

1923

E. AFRICA

46312

DATE

18TH SEPTEMBER 1923

REPL 19 SEP 23

GENERAL, T.

CIRCULATION:—

Mr. B. B. ...

Mr.

Mr.

Asst. U.S. of S.

Perm. U.S. of S.

Part U.S. of S.

Secretary of State.

SUBJECT

AMALGAMATION OF POSTAL & TELEGRAPH DEPTS OF KENYA & UGANDA

Encloses copy of letter to Colonial Secy, Nairobi covering memo. as to proposals. Offers to call and discuss towards end of Octr.

Previous Paper

200 / 45351

E.A.

19 OCT 1923

copy memo. to C.K. Dain - cord - 7 11 123

Copy x above to Kenya 1656 Uganda 670

MINUTES

In principle I think complete amalgamation of all postal & telegraph services in Kenya & Uganda should be adopted.

As I understand it we do not know what is proposed, but it is just the sort of move wh. we wd welcome.

But I can see no reason to wish this wh. to get it all through here before Mr. Hodgkiss leaves.

There is the further advantage in delay that we may decide to go on our own lines without ref. to

Subsequent Paper

D 55961

to the President.

I have not attempted
therefore, to study the
details of Appendix
D. at this stage.

? Tell Mr. Fitzgerald
(explaining reason for
delay in ackⁿ.) that
you will be glad to
see him if he calls
before he leaves for
C. G. I can be
there too.

When he comes I think
we should say that in
principles we are in
favor of complete
amalgamation, but
that we think it
preferable that
the whole thing should
be worked out
locally & that as
a result some sort
of union should be
introduced, say,
in the 1925 Stat^s
or each department
be approved

generally by Sept. 1924
in the course of 1924
& that things required will be
so imp. All
17.10.23

To Mr. Fitzgerald - proposed
(See as reason for bringing
Mr. Killighead in letter, & there
is a reason against).

Good.
17.10.23

Mr. Fitzgerald

I hope you will be
free on Tues. at 11.30
when Mr. Fitzgerald
proposes to call: please
see letter of 10.10.23

Good
27.10.23

Right - I have put forward
other meeting accordingly

Good
27.10.23

Mr. Killighead

You do not see this with
Mr. Fitzgerald in connection
the matter is a matter
and that it should be done
for common to be given to
scheme of amalgamation
locally & that - open
proposals should be put
by Messrs. & Uganda

could come into force during 1924, if everything went straight forwardly: no need to wait for the 1925 Sept. at the same time no hope of revising the 1924 Sept. to cover the scheme.

W. F. agreed that in effect under his scheme Kenya & Uganda would be considered as one.

There have been points on which Uganda Govt have not used the Postal Dept. following - it is largely a matter of fact & would seem probable that it would be better to have the idea of a scheme to people to reply by the scheme which brings the view to the Public & their position in Kenya. Thus, the Postal Dept. is unlikely to be prepared for performing a service for the public in Uganda or in the Govt of Uganda 1924. It takes its share.

W. F. told W. F. that before we write to Kenya & Uganda suggesting local copies with

X

a view to arriving at an agreed scheme with 455 lines of Appendix D, we will consult W. F. & Uganda Government - so that if better point to raise there it be sent out for the use of Uganda Govt in the discussion.

W. F. agreed that there was nothing to be gained by bringing W. F. Kellie back into this.

Address:
Top Hill House
W. Melling
Kenya

sent to W. F. Melling
copy of the memo (square copy beneath) - a copy to the Fed. Comptroller with Uganda - say that W. F. will not be available for a copy in the country as he is now starting for S. of A. - that matter was discussed generally with him & sent to him. Wishes to request policy of Kenya & Uganda to formulate scheme for complete unification of all post & telegraph

services on the lines
suggested by Mr. F., if his proposals
~~are~~ on exam. are found
satisfactory, when to submit
agreed upon to Mr. F. for
approval of the instructions
in course of issue on 15/25.
If not ready before 15/25.
that Mr. F. understood from Mr. F. as Mr. X.
say that Mr. F. does not consider
it necessary to consult
Mr. Killipbeck, but that
before communicating with
the Mr. he will be glad to
discuss with Mr. F. in
view of the offer on ~~the~~
~~the~~
the ~~the~~ ~~the~~

of Mr. F. and Mr. X. about Mr. F.
to be done in postal telegraph
services. Mr. X. suggests 26 on
the lines to be used be unseparated
in order to avoid Mr. F. as suggested,
had a commission by large
amount of Mr. F. He declined
now a commission to make
himself Mr. F. of the whole
of the lines. You did not encourage
this - a really discuss it; he
should be done for the

W.S.

little said that it wd. be much
better to get on with 456
the simple job of
amalgamating Kenya
& Uganda P.O. services.

deed
2.11.23

So process? Mr. X, I
think that having a way from
a little through the amalgamation
of the telegraph work: this
should be economy in providing
for loan relief.

W.S.
2.11.23.

at once
H. J. G.
3/1/23

St. Helens

Leeson Park

Dublin

Dear Mr. Colman

1110

11 Oct 1873

Many thanks for your

letter of the 9th

I hope to be able to call

to see you about 10 am on

Tuesday next the 30th inst.

Yours sincerely

J. Fitzgerald

P. Belmont

New Park

Dublin

Dear Mr. Pittman

1110

N-50-433

Thank you for your

letter of the 9th

I hope to be able to call

to see you about 10 am on

Tuesday next the 30th inst.

Yours sincerely

J. J. Gould

C O
46312

RE 19 SEP 23

Rathasoo

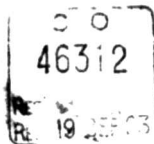
Malce

Ireland

18 Sept 1923

Dear Mr. Parkinson

In reply to your letter of the 14th inst. I enclose a copy of the memorandum in question together with a copy of the covering letter to the Colonial Secretary, Nairobi. Circumstances enough. I was just on the point of sending the memorandum on to the Colonial Office in order that you should have time to consider it while I was at home. I thought it just possible that the local Expts. would not have been able



Rathasoo

Walee

Ireland

18 Sept 1923

Dear Mr. Parkinson,

In reply to your letter of the 14th inst. I enclose a copy of the memorandum in question together with a copy of the covering letter to the Colonial Secretary, Namb.

Coincidentally enough I was just on the point of sending the memorandum on to the Colonies Office in order that you should have time to consider it while I was at home. I thought it just possible that the local Govts. would not have been able

to get despatches home to you on the subject before I left.

I am returning to East Africa on the 2nd November & will be in London on my way through towards the end of October. I should be glad of an opportunity to talk the matter over with Mr. Bottomley or yourself.

The understanding when I was leaving was that the existing arrangement should be adhered to pending consideration of the memorandum I wish to prepare. Needless

to say there is no official or personal friction of any kind on this matter.

C. Parkinson Esq

Yours very sincerely
T. Fitzgerald.

to get despatches home to you on the subject before I left.

I am returning to East Africa on the 2nd November & will be in London on my way through towards the end of Oct^r. I should be glad of an opportunity to talk the matter over with Mr. Bottomley or yourself.

The understanding when I was leaving was that the existing arrangement should be adhered to pending consideration of the memorandum I was to prepare. Nothing

to say there is no official or personal friction of any kind on this matter.

F. C. Parkerson Esq

Yours very sincerely
T. Fitzgerald.

ST. KILMERS,
LEINSON PARK,
DUBLIN.
22nd May, 1923.

Copy

The Hon: Colonial Secretary,
Nairobi,
Kenya Colony.

Sir,

I have the honour to forward for consideration and discussion with the Uganda Government a memorandum on the Administrative and Financial basis on which the Posts and Telegraphs Department of Kenya and Uganda is established.

I had hoped to submit this memorandum before I proceeded on leave, but in the absence of a reply (since received) from Uganda on certain matters submitted to it, I was unable to do so.

The Uganda Government is aware that this memorandum is being prepared and has deferred making a decision on the points at issue pending its receipt. A copy is being forwarded to the Hon: The Chief Secretary.

As regards the financial side, the object aimed at is to get both Governments to agree, in principle, on some mutually satisfactory arrangement.

If an agreement of this nature cannot be reached and it becomes necessary to refer the question to the Secretary of State I should be glad if this can be done so as to reach him not later than the first week in September. I shall probably be returning to Kenya early in October, and it would be of some assistance perhaps to have the question discussed at the Colonial Office before I return from leave.

I have the honour to be, Sir,

Your obedient Servant,

5901. J. J. Quinn

Paul Quinn
Uganda

KENYA AND UGANDA POSTS AND TELEGRAPHS DEPARTMENT

Memorandum on the Financial and Administrative basis on which established.

A position has arisen which renders it necessary to bring under review the basis on which the amalgamated Posts and Telegraphs Service of Kenya and Uganda is established. There are two questions at issue:

(1) The equity and suitability of the present arrangement in the light of present conditions.

(2) The measure of control to be exercised by the Postmaster-General over the Uganda Telegraph Engineering Branch.

Although these questions are largely independent and although (2) scarcely affects Kenya, they are related to some extent, and had better be dealt with together.

HISTORY AND NATURE OF THE AMALGAMATION.

The history of the amalgamation, which is really only partial, is somewhat obscure, but it appears that about the year 1900 Mr. Remington, who was then Postmaster-General of British East Africa, obtained sanction for a scheme under which the hitherto independent services of British East Africa and Uganda were combined to form one Administration. The negotiations relating to the scheme and the authority for carrying it into effect were apparently verbal, as I have been unable to trace any written record relative thereto; nor did my predecessor, Mr. Goaling, who came to East Africa as Postmaster-General in 1904, know of any.

Owing apparently to some special circumstances existing at the time, Mr. Remington's scheme dealt only with the postal and the telegraph traffic - as distinct from the telegraph engineering - sides. In the interval changes have been made in the engineering side, but no change in principle appears to have been made by Mr. Remington's scheme for the amalgamation of the traffic branches, and as it exists

to-day that scheme is as follows. All the postal and telegraph traffic staff required for the Uganda service is found by Kenya and is borne on its estimates, but the cash cost of this staff (salaries, local allowances, travelling, passages) is ultimately met as to one half by Kenya and one half by Uganda; while of the revenue accruing Kenya takes the postal and Uganda the telegraph. Roughly, therefore, Kenya pays half the cost of the staff - excluding the Engineering branch - employed in Uganda, and takes in return the postal revenue. Uganda pays the other half of the cost and takes the telegraph revenue. The original arrangement, provided, I believe, for the payments to be made by Uganda to Kenya in respect of staff and to Uganda by Kenya in respect of telegraph revenue collected, to be the precise amounts in each case; but subsequently it was agreed between the respective Treasurers, for convenience in preparing their budgets, that these payments should take the form of fixed contributions agreed upon from year to year on estimates furnished by the Postmaster-General. The financial adjustments giving effect to these arrangements are carried through the Estimates [vide Kenya Draft Estimates, 1923 - item 2, page 15 (details in Appendix E Page 254 show how this amount is made up) and the item "Less contribution to Uganda" page 17 - the amount against this item being the total of items 13 and 14 on the same page]. Uganda provides the office buildings and, when available, free quarters for the staff, but when quarters are not available the house allowance in lieu is paid by Kenya. Free medical attendance in accordance with Uganda regulations, is also provided. Uganda, however, bears no share of the cost of the headquarters' establishment (Postmaster-General; Postmaster-General's Office, Accountant's Branch) nor of the cost of the Assistant Postmaster-General ordinarily stationed in Uganda, that officer being presumably, but I think quite wrongly, regarded as a member of the headquarters' staff. Neither does Uganda carry any pension liability in respect of service within it. The whole pension liability for officers of the combined service is carried by Kenya. Uganda receives a free official postal, telegraph and telephone service.

RESULTS AND BENEFITS OF THE PRESENT ARRANGEMENT.

When I came to East Africa in 1920 from the Federated Malay States where the Posts and Telegraphs Department is a Federal Department I was immediately brought into touch with one of the principal defects of the very unusual nature of the arrangement which exists. Mr. Goeling, my predecessor, was at the time actually engaged in preparing a statement for the Uganda Government on the advisability of establishing an independent postal and telegraph administration in that State. There had been a suggestion from Uganda that Kenya was profiting at its expense by the existing arrangement. The figures not only proved that such was not the case but that Uganda would lose considerably by setting up an administration of its own. The Postmaster-General visited Uganda and explained the position. That particular proposal was then allowed to drop.

In 1921 the Treasurer, Uganda, suggested that the system of fixed contributions should be replaced by payments based on actual returns. Mr. Goeling, who was still Postmaster-General, agreed in principle, but the correspondence subsequently became merged in the question of agreeing on some better and more defined arrangement. In connection with that proposal, however, a statement of expenditure on staff in Uganda during 1921 was furnished to Uganda, and on that statement the Treasurer claimed in April 1922, adjustment of an overpayment in respect of the staff provided during 1921. In reply I pointed out that if the contribution on one side was to be re-opened, it should be also re-opened on the other, and I showed that if this were done the balance in favour of Uganda would be reduced. The claim was not pressed further. Even to the present moment Uganda does not seem to know what method of settlement it desires. As recently as the 12th of February and 10th of March last conflicting proposals were made.

Another serious defect in the arrangement is that Uganda has no interest in effecting economies on the postal side as all expenditure on that side has to be met by Kenya. In such circumstances it is naturally not easy to effect economies and consequently it has not been

possible to retrench in Uganda to the same extent as in Kenya. Situations are also set up which are wrong in principle, such, for instance as the granting of postal franking privileges by the Uganda Government, particularly where such are granted contrary to the recommendations of the Postmaster-General. The whole ^{position} ~~question~~ is artificial and not conducive to smooth working.

Finally, Kenya is being substantially under the existing scheme. The estimated ~~net~~ ^{net} loss which it will suffer in connection with the Uganda service for 1923 is £3378, this being the difference between the sum of £5,889, referred to in the succeeding paragraph, and £2611 the difference in favour of Kenya on the fixed contributions, due to and by it, for the year; and this loss will be incurred after excluding payment by Uganda, of any part of the Postmaster-General's salary etc. or the cost of the Postmaster-General's office. The loss in 1921, on the same basis, amounted to £3,763 approximately. I have not the 1922 figures by me.

RECENT PROPOSALS

The circumstances ^{being} such as they are I proposed to the Uganda Government in a letter dated the 21st March 1922 (Appendix A), in connection with the 1923 estimates, an arrangement, to be considered in principle, under which Uganda should take both the postal and telegraph revenue, and meet all the charges incidental to maintaining its service, including a proportion of the cost of the Account's Branch at headquarters. Uganda asked for a statement showing the financial effect. This was supplied (Appendix B), and showed that the estimated deficit on the working of the Department in Uganda for 1923 - excluding cost of Engineering Branch - would amount to £3,889. After consideration the Uganda Government regretted "that for financial reasons alone ~~these~~ proposals cannot be accepted" and suggested as an alternative solution that I should consider "whether it would be possible for the whole of the postal, telegraph and telephone maintenance service in the two dependencies to be combined in one Department under the control of the Postmaster-General" (Appendix C). Thereupon, I drew up a scheme (Appendix D) for full amalgamation which had the general approval of Mr. Gosling, who was

160
then Acting Treasurer, Kenya. This scheme was accepted in principle in August last by the Governor-in-Council, Uganda, but on further consideration by the Acting Governor-in-Council, in December, it was rejected on the grounds that "on the information hitherto supplied this Government is not satisfied that any large measure of economy, combined with the same efficiency of service would result from the proposed amalgamation.". I was obliged to dissent from the suggestion conveyed that insufficient information was supplied. I visited Uganda specially and went in detail through the scheme and its financial effect before an Expenditure Committee of the Uganda Government.

THE UGANDA TELEGRAPH ENGINEERING BRANCH

The second main system to be considered is the measure of control to be exercised in future by the Postmaster-General over the Uganda Telegraph Engineering Branch. The present position is this. On the retirement of Mr. Cadine, Deputy Postmaster-General and Chief Telegraph Engineer, in 1920, it was decided to separate the posts of Deputy Postmaster-General and Chief Telegraph Engineer. The former was filled but it was decided, subsequently, that the latter should be abolished, the Telegraph Engineers in each State becoming directly responsible to the Postmaster-General (Colonial Office Despatch, Uganda No. 232 dated 12th April 1921). The terms of that despatch do not appear to admit of any doubt but still I am obliged to raise this question of control owing to the very definite manner in which, towards the end of last year, my requests to the Uganda Government, although made in the light of special circumstances, that I should be consulted in regard to the engagement or re-engagement of European staff for its Engineering branch, have not been complied with although an assurance of compliance had previously been given. As matters stand at the moment all arrangements regarding the personnel of the branch are arranged in Uganda directly between the Telegraph Engineers and the Uganda Government. I am, for instance, merely informed at the last moment that such and such an officer is proceeding on leave and in the case of officers completing their first tour of service I am not even informed whether

arrangements have been made to re-engage them or otherwise. Neither am I referred to in cases of discipline no matter how grave even to the extent of affecting a man's employment. The estimates of the branch are not submitted through me nor am I consulted in any way with regard to them; neither are indents for telegraph and telephone plant and material forwarded through me and neither do I know anything concerning the allocation of an amount from Uganda's recent development fund for the reconstruction and extension of telegraph lines. There, therefore, arises, the extraordinary position, a probably unequalled elsewhere, of a provincial branch of an Administration having nothing in common with its sister branch in another province in regard to discipline, standardisation of plant, material or methods, and not within the effective administrative control of the head of the Administration of which it forms part. As an officer experienced in Federal Post Office working I can say that there is nothing in local conditions or circumstances to warrant such an arrangement. The principle is not questioned that so long as Uganda directly finances the funds for the maintenance of the branch it should retain some control, what is suggested is that that control should be exercised through the Postmaster-General. I do not think it is reasonable to expect any officer to act merely as a figurehead, and I am personally not prepared, voluntarily, to do so; and if I am to continue to carry any responsibility for the efficiency of the telegraph service in Uganda I have to ask that the full administrative control of the Postmaster-General over its Engineering branch shall be restored. I have seen too many instances of the evils, costly and waste which arise from systems of dual control and divided responsibility to be associated willingly with one of them.

DISCUSSION

The existing arrangement was introduced at a time when the service was in its infancy and probably it was offered a suitable basis on which amalgamation could be effected. It has, however, failed to stand the strain of development and it certainly does not meet the current requirement of precision in the financial relations between the two

states. Uganda is disatisfied with it and it is adverse to Kenya in its incidence of expenditure. It is obvious that it must go.

The three possible alternative arrangements are :

- (A) Uganda to set up its own Postal and Telegraph Association ^{Administration}

I do not think this alternative need be seriously considered. The expense to that Protectorate would be prohibitive. Not only would Uganda have to set up a headquarters establishment but it would have to pay transit rates through Kenya on all its outside postal and telegraph traffic. Freedom from such transit rates is one of the advantages which a hinterland State obtains through being linked with one having a coast line and a port of call for mail steamers.

- (B) The arrangement outlined in Appendix A. This alternative is a perfectly equitable one. Under it Uganda would have perfect freedom to maintain any standard of service it might desire, ignoring if it thought fit any relation between revenue and expenditure. If it wanted a service more expensive than circumstances justified, as in my opinion it does at present, it could command it by finding the funds.

- (C) The scheme outlined in Appendix B, subject to paragraphs 7 and 11 being modified to meet the condition that both States should pay for all services rendered by the Post Office excepting possibly the free transmission of ordinary official inland correspondence. This alternative is the one I recommend. Having regard to the fact that there is no Federal fund or Federal authority by means of which a real Federal Department could be worked, it is I believe the soundest in principle. It would be a step towards placing the Department on a commercial basis and offer some prospect of the high rates, particularly the telegraph rates, which are now in force, being reduced. I should be prepared to agree to the free transmission of ordinary official correspondence through the post as a set off

against free services rendered by other Departments to the Post Office. It is I may say now general practice for all administrations to require payment at public rates for all official telegrams and telephones and this is the practice in the United Kingdom. The double purpose is thus served of maintaining the commercial character of the Post Office and checking abuse.

(Sgd) 

Postmaster-General

Kenya Colony and Kenya and
Uganda Protectorates.

22nd May 1923.

against free services rendered by other Departments to the Post Office. It is I may say now general practice for all administrations to require payment at public rates for all official telegrams and telephones and this is the practice in the United Kingdom. The double purpose is thus served of maintaining the commercial character of the Post Office and checking abuse.

(Sgd) S

Postmaster-General

Kenya Colony and Kenya and

Uganda Protectorates.

22nd May 1923.

APPENDIX A

Registered No. 766/E1

Office of the Postmaster-General,
P.O. Box No. 511,
Nairobi. 21st March, 1922.

Sir,

ESTIMATES - 1923

In continuation of my letter of even number dated the 18th instant, addressed to the Honourable the Ag. Treasurer, dealing with a proposal put forward by him that the system of fixed contributions in connection with the working of this Department in Uganda should be discontinued in respect of 1922 and contributions based on actual revenue and expenditure substituted, I have the honour to suggest that the matter be taken still further and that in connection with the 1923 estimates the present arrangements, even if the modifications now under discussion are adopted, should be completely brought under review.

2. The present arrangement cannot be regarded as satisfactory. Ever since I came to East Africa it has been evident to me that the feeling in Uganda was that it operated to Uganda's financial disadvantage, and this feeling was put in the form of concrete statements during a discussion I had at Entebbe recently with His Excellency the Acting Governor, in which the Honourable The Attorney General the Honourable the Acting Treasurer and yourself took part. The feeling seemed so deep rooted that such assurances as I was able to give apparently made no impression. I am sure it will be agreed that an attitude of that kind can only lead to friction and impair the smooth and economical working of the combined Administration and that any steps calculated to change it should be taken. Moreover, the present arrangement does not lend itself to the policy of retrenchment and curtailment of services generally which the Colony has been obliged to adopt. Any economy which should be effected in

Uganda in connection with the Postal Service would naturally be regarded as being at the expense of the Protectorate seeing that the Postal revenue is taken by Kenya. In order to overcome difficulties of this nature and in order that Uganda should have a direct interest in all the expenditure incurred and economies effected, and, particularly, in order that the amalgamated service may in future be on a definitely equitable basis, I am prepared to recommend to the Government of Kenya in due course and after consideration by your Government an arrangement of which the following are the main points:-

- I. All Postal, Telegraph and Telephone net revenue collected in Uganda will be credited to it.
- II. Uganda will pay:
 - (a) Total cost of staff employed there including the Asst. Postmaster-General; and including also the provision of quarters or the payment of house allowance in lieu and free medical attendance in accordance with Uganda regulations.
 - (b) A proportionate part of the cost of leave pay, passages and travelling allowances connected therewith based on the period served in Uganda. (The cost of passages of officers arriving on first appointment would be met as to 20% by Uganda and the balance by Kenya. This is roughly the ratio of present aggregate of Postal and Telegraph revenue and expenditure in the two States).
 - (c) The cost of local transfers from Kenya to Uganda and local transfers and travelling in Uganda. (The cost of transfer from Uganda to Kenya shall be borne by Kenya).
 - (d) A proportion of pension charges, and gratuities paid to members of the female staff on marriage based on the periods served in Uganda.
 - (e) A proportion of the cost of the Headquarters Accounting staff based on the total of the revenue and expenditure for each State excluding the Kenya Engineering Branch and Savings Bank.
 - (f) A proportion of the cost of Postal Material based on Postal revenue. (Stationery required by Uganda Customs to be supplied by Uganda Treasury).
 - (g) A proportion of the cost of external carriage of mails, i.e., sea transit and special overland charges (e.g. conveyance of mails across France) based on statistics

which are taken annually for other purposes. Uganda to pay cost of Railway transit of its overseas mails through Kenya in accordance with arrangements concluded with Railway, viz., 11.6 cents, 11.6 cents per ten mile. (The charge for internal carriage of mails would be those actually incurred in each State).

- (h) A proportion of the cost of Printing Stamps based on Postal revenue.
 - (i) Proportion of the cost of Telegraph Stationery based on telegraph revenue.
 - (j) Cost of uniform and other general minor incidental charges as actually incurred.
3. In other respects, the existing practice will stand, except that an adjustment will be necessary in regard to the revenue derived from parcels from overseas. As the number of inward greatly exceeds the outward, a special allowance to Uganda, which can be determined by statistics, should be made.
4. It will be observed that it is not at present proposed that Uganda should make any contribution towards the Postmaster-General's salary, or excepting the Account's Branch, towards the cost of the headquarters' staff and general office. I should, however, be glad to be favoured with your views on this point.
5. I shall be obliged if early consideration can be given to this proposal, so that the estimates for the respective budgets for 1923 can be prepared in good time, should both Governments agree to accept an arrangement on the principles laid down.
6. At its present stage I think it is desirable that the proposal put forward should be considered in principle and without any relation to its financial results.
7. Under it Uganda will have a direct interest in its own postal and telegraph revenue and expenditure while retaining the substantial advantages of being coupled with Kenya in one Administration.

I have &c., &c.,

(34) T. FITZGERALD.

Honourable The Ag. Chief Secretary,

thru'

The Honourable the Ag. Treasurer,

ENTREBEE.

APPENDIX B

"A" - Expenditure.

ESTIMATE OF EXPENDITURE ON THE UGANDA POSTAL AND TELEGRAPH SERVICE FOR 1923, CALCULATED ON THE PROPOSALS CONTAINED IN THE AG. POSTMASTER GENERAL'S LETTER TO THE HONOURABLE THE ACTING CHIEF SECRETARY WITHERE. No. 766/21 OF 31.3.1922.

| | |
|--|----------------|
| Total cost of clerical staff in Uganda including Assistant Postmaster-General (on the basis of actual payments and providing for all allowances and normal increments). | 13,706 |
| Office Boys and Telegraph Messengers | 402 |
| Leave Pay, Passages and Travelling allowances | 3,126 |
| Local Transfers (as per final figures for 1921) | 436 |
| Pension charges and Marriage gratuities to Members of the Female staff (as per 1921 figures) | 391 |
| Postal Material (6/7ths, Kenya - 1/7th Uganda). | 572 |
| Conveyance of mails, namely:- | |
| (a) Conveyance of mails by sea (5/6th Kenya - 1/6th Uganda) | 21536 |
| (b) Foreign mails to and from Uganda and Mails from Uganda to Kenya, carried by Uganda Railway trains and steamers. Also certain inter- nal mails carried by the Railway.) | 21072 |
| (c) Internal carriage of mails by runners and transport | 22400 |
| Uniforms (2/3rds, Kenya - 1/3rd Uganda.) | 267 |
| Telegraph stationery (4/5ths Kenya - 1/5th Uganda) | 550 |
| Minor incidental charges | 75 |
| Headquarters Accounting staff (Kenya - 23/30ths, Uganda 7/30ths). | 2,289 |
| | <u>226,834</u> |

"B" - Revenue.

ESTIMATE OF UGANDA POSTAL AND TELEGRAPH REVENUE FOR THE YEAR
1923, BASED ON RETURNS TAKEN DURING JANUARY, FEBRUARY AND
MARCH 1923.

Postal Receipts

| | £ |
|------------------------------|----------------|
| Sale of Stamps..... | 9,455 |
| Money Order Commission..... | 1,486 |
| Postal Order Commission..... | 70 |
| Recharge collections..... | 214 |
| Ware of parcel post..... | 1,370 |
| Ordinary collections..... | 447 |
| Collected money orders..... | 7 |
| Total..... | <u>£13,045</u> |

Telegraphs and Telephones

| | |
|--|----------------|
| Telegraph Revenue (including £917 from Railway)..... | 6,400 |
| Telephone Revenue (Including £151 from Railway)..... | 1,500 |
| Total..... | <u>£29,900</u> |

Grand total of Postal Telegraph and Telephone

Receipts.....£22,945

Summary

| | |
|-------------|---------------|
| Expenditure | 26,834 |
| Revenue | 22,945 |
| Deficit | <u>£3,889</u> |

APPENDIX C

Chief Secretary's Office,

Entebbe, Uganda.

179

Sir,

I have the honour to acknowledge the receipt of your letter No. 766/21 of the 10th June in regard to the administration of the postal service, and to inform you that the proposals outlined in your letter of the 31st March have been carefully considered and laid before the Governor-in-Council.

2. I regret that for financial reasons alone these proposals cannot be accepted by the Uganda Government. Moreover it is observed that they would have the effect of weakening the existing postal union between Kenya and this Protectorate, and as the general trend of present policy is in the direction of closer co-ordination, considerable doubt is felt as to whether the Secretary of State would be prepared to agree to measures such as are contemplated by you.

3. As an alternative solution I would request you to consider whether it would be possible for the whole of the postal, telegraph and telegraph maintenance service in the two dependencies to be combined in one department under the control of the Postmaster-General, Nairobi.

4. There appears little doubt that this arrangement would have the merit of increased economy, and as the Telegraph Maintenance Department is intimately allied to the postal service, matters would thus be simplified from the point of view of internal administration and control. On more general grounds this measure would appear commendable as being consistent with the trend of present policy.

5. In the event of your being prepared to consider the alternative

outlined above I should be grateful if you could find time to visit Entebbe at an early date as may be convenient to you with a view to discussing in detail the necessary *modus operandi*.

I have the honour to be,

Sir,

Your obedient Servant,

Sd. R. C. ELIOT

Acting Chief Secretary.

The Honourable the Postmaster-General,

Nairobi.

APPENDIX D**BASIS OF AGREEMENT FOR FULL AMALGAMATION
OF THE KENYA AND UGANDA POSTAL AND TELEGRAPH SERVICES**

Each State will provide and maintain its own Post Office Buildings. New Post Office buildings will be handed over to the Department complete in the first instance with private letter boxes, furniture and fittings generally.

Each State will provide suitable quarters for the staff employed or pay house allowance in lieu. Where Government furniture is provided, such furniture will be supplied in accordance with the scale and regulations of the State concerned. Medical attendance on Officers of the Post Office will be in accordance with the regulations in each State for its own Officers.

Each State will bear the cost of any new telegraph or telephone trunk lines, or reconstruction thereof, or new telephone exchanges established within it. Extensions to existing exchanges, such as, new subscribers' lines, and all maintenance charges will be met from common funds.

The staff of the Uganda Engineering Branch will be merged in the staff of the Department and will therefore be borne on Kenya estimates and so become officers of the Kenya Government. Seniority in the amalgamated Engineering staff will be based on the length of service.

Pension charges, compassionate allowances and gratuities of all kinds shall be the subject of adjustment between the Kenya and Uganda Treasuries according to the length of service in the respective States both prior and subsequent to this amalgamation.

Franking privileges in regard to ordinary letters and telegrams will continue as hitherto but all other services, such as, private boxes, registration, parcel post, and official telephones (excepting those in the respective Government Houses, Secretariats

and Colonial ~~Secretary's~~ houses) will be paid for at public rates, excepting that the payment for official calls over the ~~frank~~ telephone lines between Entebbe, Kampala and Jinja shall be a fixed payment of £100 per annum. Lines used exclusively as Police, Departmental or Administrative telephone lines will be paid for at public rates. In order to establish ~~uniformly~~ Uganda agrees to adopt Kenya franking regulations.

The Uganda unallocated Telegraph Store will be transferred to the Uganda P.T.D. unallocated Store, and, until exhausted, will be drawn upon for material for capital works in Uganda referred to in paragraph 4 and also, as far as may be possible, for general maintenance and for capital works in Kenya. Uganda agrees that, if necessary, the material in its unallocated Store may be written down to the cost at which the same class of material can now be obtained and landed at Entebbe. The Uganda Transport Department will grant to the Department the same concessional ~~rates~~ granted by the Uganda Railway in regard to the transport of Government material i.e. a rebate of 25% on public charges on the actual weights conveyed as determined periodically by statistics.

Any privileges at present enjoyed by the Telegraph Officer, Uganda, in virtue of the appointment he holds will be reserved as a personal right of the officer.

In calculating the profit or loss on the working of the Department the value of free services will not be taken into account. Profits will be divided according to revenue and losses according to expenditure, excluding special expenditure referred to in par. 4. The cost of the Headquarters Administrative staff, Accounts Staff, and the Asst. Postmaster-General, Uganda, will also be excluded in calculating the expenditure in each State.

12) The certificate of the Postmaster-General will be accepted by both States in regard to the division of profits or loss.

and Colonial ^{Secretary's} ~~Secretary's~~ houses) will be paid for at public rates, excepting that the payment for official calls over the ~~frank~~ telephone lines between Entebbe, Kampala and Jinja shall be a fixed payment of £100 per annum. Lines used exclusively as Police, Departmental or Administrative telephone lines will be paid for at public rates. In order to establish ^{uniformly} ~~uniformly~~ Uganda agrees to adopt Kenya franking regulations.

The Uganda unallocated Telegraph Store will be transferred to the Uganda P.W.D. unallocated Store, and, until exhausted, will be drawn upon for material for capital works in Uganda referred to in paragraph 4 and also, as far as may be possible, for general maintenance and for capital works in Kenya. Uganda agrees that, if necessary, the material in its unallocated Store may be written down to the cost at which the same class of material can now be obtained and landed at Entebbe. The Uganda Transport Department will grant to the Department the same concessions ^{as} ~~that~~ granted by the Uganda Railway in regard to the transport of Government material i.e. a rebate of 25% on public charges on the actual weights conveyed as determined periodically by statistics.

Any privileges at present enjoyed by the ~~Telegraph~~ Director, Uganda, in virtue of the appointment he holds will be reserved as personal to that officer.

In calculating the profit or loss on the working of the Department the value of free services will not be taken into account. Profits will be divided according to revenue and losses according to expenditure, excluding special expenditure referred in par. 4. The cost of the Headquarters Administrative staff, Accounts Staff, and the Asst. Postmaster General, Uganda, will also be excluded in calculating the expenditure in each State.

12) The certificate of the Postmaster-General will be accepted by both States in regard to the division of profits or loss.

The fixing or alteration of postal or telegraph rates or other charges will, as at present, be the subject of mutual agreement.

Possible changes in respect of Postmaster-General and Head-Quarter staff will be shared by the two States on the following basis, viz., Kenya 22/30ths and Uganda 7/30ths.

Tand

F 46312/23 E.A. Uganda

SE

56

7 November 1923

DRAFT.

Amadi 55961

K. Davis Esq.
(Tob Hill House,
West Mallory,
Kent)
MINUTE.

- Mr. Seel ^{S. A. 23}
- Mr. Parke King *[Signature]*
- Mr. *[Signature]*
- Sir C. Davis.
- Sir G. Biddle
- Sir H. Read.
- Sir J. Masterton Smith
- Mr Ormsby-Gore.
- Duke of Devonshire.

x copy *W. Smith*

Hand. by Mr Fitzgerald - X
 sent to other comms letters to Mr. Naisith
 to Mr. G. W. G. (tel) 4.9.23. 44087/73
 ✓ 70 do (do) 7.9.23 do
 ✓ 200 do 11.9.23 45354/63

I am etc. to transmit
 to you, for your consideration,
 the acc^y copy of a letter from
 Mr T Fitzgerald ~~to the Colonial~~
 Secretary and a memorandum compiled by
 Mr T. Fitzgerald, Postmaster
 General of Kenya ^{Uganda}, on the
 subject of the Kenya and
 Uganda Post and Telegraphs
 Department; together with
 copies of telegraphic correspondence
 (regarding the Memorandum)
 between the S of S and the
 Governor of Uganda &

2 Mr Fitzgerald

left for P. Africa
left this country on her
return to P. Africa on the
2nd of November, and he will
not therefore be available to
attend a conference in this
country, as suggested by
the Governor of Uganda. The
matter was, however,
discussed generally with
him before her departure,
and the Duke of Devonshire now
intends to invite the Governors
of Kenya and Uganda to
formulate a scheme for the
complete amalgamation
of all post and telegraph
services in the two Dependencies,

on the lines suggested by Mr
Hyslop, if ^{after detailed} his proposals
are found satisfactory. ^{after} A

on which both Govts were
represented,

left for S. Africa
~~left this country~~ on his
return to ~~S. Africa~~ on the

2nd of November, and he will
not therefore be available to
attend a conference in this
country, as suggested by

the Governor of Uganda. The

matter was, however,

discussed generally with

him before her departure,

and the Duke of Devonshire now

proposes to invite the Governors

of Kenya and Uganda to

formulate a scheme for the

complete aerial communication

of all port and telegraph

services in the two Dependencies,

on the lines suggested by the
referred to above, and his proposals
are found satisfactory after an

examination by a local Committee
of which both Governments were
represented,

after an

Careful examination.

An agreed scheme would then be submitted to the S. P. S. for his approval, and for introduction in the course of the year 1924, or in the following year if not ready before then.

3. The Duke of Devonshire

understands from Mr Fitzgerald

that his proposals would

(in effect) while involving

no extra expenditure ^{to}
+ possibly a small saving to
Kenya, result in a

considerable saving for the
Gov^t of Uganda.

4. His Grace does

not consider it necessary

to consult Mr Killingbeck,

as suggested by the Governor

Uganda, but he would
be glad, before communicating
further with the ^{US} Government
of Kenya & Uganda,
concerned / to receive any
observations which you, as ^{Minister of Uganda},
may have to offer upon the
Memorandum.

(Signed) H. J. READ

77 46312 Easy 481



Handwritten mark

Handwritten signature

DRAFT.

T. Fitzgerald

19 October

Dear Mr Fitzgerald

MINUTE.

I was away on
leave when your letter
of the 18th Sept
arrived ~~and~~ & it
was kept for my
return.

Mr.

Mr.

Mr.

Mr. Davis.

Sir G. Grindle.

Sir H. Read.

Sir J. Masterton Smith.

Mr. Ormsby-Gore.

Duke of Devonshire.

If you can
make it convenient
to call at the
C.O. before you
start for South

Apica, to B. Stanley
I shall be very
glad to see you & have
a talk about the
Kenya - Uganda Postal
& telegraph arrangements

Yours sincerely
(SA) A.C.C. Parkhouse