

EAST AFR. PROT.  
 No. 5806

C. O.  
 5806  
 Rec<sup>d</sup>  
 REG 17 FEB 08

Governor. No.  
 Jackson 40

(Subject.)

1908

21 Jan

Telegraph line Mombasa to Tanga

Last previous Paper.  
 Rec<sup>d</sup> 23 3 00  
 100 78  
 65

Copy let from Postmaster Genl asking  
 constn to connect w German system asks  
 for sanction to the re-opening of negotiations  
 w the German govt

(Minutes.)

Mr. Read

As has ~~been~~ is made out  
 for this line which would permit  
 messages to be sent direct from  
 E. A. P. to German E. Africa,  
 instead of via Zanzibar as at  
 present.

The P.M.C. taking this as a  
 basis the 36,000 marks net  
 in 1907 via Zanzibar, &  
 lowering the present rates by  
 $\frac{1}{3}$  to  $\frac{1}{2}$ . estimates a net  
 return of £225 after allowing  
 for maintenance. The capital  
 cost wld. be £18000 as the

Copy of P.O. con. 22 Feb.  
 Shows 29 aply wdy 100 78  
 Chmd. 24 3. 22 May 1908

Next subsequent Paper.

100 78

return wd. be 12 1/2 %

It is not proposed to undertake  
the express until 1909-10.

We must refer the matter to the  
C.P.D. for views w.r. to the financial  
consequence, as they have some objections  
on the ground that such a line  
facilitates through competition with  
the cables.

I think we did say  
that it appears to Lord Elgin  
that apart from the weight to  
be attached to such reasons, the  
local revenues will be made out.

(I think this is a case for the  
Gen. Dept.) 11/11/18/2

W. Johnson  
11 Sept.

Proceed as proposed?

H. J. R.

18/2

Mr. Read

A similar question in W. Africa  
was discussed by the Cables Committee  
today and before this scheme is

carried out it should probably go  
to that Committee

Write to G.P.O. as proposed adding  
that, subject to any observations the  
P.M.C. may have to offer, the S.P.S.  
thinks that before deciding the  
question, the matter should be  
referred to the Cables Committee

G.W.J.

19/2

Home

H. J. R.

20/2

S.R.

I think  
not  
(cc)

Governor's Office,

Nairobi,

January 21st 1908.

EAST AFRICA PROTECTORATE.

No.40

(Incl.1)

5806

Rec<sup>d</sup>  
17 FEB 08

My Lord,

I have the honour to transmit herewith a letter which I have received from the Postmaster General relative to the construction of a telegraph line from Mombasa to Vanga to connect with the system in German East Africa.

2. As stated by Mr. Gosling this question was originally put forward some time ago; the correspondence ending with Mr. Secretary Lyttleton's despatch No. 509 of July 21st 1905 which stated that no advantage commensurate to the cost would be derived from the undertaking.

3. Since that date, however, as Mr. Gosling points out the traffic has increased enormously and

H.M. PRINCIPAL SECRETARY OF STATE

FOR THE COLONIES,

DOWNING STREET,

LONDON. S. W.

Mr. Gosling  
Dec. 15th 07440  
23390  
16

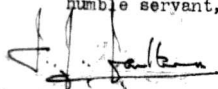
I agree in the opinion that the construction of this line would now be justified.

4. I have the honour to request that Your Lordship's sanction may be given to the re-opening of negotiations with the German Government with a view to making provision for this purpose in the Estimates for 1909-10.

I have the honour to be,  
With the highest respect,

My Lord,

Your Lordship's most obedient,  
humble seryant,



(In the absence of H.E. the Governor)

INCLOSURE

In-Despatch No. *17* of *January* 1908

5806

RECEIVED  
17 FEB 08

The Secretary,

This is a long and technical despatch and it may be useful if I summarise the main points as follows:-

1. The Government share of the 'takings' for cablegrams sent from and delivered by the Mombasa Post Office is computed at a lower rate than in the case of cablegrams for and from Up-Country Offices.
2. If the Government received the same rate for cablegrams exchanged between Mombasa and German East Africa as for those received for cablegrams exchanged between Up-Country Offices and German East Africa, it would obtain £.300 a year more than at present.
3. If we had a line to Tanga (and so avoided the cable charges) we should obtain this additional £.300 a year, and at the same time reduce the charges to the public. We should also be able to get a reduction on the cable rates to Kaniiba.

(Sd.) J. Gosling

Nairobi,  
26th December 1907.

POSTMASTER GENERAL

Nairobi.

28th December 1907.

## NORBANA-TANGA LINE. - ORIGINAL PROPOSAL.

Sir:-

The question of a connection between the British and German telegraph systems in East Africa was brought forward rather more than three years since by a Foreign Office despatch No. 636, dated the 19th of December 1904, in which it was stated that the German Authorities had intimated that they were ready to erect a line from the German port of Tanga to the frontier, if His Majesty's Government would undertake to provide for the joining up of the two systems. The proposal involved the provision of a line from Mombasa to the British frontier part of Tanga, at an expenditure then estimated at £2500, and at that time could not be financially satisfactory unless a special charge were imposed for the transmission of telegrams over the British section of the suggested connecting line. I reported to that effect in a communication No. 92/3 which I addressed to Sir Donald Stewart on the 1st of February 1905, and the question was disposed of for the time by the Colonial Office despatch No. 309 of the 31st of July 1905 in which it was intimated that the advantage to be derived by the erection of the line was not considered to be commensurate with the cost of the undertaking.

2.

REVENUE AND TRADE RELATIONS.

2. Although the German proposal could not be adopted in 1912 it was obvious from the investigation of the question then made that a connection between the British and German telegraph systems in East Africa would have to be arranged sooner or later. The telegraph lines in both countries were being extended and direct communication was clearly preferable to the transmission of telegrams over the cables via Zanzibar; the use of the cables made the cost of telegraphing so high that it was a undesirable tax upon trade; and the rapidly increasing trade relations, particularly those with the German colonies on Lake Victoria, suggested that the telegraph traffic would presently become sufficient to warrant the expenditure involved in the erection of a line from Kampala to Tanga. This latter anticipation has now been realized as shown by the following figures:-

	1913	words transmitted	6114
	1914	do	8119
	1915	do	10732
	1916	do	27066
on basis of returns for period April 1st to Sept. 30th	1917	do	31786

The returns for the last complete quarter, July/September 1917, show a total of 523 words and it therefore seems reasonable to anticipate a traffic of 36,000 words for 1918.

## 3.

for or from Mombasa, and in order to understand the situation it is first necessary to appreciate the special conditions applying to Mombasa cablegrams. If a cablegram is sent from Nairobi, or any station in the interior of British East Africa, to (say) London the charge is 2/9 per word of which 3d (approximately) is retained by the Protectorate Government, but if the same cablegram is handed in at Mombasa the public rate is 3d per word less, and Government receives only about 1d. The difference between the Government share of the 'takings' on Mombasa and Up-Country messages is due to the fact that originally the Cable Company received all ~~messages~~ <sup>cablegrams</sup> direct from the public at the Mombasa (Kilindini) Cable Station; later, when cablegrams were received at the Mombasa Post Office, the Company at first refused to pay the Government any 'terminal' (share of the charges) unless the public rates were increased. This I refused to entertain. Quite recently the Company conceded to Government a portion of the receipts for Mombasa cablegrams (1d per word as shown above) but the Government share is still much less than for cablegrams for or from Up-Country stations. In the case of cablegrams exchanged with German East Africa the difference is 16 cents of a rupee per word on inward and 13 cents of a rupee per word on outward messages.

LOSS AVOIDED BY DIRECT CONNECTION  
 WITH GERMAN EAST AFRICA.

4. If by means of a direct connection with the German East African lines we avoid cable charges the amount so saved will be sufficient to provide satisfactory interest on the capital expenditure even although the public rates were considerably reduced. Our



4.

utilized international "terminal" for foreign telegrams is 36 centimes per word and at this rate the anticipated traffic of 36,700 words for 1924 would yield a revenue of exactly £.500. But according to present arrangements the 36 centimes is received only for the 10-Country messages which represent only 17 per cent of the whole, and the traffic will actually yield rather less than £.200. With a line connection with the German lines the difference of £.300 would be obtained as revenue and the charges to the public substantially reduced.

PROPOSED CHARGES FOR PUBLIC USE IN 1924 AND REVENUE

5. It will make the position clearer if I give the present and proposed charges in detail with their incidence as follows:-

PRESENT AND PROPOSED CHARGES

(Expressed in cents of a rupee)

	Messages to German East Africa	10-Country Messages to German East Africa
Terminal credit to British East Africa Transit	7 cents	20 cents
Terminal credit to Cable Company for transmission to Zanzibar	21 cents	36 cents
Terminal credit to German Government for transmission from Zanzibar to destination	12 cents	12 cents
Total	40 cents 8d	70 cents 11d

PROPOSED RATES WITH DIRECT CONNECTION.

(Expressed in cents of a rupee, also  
in French currency)

Mombasa and Up-Country Stations.  
(Uniform rate)

British East Africa, 21 cents of a rupee, or 31 centimes.

German East Africa . 12 " " or 20 centimes

Total ----- 33 cents of a rupee, or 55 centimes,

being the equivalent of 5½ d.

It will be noted that direct connection will permit of a reduction of one third in the charge to the public for telegrams sent from Mombasa, and approximately one half in the case of those from Up-Country Stations.

RELATION OF REVENUE TO CAPITAL EXPENDITURE.

6. Considered in regard to the cost of erection and maintenance of a line from Mombasa to Vanga, the additional revenue of £,300 which would be thereby derived represents a satisfactory return on the expenditure. When first asked to report on this question I gave the distance from Mombasa to Vanga as 75 miles which I took from an official publication. Since then the district has been partially surveyed and I am informed by the Survey Office that it is 60 miles in a straight line. Following the road along the coast and allowing for deviations it would be roughly 60 miles. The Superintendent of Telegraphs estimates the cost of construction at £421 per mile, using wooden poles with iron bands, and £.30 per mile with iron poles. He recommends the latter as being more durable and I concur in this as I consider that a line constructed for

International traffic should be as substantial as possible. The cost of maintenance is estimated at £.75 per annum. There would be no additional <sup>working</sup> expenses, as transmission to China would take the place of the present transmission to the Cable Company. The position therefore is that for an expenditure of £.1,000 an additional revenue of £.300 per annum is obtainable, of which £.225 is available for interest and depreciation, representing 12 per cent on the capital cost. This takes no account of the increased traffic which will naturally result from the substantial reduction of rates as per para 5 above.

LIVE WIRE TELEGRAPHY SERVICE BY CABLE BETWEEN HONG KONG AND SHANGHAI

7. The provision of a connection with the German lines would give an alternative route to Hamihar, which could be used as a lever to obtain a reduction of the excessive cable charges between Hongkong and that place. At present the Cable Company demands 34 cents (5d) on telegrams from Hongkong and 47 cents (6d) on Up-Country messages. These rates are very high in relation to the distance of transmission, and if we had a connection it would be cheaper to send messages via the German line from Hongkong to Hamihar. The difference would be at least 14d per word on Hongkong messages and 2d per word on those from Up-Country Offices. I do not see how the Cable Company could avoid conceding some reduction in the face of a competitive route.

RECOMMENDATION

Considered commercially for an expenditure

collected

estimated at £.1800 a revenue of £.300 could be obtained giving a net annual profit of £.225. At the same time the charges for telegrams to German East Africa and Zanzibar would be substantially reduced, and the public would thus share in the advantage derived. This latter is an important point as the cost of telegraphing from Kisumu to Mwanza (about 200 miles in a direct line) is at present only a penny a word less than that from London to New York.

#### THE QUESTION OF POLICY.

9. In conclusion I would point out that proposals for new telegraph lines involve considerations arising from the Government monopoly of telegraph communication. The importance of preserving this monopoly was emphasized by the Imperial Post Office in connection with the correspondence regarding Lord Dalmeida's private line. .... Now if the Government monopoly is to be strictly preserved I would submit that there is a certain obligation to extend the telegraphs in cases where this would confer a public advantage - in reduced charges - and yield a satisfactory revenue. This same principle seems to me to apply also to private lines, and has recently been brought forward in connection with the proposed wire to the Juja farm, which a private Company is now asking to be allowed to erect. I submit that it is very desirable that Government should take early action whenever the provision of a public wire offers an adequate return for its cost, or a private line is asked for by a person who is prepared to rent it at a remunerative rate. Unless such lines are created by

8.

Government it is very difficult to defend a refusal to permit private persons to provide them, whilst to give such permission would involve a departure from the monopoly which the Imperial Post Office advises us to retain.

I have the honour to be,

Sir,

Your most obedient servant,

(Sd.) J. BOSLING

POSTMASTER GENERAL

*Jan*  
5506/08

DRAFT

20 Feb 08

Secretary  
G. P. O

*54*

MINUTE 20/2

Mr Noall 21/2

Mr Read 21/2

Mr. Jett

Mr. Ashmun

Mr. Cox

Mr. Lucas

Sir F. Hopwood

Mr. Churchill

The Earl of Elgin

I am directed by the Earl of Elgin to transmit to you the enclosed for the views of the Postmaster General with reference to your letter of the 5th of July 1905, a copy of a despatch with its enclosures from the Earl of the 5. a. P. asking that sanction may be given to the re-opening of negotiations with the German Govt with a view to the construction of a line from Harar to Tanganyika.

It appears to Lord Elgin

*21/2*

that, apart from the weight  
to be attached to any objections  
that may be raised on the  
ground that such a line  
would facilitate through  
competition with the cables,  
the ~~best~~ case as regards  
the ~~Project~~ had been made out.

I am to add that  
in view of such ~~possible~~ <sup>operational</sup> objections  
subject to any reasons the  
P.M.G. may have to offer,  
Lord Elgin thinks that  
before deciding the question,  
the matter shd be referred  
to the Cables Committee.

a good case is made out  
for constructing the line  
from in view of the  
operational reasons, & the addition  
facilities for the public  
which it would afford.

R.R.

REGISTERED No. *Gov. 5804/04*  
*608.*

**NOTICE TO BINDER.**

PLEASE LEAVE SPACE HERE FOR INSERTION OF 6 SHEETS.

From *Governor H. I.*

Date *21 Jan.*

Subject *Arms & Ammunition*

(Paper not available at time of binding.)