

1924

KENYA

27B

C.O.  
49788  
22 OCT 24

Date  
21st October 1924.

203

FEDERAL POST OFFICE.

CIRCULATION  
Mr. Smith  
Mr. [unclear] 24/10/24  
Mr. [unclear]  
U.S. of S.  
U.S. of S.  
Secretary of State

EASTERN TELEGRAPH CO. RATES. RENEWAL OF LICENCE.

Matter has been discussed with Company. Relates circumstances under which Postmaster Genl. feels it would be difficult to bring pressure to bear respecting rates, in connection with issue of renewed landing licence.

MINUTES

It is evident that the Coy. are not disposed to meet the Kenya Govt's claims at all; in fact, on the question of uniform transit rates (16) of the draft on 46400(24), they plainly indicate that there is nothing doing unless the Govt. are prepared to reconsider their attitude about dealing with the public at 17 on base. (see Govt. let 12709/24 on 15/10/24)

The discussions referred to in the penultimate para. of this letter are presumably those on GPO 12697/22 See para (5) of that letter.

There is apparently little to

These (copy above) 31 OCT 1924 - 13/11/24  
Mr. [unclear] - 17 DEC 1924 - 20/1/25

Subsequent Paper

1059

MINUTES.

MINUTES NOT TO BE WRITTEN  
ON THIS SIDE.

be done, except, as the G. P. O.  
suggest, to send a copy  
of Co letter on 4/25/07, and  
of his reply to the Gov. for  
any further orders. We should  
say, in doing so, that  
in view of the attitude of the  
Coy. and of the opinion  
of the G. P. O. in the matter,  
and having regard to the  
short time remaining before  
the lapse of the Coy's present  
leave, it does  
not appear practicable to  
press any further with the  
questions raised in Gov's  
para. 3, in connection with  
the renewal of the Land  
Licence at Nonpara. In the  
evening, unless Gov intimates  
by telegraph on the receipt of  
this despatch that he wishes  
to press the matter further,  
will assume that the  
G. P. O. has ~~decided~~ that it



GENERAL POST OFFICE  
LONDON, E.C. 1

27 October, 1946

Reference 46400/24

Reference 97635/24

All communications should be  
addressed to  
The Secretary  
General Post Office

43788

Sir,

I am directed by the Postmaster General to refer to your letter of the 8th October, enclosing a copy of a despatch from the Governor of Kenya, regarding the renewal of the Eastern Telegraph Company's licence at Mombasa, and dealing with certain questions in dispute between the Government of the Colony and the Company in regard to rates for the Colony's telegraph traffic transmitted over the Company's system.

I am to say for the information of the Secretary of State that the matter has been discussed with representatives of the Company.

With regard to the general questions relating to rates the Company state that, in view of the relatively small traffic with British East Africa as compared with the large traffic with India, they are not prepared to assimilate the East African rates to their Indian rates as suggested by the Government of Kenya. The Company point out that the comparatively high rates charged to the public in respect of telegrams to and from Kenya are in part due to the action of the Kenya Government in imposing higher terminal rates than the Governments of India, Ceylon or South Africa. The terminal rate on European traffic is 30 centimes as compared with an Indian terminal rate of 25 centimes and Ceylon and South African terminal rates of 10 centimes only. Moreover the Company represent that in the case of traffic from India an additional charge is, in effect, imposed (the rate collected being 2 shillings and 6 pence (equivalent to 2s.6d.) as compared with 2s.3d.) on the traffic between England and Kenya.

The Under Secretary of State,  
COLONIAL OFFICE

a word accruing to the revenue of Kenya.

With regard to the question of making the cable rates charged by the Company uniform as between up-country traffic and Mombasa traffic for Europe and places beyond on the one hand, and Mombasa local traffic on the other, the facts are as stated under heading (b) in the despatch from the Governor of Kenya dated the 4th September. The Company justify the apparent anomaly, however, on the ground that their lower rate from Mombasa was fixed on the assumption that they were to deal direct with the public in that place, and they were foregoing any charge for the local services of delivery and collection. The Company do not consider that this sacrifice of revenue on Mombasa local traffic can legitimately be used as an argument for requiring them to make a similar sacrifice on other traffic. They do not wish at present to press further their claim to be allowed to deal direct with the public at Kilindini, but they suggest that if they were permitted to do so, they would be prepared to consider a reduction of the Kilindini rate to the amount of the transit rate at present charged by the Kenya Government. The Company suggest that the transmission of the Kilindini traffic from Kilindini to Mombasa and then back via the government lines to Kilindini is indefensible from the point of view of efficiency.

The Postmaster General, without necessarily endorsing the Company's claims on all these points, feels that there is considerable justification for the general attitude taken up by the Company in regard to the questions of rates. He would suggest, for the consideration of the Secretary of State, that the arguments put forward by the Company at the discussion might be transmitted to the Governor of Kenya for his further consideration.

The further question raised by the Governor of Kenya

with

with regard to the possibility of increasing the rates affecting rates in connection with the proposed renewal of the Company's landing licence was also touched upon in the discussion with the Company's representatives.

The Company take up the attitude that the Government is pledged to prolong their landing licence until 1924 under the conditions including the inclusion of a control of rates clause in the agreed form which were agreed upon with the Company in the discussions which were held up to 1922. In the course of these discussions the Company agreed to review certain anomalies in their rates, but the Postmaster General doubts whether the rates to and from East Africa can be regarded as anomalous in the sense in which that expression was used in the discussion. No special concessions were at that time obtained in respect of the East African rates, while the Company have in the past made a considerable concession in their rates, reducing the quarter rate for the cable telegrams service with East Africa.

In these circumstances the Postmaster General feels that it would be difficult to bring pressure upon the Company respecting the questions of rates now in dispute in connection with the issue of the renewed landing licence.

I am, Sir,

Your obedient servant

*H. Home*

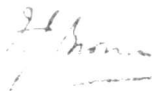
with regard to the possibility of increasing the rates affecting rates in connection with the proposed renewal of the Company's landing licence was also touched upon in the discussion with the Company's representatives.

The Company take up the attitude that they are not pledged to prolong their landing licence until 1923 under the conditions including the insertion of a clause of rates clause in the agreed form which were agreed with the Company in the discussions which they pursued in 1922. In the course of these discussions the Company agreed to review certain anomalies in the rates which the Postmaster General doubts whether the rates for mail from East Africa can be regarded as anomalies in the sense in which that expression was used in the discussion. No special concessions were at that time demanded in respect of the East African rates, while the comparison of the rate made a considerable decrease in the rate of the quarter rate full rate telegram service with East Africa.

In these circumstances the Postmaster General feels that it would be difficult to bring pressure upon the Company respecting the questions of rates now in dispute in connection with the issue of the renewed landing licence.

Yours faithfully

Your obedient servant



920  
49788/24

Kenya

237



Stt Arnold  
57059  
2788 24/25

30 Oct 1924

DRAFT.

For Colyndm  
MINUTE.

- Mr. Brett Oct 27.
- Mr. Mackie 28.10
- Mr. Davis.
- Mr. Grindle.
- Mr. H. Read.
- Mr. Masterton Smith
- Mr. Arnold.
- Mr. Thomas.

For 46400/24

Copy to S. C. D. - 31 OCT 1924

Sir,

I have re to adv. the rec<sup>d</sup> of your conf<sup>d</sup> desp N<sup>o</sup> 209 of the 4<sup>th</sup> of Sept<sup>r</sup>, regarding the renewal of the Eastern Telegraph Company's landing licence at Mombasa and the ~~question of the reduction~~ <sup>and to</sup> of transit rates, I have re to transmit to you, for your obono, the acc. copy of course with the J.P.O. on the subject in the matter re<sup>d</sup> in your despatch

2. In view of the attitude of the Company and of the

J.P.O.  
m 46400  
8 Oct  
49788  
27 Oct

operation of the P.M.F. in the  
matter, and, having regard  
to the short time remaining.

Before the lapse of the Company's  
present landing licence, it

does not appear practicable

to press any further, the

operations listed in para 3

of your despatch in connection

with the renewal of the landing

licence at Mombasa, the

various points set out in the 3<sup>rd</sup> para of your despatch.

In the circumstances, unless you  
inform me by tel. or rec<sup>d</sup> of this despatch,

that you wish to <sup>carry on</sup> ~~press~~ the matter further,  
I shall assume that you <sup>are prepared to agree</sup> ~~have no objection~~

to the conclusion of the new Agreement  
on the lines of that at present in force.

Yours

(SIGNED) J. H. THOMAS.