

EAST AFR. PROT.  
No. 10234

10234  
REG. - 082  
PAGE 21 MAR 07

1907  
0322

(Subject.)

The Raxis

on Cotton-seed, cottonseed oil & cottonseed cake

Sanctions set at 1d per ton per mile for oil & 2d per ton per mile for cake for goods of this kind brought to Lake districts & onwards. Reduced rate for cotton-seed has already been authorized. States conditions of sanctions.

(Minutes)

Mr. Read

Drafts submitted

M 21/3

at once.

KJR

22/3

Contd. of No. 10234

10234  
REC'D  
MAR 21 1907

In the reply to this letter the following  
Number should be stated

TREASURY CHAMBERS,

4403  
07

20 March 1907.

Sir,

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Antrobus's letter of the 7th instant (6486/1907) and its enclosures relative to the application of the Uganda Company for a reduction of the railway rates on cotton-seed, cottonseed oil, and cottonseed cake.

In reply I am to state that, as requested by the Earl of Kinnear, My Lords sanction the proposal that the rate on cottonseed oil should be reduced to 1d. per ton per mile and that on cottonseed cake to 2d. per ton per mile, in the case of goods of this kind brought from the Lake or its neighbourhood to Mombasa.

I am to point out that the reduced rate proposed for cotton-seed is covered by existing Treasury authority (vide letter from this Department of 19th February 1906 - No. 2236/06).

Their Lordships' sanction is given on the understanding

- (1) that the above rates will be regarded as minima;
- (2) that they will apply only to full truck loads for export; and
- (3) that differentiation will be adopted as proposed

by

The Under Secretary of State,  
Colonial Office.

By the Secretary of State, so that articles carried only  
a short distance will pay more in proportion.

I am,

Sir,

Your obedient servant

*J. M. Mason*

DRAFT

L.A.P. No 175

O.L.B.

MINUTE.

Mr. Webb 21/3

Mr. Read 22

X Mr. Anstons 28

Mr. Cook

Mr. Lucas

Mr. Giddens

Sir ~~Mr. ...~~

Mr. Churchill

The Earl of Elgin

for room

20/4

7th 22/3

25

27 March '07

Per I have the honor  
 to acknowledge the receipt of  
 your despatch No 314  
 the 23rd of Jan<sup>r</sup>  
 and to inform you  
 that H.M.'s Govt  
 approve the introduction  
 of a certain reduced  
 rates for the carriage  
 of certain goods on  
 the Uganda Railway  
 from the Victoria Lake  
 into neighbourhood  
 to Mombasa as follows  
 Cottonseed 1/2 per ton  
 Cottonseed Cake 1/2 " "  
 Cottonseed Oil 1/2 " "

Treasury  
10294

C.A.P.

137

DRAFT

C.A.P. No 175

O.B.T.

27 March '07

MINUTE.

Mr. Webb 21/3  
Mr. Read 22

X Mr. Anstobus 22

Mr. Cook

Mr. Lucas

Mr. Gresham

Sir ~~...~~ 223

Mr. Churchill

The Earl of Elgin 25

for comm

2 1/4

Per I have the honor  
to acknowledge the receipt of  
your draft No 31 of  
the 23rd of Jan<sup>ry</sup>  
and to inform you  
that H.M.G. has  
approved the introduction  
of a certain reduced  
rates for the carriage  
of certain goods on  
the Uganda Railway  
from the Victoria Lake  
into the neighborhood  
to Mombasa as follows  
Approved for 1000  
Approved. C.A.P. 10294  
Approved. Oct 10

- on condition
- (a) that the above rates will be regarded as minimum,
  - (b) that they will be applied only to full truck loads for export, and
  - (c) That differentiation will be adopted, as on the line as that articles carried only a short distance will pay more in freight.

<sup>2</sup> The last condition requires some explanation. The principle on which rates on the Uganda Railway, and the fixed is, I conceive, that of charging what the traffic will bear.

Let us, the same thing, regarding the traffic will not bear. I judge that a rate amounting to 25/- a ton on cottonseed 50/- on cottonseed carried down to Mombasa from the Lake may well be as much as it can be imposed on those commodities without stopping the traffic altogether, and I have therefore inserted in the schedule of the rates in the figures just mentioned.

4. But it is quite clear that if cotton were to be produced at Mombasa 15 miles from Mombasa the same commodities

138

could well bear a rate  
of 6d for ton amounting  
to 8d for the journey  
and similarly supposing  
that the cottons brought  
from the Lake were only  
carried to Nairobi for  
consumption there, a  
higher rate than  $\frac{1}{2}$ d  
a ton could well be  
imposed.

5. Thus, I think, for the  
general interest of the  
Protectorate that the  
Railway shd. be enabled  
to recoup itself for less  
than low rates  
granted for long dis-  
tance traffic (which  
rates shd. however always  
cover the actual cost  
of carrying the traffic).

189

DRAFT

MINUTE.

- Mr.
- Mr.
- Mr. Antrobus.
- Mr. Cox.
- Mr. Lucas.
- Mr. Graham.
- Mr. G. G. G.
- Mr. Churchill.
- The Earl of Elgin.

interchangeable on the  
same commodities when  
carried for about 150  
distances, & I have  
therefore requested that you  
will instruct the  
General Manager  
to guide himself by  
this principle in  
any alterations of  
rates which he may  
propose.

I have