S. AMERY

XF
42311
100

Extract from a letter from the Postmaster General
Kenya and Uganda to the Under Secretary of
Colonial Office,
State, Darad 18th August, 1926.

x x x x x x x x
x x x x x x x

I also discussed the question of continuing to
bring pressure on the Cable Company in the matter
of their transit rates on East African traffic.
It is I think not too much to say that the B.P.O.
are satisfied that the Company are not extending fair
treatment to the Colony in this matter and the
B.P.O. have agreed to comply with my request that the
Company should be asked to state in writing the reasons
why they are unable to concede the revision of rates
which they undertook to investigate under the 1922 (?)
agreement in return for the valuable concession of
an extension of post office landing rights until 1944.
The Company's reply will be closely examined
and I shall be afforded an opportunity of commenting
upon it.

Recd 24 AUG

I have to,
(SD.) T. FITZGERALD
Postmaster General,
Kenya and Uganda.

RECEIVED
19 AUG 1926
COL. OFFICE

15/210 6
C/o Dominican College

71
Eccles St.

Dublin

18th Aug 1926

The Under Secretary of State

Colonial Office

S.W. 1

3

En:

With reference to correspondence (5 of 8)

Kenya confidential despatch of 17th April 26)

relating to the Eastern Telegraph Coy's

proposals on the subject of direct relations

with the public in Kenya I have the

honour to inform you that I have had

two discussions with Sir John Dawson Peaker

M.L.
3199
26 AUG 1926
Copy to Gen. Secy
Conf. 9/10/26

17

Chairman of the Coy & his advisers.

The present attitude of the Coy is that they will not make any change unless they are fully safeguarded against any loss. The proposal to open at Nairobi has therefore been definitely abandoned.

Negotiations with regard to Mosa are however not closed. It is accepted that the establishment of duplicate collection & delivery services must involve loss & my view is that this loss at Mombasa might fairly be shared between the Company & the Colony.

But the Company being unwilling to face any loss and in addition overestimating - in my opinion - the additional expenditure they would incur in opening their own office in Hiro-base, there is little prospect at present of coming to an agreement.

The Company, however, are, at my request obtaining from Lt Col Zauscher Sept: full details of his estimate of the additional expenditure. On receipt of these & consideration of the proposals by the Coy's Board, the same will

be further discussed: probably in
October

I have the honor to be Sir

Your obedient servant

T. H. Small

Prof. Kenya University

2013
VF
42/20
75
Telegram from the Governor of Kenya to the Secretary of State for the Colonies. Dated 18th August 1926.

(Received Colonial Office, 4:20 p.m. 18th August, 1926)

No.276 of 18th August.

Your telegram of 14th August 40 Centimes relates solely to terminal rate (VA) and transit rate (VB) remain (VC) unaltered at 50 centimes.

Copy to P.O. 2 AUG 28

Ac. card of 23 SEP

676

SECRET
100-100000-
1000000.

The Secy.
November 01

- the Colonies to the

... Jan, 14th August, 1940)

14th August.

Four ...
Indignant ...
rate ...
unfettered ...

... 113
... 100
... 100

SECRET.

Mr. Seal 14/8/26
Mr. Allen
Mr. E. J. Harding
Mr. Strachey
Sir J. Chubb
Sir G. Grindle
Sir C. Davis
Sir S. Wilson
Mr. Ormsby-Gore
Earl of Clarendon
Mr. Amery

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1st August

Your des. of July 16/26

Confidential

DRAFT.

Code 1st

Governor
Nairobi

113 understand
40 cent in excess
solely to term
and to
understand that
rate
transit/remain
warranted at 50
centimes

26 AUG

to S.E.O.

copy

KENYA

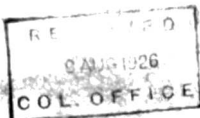
No. 43

CONFIDENTIAL.



GOVERNMENT HOUSE,
NAIROBI,
KENYA

4 July, 1926.



Sir,

MO
56651
25

With reference to your Confidential despatch No. 2 of the 6th January, 1926, on the subject of the notification of the terminal rates on telegraphic messages between Europe, Kenya and Uganda, I have the honour to inform you that upon receipt of your despatch it was considered desirable to review the whole question of this Colony's terminal rates.

2. Acting upon the advice of my Executive Council, I have now approved an uniform terminal rate of 40 centimes per word for inward and outward telegraphic traffic, with a special terminal rate of 25 centimes per word in respect of traffic with Zanzibar. These terminal rates will be applied locally as from the 1st November next.

3. A memorandum by the Postmaster General explaining the history of this Colony's terminal rates, was forwarded under cover of Kenya Confidential despatch of the 26th March, 1925. The terminal rates now adopted are in conformity with international regulations on the subject, but their adoption will have the effect of slight reductions in the revenues of Kenya and Uganda. The loss of revenue per annum entailed by the introduction -

THE RIGHT HONOURABLE

LIEUTENANT COLONEL L. C. M. S. AMERY, P. C., M. P.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET, LONDON, S. W.

introduction of the terminal rates as now agreed upon will total approximately £1,250, of which Kenya's share will be £960 and Uganda's £290.

4. My decision in this matter has since been conveyed to the Government of Uganda and I am glad to be able to report that that Government agrees with the adoption of the terminal rates as now decided upon.

5. I shall be glad if the rates specified in paragraph 2 of this despatch and the date of their introduction locally may now be notified to the Director of the International Bureau of the Telegraph Union at Berne on behalf of Uganda and Kenya.

I have the honour to be,

Sir,

Your most obedient, humble servant,

J. A. K. [Signature]

GOVERNOR.

[Faint handwritten text]

KENYA.

No. 113

~~CONFIDENTIAL~~

July, 1966.

Sir,

With reference to your Confidential despatch No. 2 of the 6th January, 1966, on the subject of the notification of the terminal rates on telegraphic messages between Europe, Kenya and Uganda, I have the honour to inform you that upon receipt of your despatch was considered desirable to review the whole question of terminal rates.

2. Acting upon the advice of my Executive Council, I have now approved an uniform terminal rate of 40 pence per word for inward and outward telegraphic traffic, with a special terminal rate of 20 pence per word in respect of traffic with the United Kingdom. Terminal rates shall be applied from 1st November next.

3. A memorandum by the Chief Quarter Master General explaining the history of this Government's terminal rates, was forwarded under cover of Kenya Confidential despatch No. 1 of the 26th March, 1966. The terminal rates now adopted are in conformity with international regulations on the subject, but their adoption will have the effect of slight reductions in the revenues of Kenya and Uganda. The loss of revenue per annum entailed by the

introduction -

THE RIGHT HONOURABLE

LINCOLN ST. COLONEL G. G. S. ARMY, P. C. & P.

SECRETARY OF STATE FOR THE COLONIES.

DOWNING STREET, LONDON, S. W. 1.

introduction of the terminal rates as now agreed upon will total approximately £1,250, of which Kenya's share will be £600 and Uganda's £650.

4. My decision in this matter has since been conveyed to the Government of Uganda and I am glad to be able to report that that Government agrees with the adoption of the terminal rates as now decided upon.

5. I shall be glad if the rates specified in paragraph 2 of this despatch and the date of their introduction locally may now be notified to the Director of the International Bureau of the Telegraph Union of Vienna on behalf of Uganda and Kenya.

I have the honor to be,

Sir,

Your most obedient, and true servant,

Ed. G. A. S. NORTHCOLE

GOVERNOR

(Signed in presence of Mr. ...)

24

9 August 1920

Gen/14236/
I.P. 4000/20. URGENT

Sir,

With reference to your letter of the 31st June, T.A. 106, regarding the telegraph services of Kenya, I am directed by Mr. Secretary Amory to inform you that Mr. Dumbell, the Colonial Secretary, is not at present in London, but that Mr. T. Fitzgerald, the Postmaster General of the Colony, has now arrived in this country on leave of absence and has been authorized to discuss the matter with you.

2. It is understood that Mr. Fitzgerald will arrange an interview with you direct.

I am,

Sir,

Your obedient servant,

(Signed) W. C. BOTTOMLEY

THE MANAGING DIRECTOR,
RAFTEL TELEGRAPH COMPANY.

2.14/13

Mr. Allen. 9/8/26.

Immediate.

Mr.

Mr. E. J. Harding.

Mr. Strachey.

Sir J. Shuckburgh.

Sir G. Grindle.

Sir C. Davis.

Sir S. Wilson.

Mr. Ormsby-Gore.

Earl of Clarendon.

Mr. Amery.

Handwritten initials

Handwritten: 501 + 234/26K
EMG:SS



Handwritten initials

9. August, 1926.

DRAFT.

Sir,

With reference to your letter

The Managing Director,

Eastern Telegraph Co.

of the 21st June, T.A.266,

the telegraph services of Ke . . . to

to inform you that Mr. Denhr . . .

Secretary, is not at present in London

but that Mr. T. Fitzgerald . . .

General of the Colony, has now arrived in

this country on leave of absence and has

been authorised to discuss the matter with

you.

It is understood that Mr. Fitzgerald will arrange an interview with you direct.

I am, etc.

(Signed) W. G. BOTTOMLEY.

GRAPPENHALL HEVES,
WARRINGTON

May 4th 86

Dear Sir,

Thanks for report of
the U. S. Commission's report
of which you are aware. I shall
be glad to see it myself
the report made to the F. T. C.
I think it is that it should
be made direct and not
be done via that I am
less willing than you
are to do it. I am
yours truly

James
G. D. New

9th August, 1933.

Dear Denham,

In reply to your note of the 4th August, Fitzgerald has now arrived and has been authorised to discuss the telegraph matters in Kenya with the Managing Director of the Eastern Telegraph Company.

I am glad you are willing to come in later if necessary, and Fitzgerald has been told so.

Yours sincerely,

A. J. Denham, Esq., C.E.
Grappenhall Hayes,
Warrington.

3 August, 1926.

Dear Denton

When I wrote my letter of the 30th July I tried to let you know that Fitzgerald is expected here about the 1st of August. I had not seen the enclosed despatch from the Governor from which you will see that Fitzgerald has been authorized to negotiate with the United Fruit Company in regard to their proposals.

Although the Governor's instructions regarding the matter of course, prefer that you should be consulted with Fitzgerald in the first instance, if you would rather leave it to him, we would be glad to do so, the latter matter proceed on that basis; and we hope that

that case you would be prepared to continue the negotiations if it seemed possible in that way to secure an agreement which Fitzgerald, by himself, might not be able to obtain. I should be glad if you would let me have a line in reply before Fitzgerald arrives.

Yours sincerely

E. B. DENHAM, ESQ., C.M.G.

(Signed) W. D. BOTTOMLEY.

KENYA.

No. 105

CONFIDENTIAL.



GOVERNMENT HOUSE
NAIROBI,
KENYA

RECEIVED
29 JUL 1926
COL OFFICE

29th
June, 1926.

Sir,

With reference to your Confidential despatch of the 17th of April, on the subject of proposals made by the Eastern Telegraph Company, Limited, with regard to the working of the telegraph system of this Colony, I have the honour to transmit for your information, a copy of the Postmaster General's minute of the 2nd of June relating to this matter with the terms of which I am in general concurrence.

2. With the advice of my Executive Council I have authorized the Postmaster General, who will arrive in England on leave early in August to negotiate with the Eastern Telegraph Company, Limited, within the terms of the recommendations contained in paragraph 9 of his minute on the understanding that any proposals involving further loss of revenue than that contemplated under his suggested basis of negotiation should be referred back to Kenya for further consideration.

3. I endorse the opinion of the Postmaster General, as supported by Executive Council, that if negotiations are confined to Mombasa, an endeavour should be made to induce the Company to accept remuneration at the rate of 15% only of the terminals on the traffic handled by the Company.

4. I trust that you will have no objection to the

action -

THE RIGHT HONOURABLE
LIEUTENANT COLONEL R. G. M. S. ANSRY, F.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET, LONDON, S. W.

*From Postmaster General.
Dated 2nd June:*

*3199
back to Sir Colf 9/1/26
The Postmaster General's minute of 2nd June*

action proposed.

I have the honour to be,

Sir,

Your most obedient, humble servant,

Edward Gigg.

GOVERNOR.

Registered No. B.1960/19.

Office of the Postmaster General,
P. O. Box No. 311,
Nairobi, 2nd June, 1926.

CONFIDENTIAL.

The Hon. The Ag. Colonial Secretary,
Nairobi.

RE: EASTERN TELEGRAPH COMPANY, LIMITED -- WORKING
OF THE TELEGRAPH SYSTEM OF THE COLONY.

Ref. your No. B.106/111/7 of 21st May 1926.

I will first deal briefly with the general observations contained in the Company's letter.

2. A reference to my evidence before the Port Commission will show that I made no general charge of inadequate staffing at the Company's end of the connecting line between the Cable Station and the Mombasa Post Office. The particulars given by the Company regarding staff at the Post Office are not correct. Reflections on the working of other Administrations appear to be a stock-in-trade of the Company, but as I have already more than once dealt with these, so far as this service is concerned, I do not propose to refer to them again, but it may be accepted that, so far as the public interest is concerned, no change in present arrangements is necessary.

3. In regard to the Company's proposals relative to direct dealings with public, I may mention that Mr. Bridgman, the Company's Zanzibar Superintendent, visited Nairobi some days ago, in connexion with the Company's letter, and had an interview with His Excellency

2.

at which the Honourable Mr. Sim and myself were present.

4. At that interview I expressed the opinion that the only terms on which the Company should be allowed direct dealings with the public should be terms which involved no loss of revenue to the Colony. This view was endorsed by His Excellency and also by Mr. Sim.

5. On the basis of the recently revised terminal rates, the Mombasa terminals will cost £25,900 per annum. The Company's proposal is that it should take two-thirds or £17,260 per annum, handling 87% of the balance, viz:- £22,300. The Department

net amount to more than £2,700 at Mombasa against the £4,000 the Company would pay. It would not be more than £1,500 to set up necessary collection and delivery organisations, leaving a net profit to the Government of £2,200 per annum.

The value of the Mombasa terminals is £25,300 of which the Company proposes to take £14,200 per annum, leaving £21,100 to Government. As the savings would not exceed £2,800 the net revenue loss would amount to £2,600 per annum.

7. The Company, through Mr. Bridgeman, put forward a proposal that Government should provide the private wire between its Mombasa and Nairobi offices in return for the Company handling Nairobi transit traffic. Such a wire could not be provided at less than £25 per mile per annum, i.e., £1,625 per annum. There would be no collection or delivery costs involved in handling this

traffic

8. It is either the Company or the Department could handle it without practically any additional expense. In effect, it may be said that Government is being asked to hand over at least £1,500 worth of services without any financial return.

9. Now that the Company has come forward directly with definite proposals on this subject of direct dealings with the public and as a sort of public sentiment --- rather than need --- also exists with regard to it, I would suggest that Government should think that not only has it to wish to be abstrusive but willing to make some sacrifice in order to come to an agreement.

I would therefore recommend that the Company be allowed direct dealings at Mombasa and Nairobi on the following terms:-

- (a) 20% of the terminals on the traffic handled by the Company to be retained by the Company and 80% handed over to Government.
- (b) The Company to pay a rental of 25 per mile per annum for the private wire which would be required between its offices at Mombasa and Nairobi, i.e., £1,250 per annum, but if the Company is prepared to handle Nairobi transits, at Nairobi, the rental of the private wire to be reduced to 24 per mile per annum.
- (c) Private wire to be rented for a period of not less than 10 years.

10. The financial effect of these recommendations would be as follows:-

(a). Mombasa.

Net loss of revenue per annum
to Government 2500

Made up as to:

20% of 29,600 .. £1400 approximately
Less Savings .. £ 900
Net Loss 2500.

Less to Company Nil.

(The sum of £1,400 which the Company would collect should approximately cover its additional expenditure in arranging for collection and delivery services).

(b). Nairobi.

Net loss of revenue per annum
to Government 2450

Made up as to:

20% of 26500 .. £1260
Less Savings .. £ 800
Net Loss .. £ 460.

Company.

Receipts
20% of 26500 £1260

Expenditure
Rent of private wire
at 22 per mile £1685
or
at 24 per mile £1500

In addition the Company would have to provide office accommodation, operations and delivery services, etc.

(c). Nairobi Transit Traffic.

If the Company accepts offer to deal with this traffic against reduction in the rental of the private wire, the loss to Government may be placed at £175.

Under the recommendations the total net loss of revenue to Government may therefore amount to £1,185.

11. The cable traffic of this Colony and Uganda is expanding and according as it expands the financial results to the Company under the terms proposed will tend to improve. The Company moreover will see the very great advantage of having their services in operation and being in working connection with the public should a competitive wireless service be established.

12. I do not consider it unreasonable to ask that if the Company is allowed direct dealings it should be required to open both at Nairobi and Mombasa. In regard to the former place, however, this Department would not be in a position to lease a wire for about two years, but if the Company did agree to open at Nairobi as soon as a wire could be leased, there need be no objection to its opening at Mombasa earlier.

13. I am proceeding on leave shortly and hope to be in London early in August. I shall be glad, if the Government approves, to see representatives of the Company and I would therefore suggest that this

Government's terms be submitted to the Company as
early as possible and that further correspondence on
the subject ^{be} referred until I have discussed the
proposals in London. Apart from the main question
there are also matters of detail to be settled.

(Sd.) F. FITZGERALD.

POSTMASTER GENERAL.

yield
should
to Governme
BIRMINGHAM
D. C. G.
M
L.
C.
M
M
D
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96
#11

Seaside Street

10 July, 1900

~~Confidential~~ (2)

Sir,

I have the honour to transmit to you, for your information the accompanying copy of correspondence with the General Post Office, and to enquire whether you are now in a position to reply to my Confidential (2) despatch of the 5th of January regarding the terminal rates on telegraphic messages between Durban and Lyons and London.

~~Ex G. Call. 30 June~~
~~To - see 10 July~~

I have the honour to be,

Sir,

Your most obedient,

Loyal servant,

(Signed) L. S. AMERY

GOVERNOR,

LIEUTENANT COLONEL,

SIR H. H. M. GRIGG, K.C.V.O., C.M.G., D.S.O.

1000 1000 1000

Mr. Whitcombe 9/9

Mr. Jeffries 8/7/26

Mr. R. J. Harding

Mr. Strachey

Sir J. Shackburgh

Sir G. Grindle

Sir C. Dixon

Sir S. Wilson

Mr. Ormsby-Gore

Barth of Clarendon

Adm. try.

600

X F 4234

26 Kya

11/9 97



Mr. A.H.

10 July, 1926.

Sir,

I have etc. etc. etc.

DRAMA.

Kenya

Conf (2)

Geo Sugg

you, for your info, the
acc. copy of... will
be G. V. C. and to
enquire whether you
are not in a position
to reply to my desk of
the

41.97.6 - 30 June
20.9 10 July
41.97.6 - 10 July
20 July
20 July

the 6th. of January
regarding the terminal
rates on tele. messages
between Europe & Kenya &
Uganda.

(56951)
25

(Signed) L

AMER
1968

IF 4234/26

Downing Street,

10 July, 1926.

Sir,

I am directed by Mr. Secretary Jemry to acknowledge the receipt of your letter No. 214227/25 of the 30th of June regarding the terminal rates on telegraphic messages between Europe and Kenya and Uganda, and to request you to inform the Post Office General that a reply has not yet been received from the Government in reply to the despatch which was enclosed with your letter from this department No. 56851/25 of the 1st of January, but that the Governor is being consulted.

Your most obedient servant,

(Signed) G. BOTTOMLEY.

THE SECRETARY,

GENERAL POST OFFICE.

1049

Sod
XF 434

Mr. [unclear] 1/7/26
Mr. [unclear] 1/7/26
Mr. [unclear]

Mr. E. J. Hardup
Mr. Strachey
Sir J. Shuckburgh
Sir G. Grindle
Sir G. Davis
Sir S. Wilson
Mr. Ormsby Gore
Barl of Chesham
Mr. Amery

Handwritten notes:
16
15 JUL 1926
copy to Gov G. [unclear]

10 July, 1926

Sir

I am etc. to act.

DRAFT

re rect. of your letter to

21/22/23 of the 30th of June

regarding the terminal

rates on etc. messages

between Europe &

Kenya & Uganda and to

request you to inform

me

20/7/26

the P.M.G. that a reply has

not yet been recd. to the

(from the Gov. of Kenya)
dept. of ~~the Gov. of~~, of

which a copy was enclosed

with the letter from this

no. 40. 56851/25 of the D.M.

of Gov., but that the Gov.

of ~~Kenya~~ is ~~not~~ being

reminded.

I am etc..

4234/26

9
LOW

Vigor reference 56851/25.
P.O. reference 214227/25.
All communications should be addressed to
THE SECRETARY
General Post Office



GENERAL POST OFFICE,
LONDON, E.C. 1.

30th June, 1928.

RECEIVED
2 - JUL 1928
COL OFFICE

Sir,

I am directed by the Postmaster General to refer to the letter from the Secretary of State for the Colonies of the 27th January last, and previous correspondence on the subject of the rates charged on telegraph traffic to and from the Kenya Colony, and to ask whether the Secretary of State is now in a position to say whether the rates quoted in the letter of the 27th January last from the Director of the International Bureau of the Telegraph Union at Berne might now be adopted by the Bureau.

I am, Sir,

Your obedient Servant,

H.G. Welch

for the Secretary.

M.C.
5015
510 JUL 1928
Copy to Sec. Col. Off.

The Under Secretary of State,
COLONIAL OFFICE.

I. F. 4234/26.

Downing Street,

28 June, 1926.

My dear Dendani

Many thanks for your letter of June 15th.
I regret that it will not be possible to enlist
his support in connection with the suggested
the National Telegraph Company, as he
of his important affairs.
I have your letter and received, however, we
we had not further proceeded with the Company,
the result of which is to send you a copy
of the telegram which was received from their local
representative in the form of the "proposals"
submitted to you in their earlier letter.
I should be glad if you would let me know
in the circumstances, you would be prepared to
be the managing director informally without
acting for Fitzgerald. If so, you might suggest a

time

time and date, and we could then tell the Company.

Yours sincerely

W. C. BOTTOMLEY.

2103

Inds

£50
KF 4234

-26 Kenya.

Mr. Whitehouse 26/6
Mr. Whitehouse 26/6

- Mr. E. J. Harding
- Mr. Strachey
- Mr. J. Shackbough
- Sir G. Grindle
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby Gore
- Earl of Charendon
- Mr. Amery

600 for
Mr. Whitehouse
etc

28 June, 1926
By dea Dentam

DRAFT.

G. B. Denham Esq.
C.M.G.



suggested discussion with
 the Eastern Tel. Coy., as he
 has not yet reported &
 we have had no intimation
 from the Colony of his
 impending arrival.

Since your letter was

(Anal. to no. 7)

received, however, we have had
some further correspondence with the
Boys, as a result of which I am
now able to send you a copy
of the letter which they recd. from
their local Superintendent
containing ^{a summary of} the proposals of
the Govt. referred to in their
earlier letter.

I should be glad if you
would let me know whether,
in the circumstances, you would be
prepared to go and see the
Managing Director informally
without waiting for Fitzgerald.
If so, you might suggest a time
and date, and we could then
tell the Boys.

Yours sincerely
(Signed) W. C. BOTTOMLEY.

15/210
26
104

The Eastern Telegraph Company Limited

Electra House, Margate

RECEIVED
ROYAL MAIL

London E.C.2



ALL COMMUNICATIONS TO BE
FORWARDED TO
THE MANAGING DIRECTOR
THE REFERENCE AND DATE OF THIS
LETTER BEING QUOTED

TA/266.

21st June 1926.

Handwritten notes on the left margin:
J.W.S.
J.W.F. 4234/26 New
A.S.C.

Sir,

We beg to acknowledge the receipt of your letter No.X.F.4234/26, of the 18th instant, in connection with the telegraph services of Kenya, and have duly noted the first paragraph thereof.

With regard to the second paragraph, we beg to enclose a copy of a telegram received on the 26th ultimo from our Mombasa representative, giving the gist of the proposals referred to, which we hope will be of assistance to the Secretary of State.

I am, Sir,

Your obedient servant,
for Managing Director,

Alfred H. ...
Traffic Accountant.

The Under Secretary of State,
COLONIAL OFFICE,
S.W. 1.

The Eastern Telegraph Company, Limited.

TELEGRAM.

COPY

8th July 1926.

MOBASA to ⁶⁰MANAGING DIRECTOR, LONDON.

INTERVIEWED GOVERNOR WHO ANXIOUS COMPANY HAVE DIRECT DEALINGS
PUBLIC MSA AND NAIROBI ON BASIS WHICH INVOLVES NO LOSS OF
REVENUE TO COLONY STOP GOVT RECENTLY REVIEWED COLONY'S
INCLUDING UGANDA TERMINAL RATES AND HAS FIXED A UNIFORM
TERMINAL OF FORTY CENTIMS PER WORD WITH A SPECIAL TERMINAL
OF TWENTYFIVE CENTIMS IN CASE LOCAL TRAFFIC WITH ZANZIBAR
TO COME INTO FORCE LATER IN YEAR STOP IN VIEW OF FOREGOING
POSTMASTER GENERAL IS PREPARED RECOMMEND TO GOVERNMENT THAT
COMPANY SHOULD BE ALLOWED DEAL DIRECT PUBLIC ON BASIS OF
TWENTY PERCENT TERMINALS BEING RETAINED BY COMPANY AND EIGHTY
PERCENT PAID OVER TO GOVERNMENT STOP WOULD HANDLE NAIROBI
TRANSITS HIMSELF AND CONSIDERS WOULD BE ABLE RENT WIRE THREE
TWO SEVEN MILES AT LESS THAN SIX POUNDS PER MILE PER ANNUM STOP
ON BASIS NEW TERMINAL RATES GOVT ESTIMATE TOTAL REVENUE YIELD
PER ANNUM WOULD AMOUNT TO MSA 6900 AND NBI 6300 POUNDS STOP
LINE TO NAIROBI WOULD NOT BE AVAILABLE FOR APPROX TWO YEARS.

Copy to Mr. London 20/7/26

106

I.F. 4234/26.

Downing Street,
11 June, 1926.

Sir,

I am directed by Mr. Secretary Amery to acknowledge the receipt of your letter No. TA/266 of the 1st of June, on the subject of the telegraph services of Kenya, and to inform you that he is in communication with Mr. E. B. Denham, C.M.G., Colonial Secretary, Kenya, regarding your suggestion that Mr. Denham should discuss with you the proposals made by the Government of Kenya on this subject through the Superintendent at Zanzibar. Mr. Denham is not present in London, however, and a further communication will be sent to you shortly.

Mr. Amery has now received from the Governor of Kenya a communication with regard to the proposals made by the Colonial Government to your Superintendent at Zanzibar, and I am to suggest that pending the receipt of a despatch from the Governor on the subject, it might be of assistance, if he could be furnished with a copy

of

THE MANAGING DIRECTOR

EASTERN TELEGRAPH COMPANY.

of the proposals as they have been communicated to you.

I am, Sir,

Your obedient servant,

WILLIAM P. R. S. T. C. U. R. Y.

Handwritten scribbles in the center of the page.

6
108

Recd 16.6.26
Mr. Allen 16
Mr. E. J. Harding
Mr. Strachey
Sir J. Shackelburgh
Sir G. Grindle
Sir C. Davis
Sir S. Wilson
Mr. Ormsby-Gore
Earl of Claremont
Mr. Amery

X.F. 4234/26 Kenya

Answer
no. 7

18 June 1926

12

Sir

DRAFT.

The Manager, Director
Eastern Telegraph
Coys

I am etc to ack. the
receipt of your letter
NO TA/266 of the 1st
of June, on the subject
of the telegraph services
of Kenya. & to inform
you that he is in
communication with
Mr. P. B. Debenham C.M.G.

for course

v. unnumbered

of record file 250
was noted

Colonial Secretary, Kenya,
regarding your suggestion that
Mr Denham should discuss
with you the proposals of the
Gov^r of Kenya on this subject
through your Superintendent
at Zanzibar. Mr Denham is
not at present in London,
however, and ~~it would be~~
~~unadvisable to send you a~~
further communication until
~~he is in the country~~
~~and in a position to~~

2. The Admiralty has not
yet been received from the
Governor of Kenya any
communications with regard
to the proposals made by
(Dr Cowson)

Mr.

Mr.

Mr. E. A. Harding.

Mr. Strachey.

Sir J. Shackbaryh.

Sir G. Grindle.

Sir C. Davis.

Sir S. Wilson.

Mr. Ormsby-Gire.

Earl of Clarendon.

Mr. Amery.

DRAFT.

109
The Colonial Gov^r to your
Sup^r of Zanzibar, and
it would be of assistance
if you could
see Benjamin whether
I can suggest that
it might be of assistance
if he could be furnished
with a copy of the
proposals as they have
been communicated
to you & pending the
receipt of a despatch
from the Gov^r of Kenya
on the subject

(Signed) W. C. BOTTOMLEY.

CASTLE,
WIVELISCORBÉ,
SOMERSET.

June 26

Dear Mr. [Name]

I received your letter of
the 12th here this morning.
I shall not be back to
London until the 23rd but

will be available after
that date until the 25th

at best. I will only
be able to be present on
the 24th & 25th.

I will be glad to see you
if you wish to see me
before I leave. I am
yours faithfully,
[Name] Chairman of the Committee

Ms. A. 1. 1. 1. 1. 1.

CASTLE,
WIVELISCOMBE,
SOMERSET.

Have what the Government has
has been doing the E.T.C.
people. Some few office people
kind - had been ordered to
be treated. The (in about
personally has in address), a
people in private I will
that has to get into touch
with me. When he was
discuss it better if thought
advisable must be dangerous
Direct informally. The matter
is not a what a settlement
and a wanted 17th Dec

raised of the ^{Unit} E.A. Bureau
Said X
be necessary and I have had
in chance of a little with
the family after the
write down for the
mess in after 17th Dec
1945

James
Edward
The
Hotel - when we all
23 - 26

F.4234/26.

Downing Street,

11 June, 1926.

Dear Denham,

I am enclosing a copy of a letter from the Managing Director of the Eastern Telegraph Company Limited, in which the Company ask whether they might be put into communication with you, with a view to discussing certain proposals which they have received from the Government of Kenya, on the subject of the working of the telegraph services of the Colony.

1st June

I also enclose a copy of the earlier letter from the Company dated the 1st of April on the same subject, to which they refer. The letter of the 17th April which is enclosed informed the company that a copy of their earlier letter had been sent to the Governor for his observations.

1st April

Before we reply to the company, I should be glad if you would let me know whether you have any objection to meeting the Managing Director of the

E.B. DENHAM, ESQ.

Company,

Company, as he proposes, to discuss the matter with
 him. In that case, it might perhaps be desirable,
 when we inform the Company accordingly to say that
 to let us see a copy of the proposals which
 have received from the Government of New York and
 their local Superintendent so that you will know,
 before you attend the meeting, what it is they wish
 to discuss with you.

In view of the fact that the Secretary of
 State has referred the Company's earlier letter
 specially to the Governor, it would no doubt be
 best at this stage, pending the receipt of the
 Governor's reply, to discuss with the Company
 would be on an informal basis.

Yours sincerely,



Mr. Seel 8

Mr. Allen *9/8*

Mr.

Mr. E. J. Hastings

Mr. Stracey.

Sir J. Shuckburgh.

Sir G. Grindley

Sir C. Davis.

Sir S. Wilson

Mr. Ormsby Gore.

Baron of Clarendon.

Mr. Amery.

O. D.

Handwritten signature

For Mr. Allen's signature.

Downing Street.

11 June, 1925.

Dear Denham.

I am enclosing a copy of a letter from the Managing Director of the Eastern Telegraph Company Limited, in which the Company ask whether they should be put into communication with you with a view to discussing certain proposals which they appear to have received from the Government of Kenya, on the subject of extending of the telegraph services of the Colony.

I also inclose a copy of the earlier letter from the Company dated the 1st April on this subject, to which they refer. The Colonial Office letter of the 17th April which ~~was mentioned~~ ^{is mentioned} ~~in the letter~~ ^{in the letter} ~~in which they were~~ ^{in which they} ~~informed them~~ ^{informed them} that a copy of their earlier letter had been sent

DRE: A.

S. J. DENHAM, ESQ.

Mr. E. J. Hastings (June)

Mr. Allen (April)
(with enclosure)

NS

Handwritten signature

to the Gov. for his observations.

Before we reply to the Company, I should be glad if you would let me know whether you have any objection to meeting the Managing Director of the Company, as he proposes to discuss the matter with him.

Had
~~If you are agreeable to such a meeting.~~
~~As a matter of~~
it might perhaps be desirable, when we inform the Company to ~~that effect,~~ *accidentally,* to ask

them to let us see a copy of the proposals

which they ~~say their~~ *have* local Superintendent

has received from the Government of Kenya *(through their ↓*

know
so that you will be able to see, before you

attend the ~~meeting,~~ what it is they wish to

discuss with you.

In view of the fact that the Secretary

of State has referred the Company's earlier

letter officially to the Gov. it ~~will~~ *would* no

doubt, be best at this stage, *pending the receipt of the Government's reply,* that any

discussion which you ~~may have~~ with the Company

should be on an informal basis.

Yours sincerely,

(Signed) H. T. ALLEN.

The Eastern Telegraph Company Limited

Electric House, Abchurch Lane, London E.C. 4



RECEIVED
2 JUN 1926
COL OFFICE

ALL COMMUNICATIONS TO BE
ADDRESSED TO
THE MANAGING DIRECTOR
THE RESPONSIBLE AND DATE IN THE
LEFT-HAND MARGIN ONLY

TA/266

1st June 1926.

Sir,

With reference to your letter X/3199/26, of the 17th April 1926, in reply to our letter D/266, of the 1st April, on the subject of the working of the telegraphs of Kenya, I beg to inform you that, in accordance with arrangements made locally, our Superintendent at Zanzibar went to Nairobi to confer with His Excellency the Governor and the Postmaster-General. I have now received the proposals of the latter sent through our superintendent, which appear to require some elucidation and explanation and as I understand that Mr. Denham, the Colonial Secretary of the Colony is in England, I thought it might assist matters if I were able to discuss the question with him - informally or officially, as may be considered desirable.

If the Secretary of State has no objection, I would be glad if I might be put in communication with this gentleman so as to arrange a meeting as soon as convenient.

I am,

Sir,

Your obedient servant,

W. L. ...
Managing Director.

The Under-Secretary of State,
COLONIAL OFFICE.

Copy to Denham's Office
2 JUN 1926

10

116

500

XF 4234

Mr. White 26/5

Mr. Allen 28/5

Mr.

Mr. Harding

Mr. Struckey

Sir J. Shankburgh

Sir G. Ginnale

Sir C. Davis

Sir S. Wilson

Mr. Drusby-Gore

Ensign of ...

Mr.

Ind 26 Kenya

Set 29 May, 1926

Sir,

I have etc. to ask.

then = 6. of your conf. desk.

of the 9th of April

as a further

the ...

question of

of the ...

charged by ...

and to inform you

that

DRAFT.

to ...

of ...

to ...

1/2

that I see no reason to
vary the views expressed
in my copy despatch of the
11th of November that no
useful purpose would be
served by pursuing matters
further at present

I have etc.

(Signed) AMERY

- Mr. Whitehouse 26/5
- Mr. Allen 27/5
- Mr. [redacted]
- Mr. Strachey
- Sir J. Shackburgh
- Sir G. Grenville
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby Gore
- Earl of Clarendon
- Mr. Amery

27/5
 X F 4004
 16 Kya
 Sir
 Ansd
 10054
 27
 29 May, 1926

DRAFT.

requesting that the payment
 of a proportion of the sums
 due to them for the transmission
 of messages accepted for
 the Post office at Bombay
 may, in future, be made
 in London.

496
 20/5/26
 5/5/26

XF.4234/26.

Downing Street,

29
May, 1926.

Sir,

I am directed by the Secretary Amery to
 acknowledge the receipt of your letter of the 18th
 and to inform you of the method of payment for the
 telegrams accepted by the Eastern
 Telegraph Company from the Post Office at Bombay
 and to inform you that a copy has been referred to
 the Director for his consideration. A
 reply will be sent to you when the Governor

Sir,

Your obedient servant,

THE MANAGER, DIRECTOR
EASTERN TELEGRAPH COMPANY.

In witness where 30/5

Mr. Allen 27 P

Mr. S. H. Hargrave

Mr. Strachey

Mr. J. Shackburgh

Mr. G. Grindie

Mr. C. Davis

Mr. De Winton

Mr. Denington

Edg. of Clarendon

Mr. Amey

XFA 254

3

C. P.
27 MAY
1926

22 29 May, 1926

I am etc. to ask the

recd. of your letter of the

18th. of May regarding

the memorial of

for the name of

accepted by the Y. Coy.

from the office at

Mombasa and to inform

you that a copy has been

referred to the Governor of

DRAFT.

Managing Director

to Mr. Coy

30/5

RECEIVED

COPIED 7

The Eastern Telegraph Company, Limited



Edinburgh
Finsbury Pavement

London 18th May 1926

61.

I have the honour to draw your attention to the fact that the Government of Kenya have decided to purchase telegrams sent to messages sent to the Government of Kenya over the cable system of the Eastern Telegraph Company. The revenue thus obtained will be used for the benefit of the Government of Kenya.

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I have the honour to be Sir,

Your obedient servant,

Lawrence Johnston

Secretary.

The Under Secretary of State
for the Colonies,
Colonial Office,
S.W.1.

KENYA

No. 49

CONFIDENTIAL



GOVERNMENT HOUSE,
NAIROBI
KENYA.

XF-4234

12 MAY 1926

122
all April, 1926

Sir,

I have the honour to acknowledge the receipt of your communication of the 11th of ... regarding to the rates charged by the ... To ... transmit further ... I shall be ... can be ... the General Post Office for ... and ... suggest that the Basic Telegraph ... state the reasons ... inability to make any of the con- ... the ... of the Agree- ... noted in the enclosed memorandum.

The ... of wireless communication was ... and the ... subject have been forwarded ... separately.

I have the honour to be,

Sir,

Your most obedient, humble servant,

J. as. ...

GOVERNOR'S DEPUTY

THE RIGHT HONOURABLE
LIEUTENANT COLONEL L. C. M. S. ALMEY, P.C., M.P.
SECRETARY OF STATE FOR THE COLONIES
DOWNING STREET,
LONDON, S.W.

22nd January, 6

CONFIDENTIAL.

The Honourable
The Colonial Secretary,
Nairobi.

RE: EASTERN TELEGRAPH COMPANY.

Ref. your No. B.106/III/2 of the 5th January.

In the latter part of paragraph 3 of Kenya Despatch No. 141 of the 20th August ~~1924~~ 1924 a request was made to have the point of granting uniform transit rates referred back to the Company. No action appears to have been taken on this request.

I consider the reply of the British Post Office - paragraph 2 of its letter dated the 6th November -- of the obligation of the Companies under the January 1922 agreement, as most unsatisfactory. It will appear that the Postmaster General's view now is that landing charges which the Companies obviously attach importance in this and other Colonies were granted to the Companies until 1924 without the Colonies being consulted, in return for a mere pledge to examine possibilities regard to certain rate reductions. If this is really the case, then a very doubtful bargain indeed was made on behalf of the Colonies. I am not, however, satisfied that this is quite the case. The relative paragraph in the 1922 agreement provides:

"Companies to examine the possibility, within twelve months from the date of completion of the sections of the new cable between Malta and

Singapore.

Singapore, of making such reductions of rates as the Postmaster General may consider reasonable, e.g., in the United Kingdom - Straits Settlements rates, in the press rates to Australasia and Hong Kong, and in certain local rates in regard to which anomalies appear to exist."

This at least gives the Postmaster General the right to request the Companies to state definitely in writing why they are unable to make any of the concessions contemplated by the clause. There is therefore no doubt that the clause is left to be understood as to the determination of the Companies' General is not satisfied should the Government, should it be desired to obtain cheaper homeward telegraph rates within a reasonable time is by developing wireless competition with the Cable Company. I must confess I am totally unable to understand why the British Post Office discourages the suggestion that the Marconi Company should be immediately approached. The reasons given are not convincing. The Marconi Company is a commercial concern under management fully capable of safeguarding its own interests, and I fail to see any real reason why it should not be immediately approached as to the terms on which it is prepared to establish a station in Kenya capable of maintaining a

