

1923

KENYA

C O
33607

FROM *Congressman
Mr. R. G.*

DATE

7th Aug 9, 1923

RECEIVED
8 AUG 23

OR CIRCULATION :-

SUBJECT

Mr.
Mr.
Mr.
Asst. U.S. of S.

*Control of Kili and
Mabarou*

*Mr. H. H. ...
10/24/23*

*Mr. J. S. ...
Perm. U.S. of S.*

*Suggests that Govt
should acquire*

*Perm. U.S. of S.
Secretary of State.*

Previous Paper

*9
34891*

MINUTES

*Some days ago I sent the
memo: in which, after explaining
the view that if we had the money
we ought to buy the estate outright,
I suggested that we should see
if we could arrange at a meeting*

*to discuss for working without prejudice
with private owners of the property.*

*This showed from the papers
is that Dr. R. Coryson's view
may be recorded?*

*Dr. R. Coryson had seen the
first edition of my memo: and
has asked me for a copy of it in the
final form. The assistant chief
lies in the street, where I ultimately*

*Cons
Kenya 22 Aug 23
to hand in Cape } - 2 + Aug 23
Wagon B.S. Morgan }
then to Gov 12/15 29 Aug 23 1/10 22/24/23
copy will copy attached memo
to Gov. conf 19 Feb 23 1/47 50/24/23*

Subsequent Paper

*D
421/2*

Laid on the quite unknown
liabilities which may
could appear with
them in the Company.

L. C. S.

10.8.23

Dr J. Stevenson

The p.p.
sent on to you a
day or two ago

H. J. A.

10.8.23

Mr J. Stevenson refers to
his remarks on Mr.
Bathomley's Memorandum
below, which expresses
his opinion in the matter

H. J. A.

17/8/23

MINUTES.

MINUTES NOT TO BE WRITTEN
ON THIS SIDE.

laid on the quite unknown
liabilities which they
could assume with a
share in the Company.

L. C. S.

10.8.23

Dr. J. Stevenson

The p.p.
sent on to you a
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J. S.

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J. S.

17/8/23

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L.C.S.

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Dr. J. Stevenson

The p.p.
sent on to you 2
days or two ago

J.S.

10/8/23

Dr. J. Stevenson refers to
his minute on Mr
Bathomley's Memorandum
below, which expresses
his opinion in the matter

F.R.D.

17/9/23

LONDON, GLAINFIELD, HORNDEAN
STATION, PETERSFIELD

R

39607
RE 8 AUG 23

231
THE MANOR HOUSE,
GLAINFIELD,
HORNDEAN, HANTS.

7th August 1923.

Sir. I beg to refer to the question of the control of Kilindini harbour.

I am of opinion that, as in South Africa, the Railway administration should control the harbours as well as the railway service itself, & so secure not only low but stable rates for the combined service.

I think that Government should purchase not only the Ubaraki wharf & sheds, that is the seven acres under the cliff, but the controlling interest in the whole Ubaraki estate, which means the voting control of the Company owning the Estate.

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

PUBLIC RECORD OFFICE, LONDON

As an export wharf for bulk produce only (coffee + maize in bags + cotton + sisal in bales) Mbaraki can operate much more cheaply than either the Government lighterage wharf or the new very costly masonry wharf, or both combined, for it will be able to work in close cooperation with the shipping companies.

It is very probable that bulk exports will increase so much in the next few years as to render necessary an extension of the present port facilities, whether Mbaraki is owned by Government, or remains in the hands of the present company, or is purchased + operated by the shipping companies.

If Mbaraki is not acquired by the Government it will either be operated by the present company or, which is much more likely,

THE HAROR HOUSE,
CLANFIELD,
HORNDEN, HANTS.

the interests of the community & secure as low & stable rates as well or better than could be effected by Government operating one section & private interests operating the rest of the port in competition.

If it is decided not to purchase Albaraki I think Government should do all it can to remove Major Froqu's grievance as to differential & inequitable charges over the railway siding which serves Albaraki; but this matter can be settled by the local government

I am, Sir,

Your obedient servant,

R. T. Gourdon

TELEPHONE CAPITAL
TELEPHONE 2487 WASHINGTON

RECEIVED
8 SEP 1923
COL. OFFICE

52, DRAYCOTT PLACE,
S.W.3.

Sept. 7th 1923

The Under Secretary of State
Colonial Office
S.W.1

Sir,

C I have the honour to acknowledge receipt of your letter
no. 39607/1923 of the 24th August

Kenya

I am,
Sir,
Your obedient servant

E.S.

W. B. Grogan

? attach

W.B.
19/9/23
ackd
W.B.
alone

M.R.

RECORDS OFFICE, LONDON

Summary

MBARAKI HARBOUR SCHEME.

Major Grogan's Revised Proposals.

These proposals have been discussed with Sir Robert Coryndon. He is divided in mind between his keen desire to obtain Harbour control, his doubt as to the suitability of the terms offered, and his reluctance to form an opinion without consulting his local advisers and his Executive Council.

It has to be remembered that if the Government takes a financial interest in the Company (by which I mean throughout Major Grogan's Estate and Development Company) it may be letting itself in for a much greater liability than appears. We have previous experience showing that, if the Government guarantees any part of the liabilities of an undertaking, it has to incur further liability if at any time the undertaking gets into difficulty, in order that the Government may not lose its first outlay without anything to show for it.

In this instance, the Company appears to have no resources to fall back on, as it would appear that the Shares issued rank as fully paid (although there is some arrangement for deferred payment), and the unissued shares would of course not help in time of stress, as it would be impossible to find subscribers. It follows that, unless the Government contemplated foreclosure by the Debenture Holders, they would in practice be liable to pay the whole of the ground rent, the whole of the debenture interest, and any loss on working.

working. It should be a condition of any arrangement that any monies paid by the Government, either under the guarantees which it gives or on any other account connected with the Company, should be repayable to the Government as a charge on the Company second only to the payment of ground rent and debenture interest.

In the second place, Major Grogan and Sir R. Coryndon are agreed (and I am sure they are right) that it is impossible to estimate the real value of the land lying behind the sea front. Any comparison with other values would be misleading, since there has been complete stagnation in land transactions since the boom of 1919 and 1920. Further, Sir R. Coryndon considers that if, as he anticipates, Mbaraki develops as an export harbour for dealing with homogeneous produce such as maize, sisal, and cotton (rather than as a general export and import harbour), there will be little use for godowns on the estate, and therefore, little prospect of the sites being taken up at a profitable figure. This is a matter which requires local consideration, but it emphasizes the speculative nature of the transaction. A point that has to be remembered is that though the payment of £120,000 might not do more than clear Major Grogan's obligations to the Bank, it might rehabilitate his credit: it is conceivable that, immediately on making this payment, the Government would find that the construction of a new wharf on the Mbaraki front was being put in hand.

ALTERNATIVE 1:

This is a combination of the old Alternatives I and II, so as to give the Government the option to purchase

purchase which Sir J. Stevenson suggested. In effect, assuming the option to be exercised, the guarantee of debenture interest (which was put at £7,500 a year) is waived in consideration of the initial payment of £120,000 for the wharf. On ten year debentures ~~it~~ is not good enough; apart from the fact that, as I have stated the Government would in fact have to make good any deficiency in debenture interest. The initial payment of £120,000 should at least wash out the £60,000 for the shares. Further, I consider that a 'two years' option is too short, and that we should need longer time to see how things develop.

ALTERNATIVE 2.

This is the old Alternative II, with the additional note offering to reduce the guarantee on debentures to £2,500 per annum for the first two years only, the £10,000 interest thus remitted being represented by the sacrifice to Major Grosvenor of 16 plots of land on the estate. In view of my apprehension that the Government would in effect be guaranteeing the whole of the debenture interest, I do not attach much importance to this offer.

ALTERNATIVE 3.

Here the proposal is that there should be no purchase price for the controlling share-holding, but that the Government should guarantee the ground rent and 6% out of 8% interest payable on the debentures, that is to say, the guarantee would be £15,250 plus

£9,000

£9,000,000 £24,250 per annum. This is attractive as avoiding a lump sum payment, but like any other proposal for securing^a control^{of} interest, it leaves the possible obligations of the Government quite vague.

There is one consideration which has to be borne carefully in mind. Our bargain with the Treasury is that the repayment of the war debt shall rank second only to the debt charges on the two loans (£5,000,000 and £3,000,000). The effect would be that the revenue for any year would be reduced by the amount of the loan charges, and the excess of the figure so obtained over a certain datum line would be divided half and half between the Exchequer and Kenya, so that it would be out of its half that Kenya would be called upon to make any payments due under its Mbaraki guarantees. If, on the other hand, it were possible to provide for an immediate payment (which would presumably be in the neighbourhood of £30,000,000, it would be necessary to meet the charge by a reallocation of the £3,000,000 loan, that is, by starving some other service, but we should at all events be in a better position to meet the annual charges resulting from the transaction. These annual charges (allowing for Sinking Funds) would probably be in the neighbourhood of £24,000 a year, of course for a much longer term than the life of the existing indentures, but we should have no greater liability than I have suggested we should have under the proposed arrangement, while if there was any profit we should get the whole,

if Mbaraki complete

and

and not merely half of what remained after the payment of debenture interest. I am doubtful, however, whether local opinion would carry us through a scheme for putting Major Grogan into a Loan schedule.

Sir R. Coryndon is inclined to prefer to come to some arrangement which will have the effect of Major Grogan's preamble, that is to say, to avoid friction over the rates for working the two ports. I am afraid that such an arrangement will be difficult, as between a private user of the Mbaraki Wharf and the Government working of Kilindini. If the Shipping Lines are in charge of Mbaraki, they can reduce the charges there as much as they like to attract traffic, and they can make up their loss on ocean freights. If the Government reduced its charges at Kilindini in competition with Mbaraki, it would find it difficult to recoup itself by increasing railway freights without incurring a storm of protest from consignors. This is, however, distinctly a point for local consideration.

If it is agreed that the matter must be examined further on the spot, the question is what we can do here; that is to say, whether we can come to such provisional terms with Major Grogan as will justify him in approaching Lord Inchcape on the question of the African Wharfage Company giving up its option to purchase. I think that we cannot do so, and that we must keep both Major Grogan and Lord Inchcape waiting for a decision.

W. C. S.

4 8 23

Sr. J. Stevenson

any amount

which may be arrived

at

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W. C. S.

4 8 23

R. J. Stevenson

any amount

which may be made

to be made

it is sure to evoke a considerable
amount of local criticism & I think
that the Govt. sh^d. have an opportunity
of discussing the matter further on the
spot & fortifying himself with the
opinion of the Govt. Council

H. J. R.
8/10/23

Mr Herbert Read

Bottomley has put down a very able
summary of the position. The
Governor must make up his mind
and he must consult his local
advisors. He struck me during
discussions as being unduly
influenced by political considerations.

One thing is certain, of the
first my program half is worth
more to him than the present
value of the whole.

I advise that the whole point
be referred to the local
consideration

Herbert Read

10/1/23

S. G. G.

Draft to Mr R. Coryndon
in the sense that he should
consult his Ex. Co. & report
their view; & we had better
let Lord Dunsany &
Major Grogan know that the
matter has been referred for
local consideration.

H. J. R.
10.5.23
above

Mr G. G.

As Mr R. Coryndon is en route,
I suppose a tel. to D. G. G.
will be more useful
than a letter to Mr R.
Coryndon or an official
note to D. G. G.

H. J. R.
All
10/1/23

A. Grogan's contention is (1) that the Kilindini Company should be allowed peaceful enjoyment of its property under the authority granted by Government; that the water-frontage should be regarded as an integral part of the Port Terminal; that only the standard through-rate of the Port should be levied on goods in transit in accordance with the spirit and intention of the Railways Ordinance; that, in fine, there should be no discrimination whatsoever between the portion of the Port being developed by Government at the public charge and the portion of the Port being developed by private enterprise under authority granted by the Government.

or (2) that the Government, if it now wishes to intervene, can only properly do so by acquiring control of the Kilindini Company and operating under that authority; or by purchasing or leasing from the Company the lands and rights which the Government wishes to control.

B. The alternative means discussed appear to be the following:

(1) Government will definitely offer to purchase from the Company the area now leased to the A.W.Co. for the sum of £120,000 and subject to such lease provided only that the Company can induce the A.W.Co. to waive the option to purchase which the A.W.Co. now enjoys under the terms of the lease.

In the event of the Government so purchasing, Grogan will give the Government a two years option to purchase from him such proportion of his interest in the Ordinary Shares of the Company as will give the Government the voting control of the Company for the sum of £60,000 provided that the Government will on behalf of the Company guarantee the due payment of the £15,250 ground-rent payable by the Company.

(2) Grogan will sell to the Government the voting control as above defined for the sum of £60,000 provided that Government guarantees the payment of the £15,250 ground-rent and of the interest on the £150,000 Debenture ~~XXXXXX~~ in use which interest will in consideration of the guarantee be reduced from 8% to 6%.

Note. To facilitate the first alternative of this arrangement Grogan would agree in respect of £120,000 of the Debenture to take at the Company's option plots on Sall Road measuring 50'x150' at the rate of £1000 per plot in payment of interest for the first two years.

(3) If Government guarantees on behalf of the Company

- (a) payment of the £15,250 ground-rent payable by the Company
- (b) payment of 6% out of the 8% interest payable on the £150,000 Debenture in use: (Note. The Debentures are redeemable in 10 years or at six months notice and could therefore with Government assistance be redeemed and reissued under Government guarantee at a lower rate of interest.)

Grogan will transfer to Government free of charge such proportion of his interest in Ordinary Shares as will give the Government the voting control of the Company.

31/7/23

ECS

A. Grogan's contention is (1) that the Kilindini Company should be allowed peaceful enjoyment of its property under the authority granted by Government; that the water-frontage should be regarded as an integral part of the Port Terminal; that only the standard through-rate of the Port should be levied on goods in transit in accordance with the spirit and intention of the Railways Ordinance; that, in fine, there should be no discrimination whatsoever between the portion of the Port being developed by Government at the public charge and the portion of the Port being developed by private enterprise under authority granted by the Government.

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(2) Grogan will sell to the Government the voting control as above defined for the sum of £60,000 provided that Government guarantees the payment of the £15,250 ground-rent and of the interest on the £150,000 Debenture ~~XXXXXXX~~ issue of which interest will in consideration of the guarantee be reduced from 8% to 5%.

Note. To facilitate the first alternative, Grogan would agree in respect of £120,000 of the purchase price to take at the Company's option plots on Sali Road measuring 50'x150' at the rate of £1000 per plot for a period of interest for the first two years.

(3) If Government guarantees on behalf of the Company:
(a) payment of the £15,250 ground-rent payable by the Company
(b) payment of 6% out of the 8% interest payable on the £150,000 Debenture issue: (Note. The Debentures are redeemable in 10 years or at six months' notice and could therefore with Government assistance be redeemed and reissued under Government guarantee at a lower rate of interest.)

Grogan will transfer to Government free of charge such proportion of his interest in Ordinary Shares as will give the Government the voting control of the Company.

31/7/25

Eds

Short particulars of the Kilindini H.W. & E. Co. Ltd. 216

Registered in Kenya.

Nominal Capital. £100,000 in £1 shares.
Issued Capital. 31,453 Ordinary Shares.
£150,000 8 1/2 % 10 year Debentures (carrying options

- Assets. (1) 200 acres (52 acres freehold balance 99 years leasehold to which about 20 acres can be added by reclamation. The land lies between the Uganda Railway and the main frontage of Kilindini Harbour and between the Railway main yards and the residential area of Mombasa.)
- (2) The existing deep-water pier at Mbaraki with transit sheds, sidings, roads, surveys etc. the pier and approaches being let at £12,000 per annum.
- (3) Concession from Government enabling construction of piers, wharves and reclamation on the whole foreshore of the Company's lands.

The area affords:

DEEP WATER FRONTAGE 4800 feet.

CREEK FRONTAGE 5200 feet (Note. Borings have shown this is all mud bottom which could be suction dredged to give deep water berths.)

Titles. All titles have been confirmed by the Land Court.

Ground-rents payable by the Company are £16,765 per annum of which £15,250 is payable in respect of land leased from Grogan.

History. The Company was originally formed as a "holding" syndicate. In 1920 Boulton Bros. purchased 10,000 shares for £100,000 with option to acquire another 10,000 shares for £100,000. B.B. later defaulted as to last payment of £50,000 and option lapsed. Thereupon Grogan continued the developments started by B.B. and has financially nursed the Company. Mbaraki Pier was completed end of 1922 and leased as above. The A.W. Co. has spent further sums on improvement and the bulk of the exports of the Colony are now being handled over this pier. A programme of land sales has been prepared but not yet launched.

ASSUMED VALUE OF THE ESTATE.

It is impossible to estimate a present value of so large an estate in a country at the present state of development. It must be remembered however that Mombasa is an island and the land available for Port Development strictly limited whereas the areas of its Hinterland are infinite. In time Mombasa must for the same reasons as New York and Bombay become highly congested. Some indications of values realisable within a reasonable time are provided by the following examples of actual transactions:

- (1) The Mombasa Bonded Warehouse Company are paying for a 42 years of some acres a mean rental at the rate of £1089 per acre per annum
- (2) At a Government sale of 35 go-down plots Dec. 4 1919, all the plots were sold at prices which gave for available building space the capitalised equivalent of £19,602 per acre.
- (3) Two plots 50' x 150' on the Mbaraki Estate have been sold recently to Sir N.M. at a rate exceeding £2000 per plot. Plots so well situated in Nairobi sell up to £5000 per plot. Indian and Hindu bazaar areas in Nairobi and Mombasa sell currently at the rate of £10,000 to £20,000 per acre.
- (4) A City Syndicate is now negotiating for a wholesale purchase of the plots comprised in the area hatched blue on the plan attached hereto for a capital sum of £180,000.
- (5) Messrs Boulton Bros. after careful investigation of the value and possibilities of the Estate contracted to buy 10,000 shares at the rate of £180,000 for the bare voting control of the Company and paid at this rate until their collapse.
- (6) Should the Government accept alternative (2) in the attached Memorandum, Grogan will arrange with the other Debenture holders to liquidate the whole capital amount of the Debenture in return for the transfer of the blue-hatched areas above if the Government thus controlled by Government, so desires.

In the latter event the finance would appear as follows;
Government guarantee of ground-rent would amount to £15,250 of which

the A.V. Co. pay at present £12,000 per annum leaving uncovered
balance of £3,250 (other outgoings of Company are practically
covered by other incomes).

Government would pay £60,000 for half interest with voting control
of all the balance of the Estate consisting of 8600 feet of
water frontage and roughly 160 acres of the Estate including all
the modern areas adjacent to the water front.

This represents less than £1000 per acre which is a lower sum
than the sum realised by Government per plot of 40' x

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265

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C. I. D.
R 22 AUG
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C/39007 Kenya

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GWT 22/8/23

DRAFT. Fed (Case)

Inverness
Uaeiohi

22 Aug

MINUTE.

Mr. *Parker* 21/7/23

Mr

Mr

~~Mr~~

Sir G. Grindle 22 *above*

Sir H. Read.

Sir J. Masterton Smith

Mr. Ormsby-Gore

Duke of Devonshire

Request Government
on return consult

Executive Council

on question of

Mbaraki and

submit

~~report~~ considered

recommendations

~~by Department~~

formed the subject of discussion
with the Gov. of Kenya while
he was in this country, but it
will be well for him to
consult his advisers in
Kenya before final
recommendations can be
submitted to the Gov.

(Signed) G. GRINDLE

C/ 35607 Kenya

7-01

See

DRAFT.

had lunch with
Genl KC81 KC12.

had, 24 Aug 1925

MINUTE. (36811(21))

Mr. Pakenham 24/8/25

Mr.

Mr.

~~Mr. Davis~~

Sir G. Grindle 22/8/25

Sir H. Read

Sir J. Masterton Smith

Mr. Ormsby-Gore

Duke of Devonshire

with further ref to you
letter of 6th July, I am
pleas'd to say you that
the question of the
Mbaraki Pier
cannot be decided
pending further
consideration by the
Government of Kenya.

(2) The matter was
formed the subject
of discussion with
the Gov. of Kenya
while he was in

Expended, but it will be
necessary for him to
~~consult~~
consult his advisers
in Kenya before final
recommendations can be
submitted to the Govt.

(Signed) G. GRINDLE

MINUTES.

MINUTES NOT TO BE WRITTEN ON THIS SIDE.

this seems - so far as I can judge - satisfactory unless you wish to run a traffic to Tanga rather than Kilindini (I still think that, other things being equal, Kilindini is best). The Kiche to Kanda rails, covered as usual for extensions - say to Arusha.

From the Kenya point of view the position is more complicated. It is making a modest extension (35 miles) south towards re-railing the U.R. with 80 lb. rails, & the intention was to go so far as - say - 135 miles, the length of the branch line in prospect at Munge. A mileage for another 100 miles, of the 80 lb. track would be a great help towards the process of re-railing, but the

is difficult

For 35 miles the standard cost of one track was £136,000, since reduced to, say, £120,000

16485

There was to be a cut-off in respect of second-hand material (£570 p. m.) chargeable to the construction of the branch line, but that, of course, does not obtain under Sir R. Coryndon's present proposal. I.e. cost of ~~£460,000~~ miles of 80 lb. track = about £340,000

add net cost of 135 miles in connection with branches (£460,000 - 570 x 135) = £389,000 making, say, £730,000

Or, if we only allow for about 57 miles of the Munge branch & leave over the whole branch, = £165,000 net or £585,000 in all.

Mr. Jelling's arrangements (16485) for meeting the cost of the 35 miles will not carry us

over this, and the question is
nearly

(a) Should they be shown other
means than that from the
second £3,000,000 loan, if for
the sake of keeping the
Voi-Haka line and getting on
with the re-railing; if so

(b) We should not insist that the
£3,000,000 programme should
be cut down because of the
present financial position of
the Admiralty Colony.

I have no doubt that it is our
duty to take a short view in this
matter, & to turn down Sir R.
Coyden's proposal, but these
will be considered if we don't commit
ourselves first. But if we are to
commit them the question of
stopping the taking up of the
Voi-Haka track is urgent.

L.C.S. 10.8.23.

W. B. Stanley
W. Strachey

You discussed this together yesterday
& we annexed telegram to Sir
H. Regatt was prepared possibly for
Coyden. We shall have to talk about
news first, but the fatal
objection to the scheme from
the Tanganyika point of view seems
to be that under the proposed
arrangement Tanganyika will not

get the material for the repair of
the Tanganyika line for a considerable
time. On the other hand the
repair of the Tanganyika line is a
matter of urgency, as even some
years ago it was stated that
the existing track might break

down at any time. What with this & the
difficulties from the point of view of the
expenses to be incurred any further delay
is to be avoided. You said that you were with the

But care for the
line, but the
and to say that
is necessary.
to improve the
is than I did
years ago.

W.B.S.

W. B. Stanley

over this, and the question is

ready

- (a) Should we go to start other
mains, the last from the
second £3,000,000 loan, if for
the sake of keeping the
Voi Haha line and getting on
with the re-railing; if we did
- (b) We should not insist that the
£3,000,000 programme should
be cut down because of the
present financial position of
the Admiralty Colony.

I have no doubt that it is our
duty to take a short view in this
matter, & to turn down Sir R.
Coyd's proposal, but there
will be trouble if we don't consult
Nairn's first. But if we are to
consult them the question of
stopping the taking up of the
Voi Haha track is urgent.

C. C. S. 10.8.23.

Mr. B. Stanley

Mr. Strachey

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& we annexed telegram to Sir
H. Regatt was prepared jointly for
London. We shall have Sir H. Regatt's
views first, but the fatal
objection to the scheme from
the Tangauyika point of view seems
to be that under the proposed
arrangement Tangauyika will not
get the material for the repair of
the Tangauyika line for a considerable
time. On the other hand the
repair of the Tangauyika line is a
matter of urgency, as even some
years ago it was stated that
the existing track might break
down at any time. What with this & the
difficulties from the heavy loads of timber, it seems
difficult to believe that anything will come of the scheme
you said that you will write to

will care for the
line, but I have
said to you that
the 'urgent'
re-arrangement in
1913 than I did
2 years ago.

C. C. S.

(W. B. Stanley)

send out a copy of Sir R. Cooper's
letter & the proposed fee to
Tanganyika by next mail to the
Gov. of Kenya for info.

Em 11/8/23

I am reluctant to give much attention to this
proposal, which was apparently first off by Sir R. Cooper
on the eve of departure & without any consultation with
his financial or railway advisers. However, it does for
the first time propose that Kenya should pay for the whole
concern, & that introduces a new feature. I am certain
Mr & Sir H. Byatt will object, but we ought to get his ideas

CS
13/8/23

The Dept. find some in some value
this paper. I'm not sure that when
Kenya envisage the proposal is
also blood they will like it, but
I think it should be allowed a year.

Wes.

12.8.23.

H. J. R.

13/8/23

It is clear that Sir R. Cooper's proposal
must at least be put to Sir H. Byatt.

Wes

~~S.P.~~

~~to be kept for later consideration.~~

Wes

D. 22.8

Send out a copy of Sir R. Compton's
letter & the proposed let. to
Tanganyika by next mail to the
Gov. of Kenya for info

Even 11/8/23

I am reluctant to give much attention to this
proposal, which was apparently first off by Sir R. Compton
on the eve of departure & without any consultation with
his financial or railway advisers. However, it does for
the first time propose that Kenya should pay for the whole
scheme, & that introduces a new feature. I am certain
that Sir H. Byatt will object, but we ought to get his views.

13/8/23

The Dft. firm can be seen clearly
this paper. I'm not sure that when
Kenya considers the proposal in
cold blood they will like it, but
I think it should be allowed a year.

W.C.S.

13.8.23

H. J. R.

13/8/23

It is clear that Sir R. Compton's proposal
must at least be put to his colleagues.

W.C.S.

D. 22.8

W.C.S.
has been for the time being.

ALDERMAN CLANFIELD, HORNDEN,
STATION, PETERSFIELD.

R

39603
RECEIVED
8 AUG 23

253

THE MANOR HOUSE,
CLANFIELD,
HORNDEN, HANTS.

7th August 1923.

Sir, I beg to refer to the question of the Voi-Taveta line. As I have stated before I am convinced that the decision come to is strongly against the interests of East Africa as a whole; although no present & little future benefit will accrue to Kenya itself by the retention of the line. I must add my belief that if my government had been consulted within the last twelve months, I could have placed this position beyond doubt. I will not now re-habilitate the arguments advanced in my recent letter (of 15/7/23).

If the Voi-Taveta Link cannot be operated

The Under Secretary of State
The Colonial Office.
S/1.

THE MANOR HOUSE,
CLANFIELD,
HORNDEN, HANTS.

Without a loss for the present, it is one which Kenya should bear in the interests of Eastern Africa, but by careful management & economy that loss need be slight, & moreover only the minimum of expenditure need be incurred to keep the line in bare working order, for the next few years at any rate.

I believe the wisest course would be to lift the central section of the Tangu-Moshi line, and with that material to strengthen the section from Tangu as far as the federated & productive country extends inland.

I have a further proposal to make under which Tanganyika Territory will secure the material required without greater expenditure than is now contemplated, without lifting the Voi-Taeta line; this is on the assumption

Con

Coded 8.30 p.m. 14/8/23

August 14th
Before departure from England Coryndon

has made following proposal regarding
Voi-Kahe railway:

DRAFT. Tel. Code

Governor
Dares Salaam.

MINUTE.

- Mr. Machie 11/8/23*
- Mr. Bottomley 11.8.0*
- Mr. Strachey 13. D*
- Sir C. Davis.
- Sir G. Grindle.

- X Sir H. Read. 13/8/23*
- X Sir J. Maestroy Smith*
- Mr. Ormsby-Gore.*
- Duke of Devonshire.*

copy to Secs: 21 DEC 1923 59039/23 8A

(1) Line to be retained and worked by
Uganda Railway. any loss on working
and cost of ultimate repair to be borne
by Uganda Railway.

(2) Uganda Railway to pay Disposals
Board £50000 for material of Voi-Kahe
line.

(3) Tanganyika to buy from Uganda
Railway for repair of Tanga line a
£500 a mile 100 miles of 50 lb rails
with sleepers now in Uganda Railway
which will be released when relaying
Uganda line with 60 lb rails now being
begun has proceeded sufficiently far.
Present position as to this is that
relaying of 35 miles has been approved
but that rails not yet shipped from
England. While this would mean some
delay

*for com in
v. minutes*

also 38741

in the fact

delay as regards repair of Tanga line
advantage to Tanganyika would be that
it would have uniform track complete
with steel sleepers

It will in any case require
further investigation as regards Kenya but
in the first place you will be glad of your
views by telegram. State also how
far the Tanga-Victoria line has pro-

gressed whether continuation of U.S.F.
work is being postponed pending con-
sideration of new routes.

Yours sincerely,
[Signature]