

DESPATCH

914
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COLLEGE

LAST AFT. PROT.
No. 44503

47503
REC'D
DEC 28 1908

Draft
929

Division
129

(Subject)

1908

L. Nagade Soda Scheme

see Dec.

Confirms Pt. 2 Dec. rep. Messrs. Samuel & Co.
Proposals. Encloses memo. fr. Joint Manager
of Railway. Cannot go beyond Commission
indicated in this report.

(Minutes.)

Mr. Head

Par. 4 of your report on the question
to a grant of land based on the
fact that the land is part of
a railway reserve might be got
over. I understand the land is
practically uninhabited & for
the most part, if not the reserve
might be enlarged by the
grant of land elsewhere. We must
inquire further into this point
& then report whether the
Minister please to advise
the grant.

Par 5. Another is very little
wood near the lake, to allow
the B. to cut it would not help

Cop. sent to C. memo. Jan 2
for Conf. memo 27 Jan 2
B/16 Copy of memo. Trans. memo. 4 Feb.
Cop. memo. to Comdr. 16 Hilary 8933/09

440

them much - and it is undesirable to
allow the best wood there is to be destroyed
for 8

The question of the rates to be granted.
This of course is the main of the question.
I have already said that I don't think
Mr. Currie (whose training was that of
an engineer) understands the thing
of railway rates, and in this case
his calculations do not appear to
be based on realistic figures. He
may be right in his conclusions
but if so, he's right by accident.
The expenses of a railway are usually
divided into fixed & variable charges.
The former being those which tend
to be constant whether there are
any trains or not, & the latter
dependent on the number of trains
run. Usually these are taken
as 40% of the total, but on the
Kangaroo Railway, which is for
passenger service, the fixed charges probably
run a higher percentage. These
the charge for maintenance of way
is probably the largest of any
item shown on the list by the effect
of the weather in washing the
rails, & sleepers & washing away
the track.

17
2

However, taking the variable cost at one half, the
actual expenditure involved in running the soda trains
would be Rs.1.01 only. With the new engines which
Mr. Currie proposes, the soda at 4d per ton mile and the
coal at 4d would yield Rs.2.12, giving a profit of
Rs.0.51 per train mile, or, on 500,000 tons, Rs.250,000
or £10,833 instead of a loss of Rs.1.10; or £34,833 as
in Mr. Currie's estimate.

This profit would, however, be swallowed up if it is
true that the new engines must burn coal, which will cost
Rs.0.50 more than the wood per train mile.

Mr. Currie further estimates (page 5) that he
will require £301,500 worth of new rolling stock to
work the traffic. This includes 45 new engines at
£4,000 each. I cannot imagine how so many can be
necessary.

Only three trains up and down per diem are
contemplated, and I should say 18 engines or 3 for each
train (of course only 1 will be required at a time)
would be ample.

On Mr. Currie's figures the lowest rates which
can be given are 4d per ton for soda and coal, and that,
on his calculations, will yield only £14,600 per annum
profit, or about enough to cover interest on the cost
of the new rolling stock.

We have already told Messrs. Samuels (44, 204)
that this is our minimum figure and asked them to see
if they cannot work on somewhat higher rates. In
writing to them I should not hint at a possible reduc-
tion, but I should like to refer Mr. Currie's figures as
to cost of working and additional rolling stock to some
real

*The Secretary
of the
India Office*
516

- real expert on the question such as Sir George Gibb.
7. The concession may be extended to 99 years.
 8. Three acres should suffice for storing the soda.
 9. The owning of piers wharves etc., by the Company is objectionable, but if we cannot find the money we must let them do so.
 11. The minimum rate for the carriage of materials must be 1d per ton.
 12. We can ask the India Office for labour, but it is not certain they will consent.

I should write to Messrs. Samuels telling them what we are prepared to grant subject to the approval of the Treasury, and asking for a reply as to the rates at which they can work, and also asking whether they want to work the ^{new} line themselves or desire that the Government should do so. If the latter is the case the rates charged will have to be higher as the line will have to be maintained entirely ^{at the expense of} by this comparatively unremunerative traffic.

W.L.R.
31/12.

*Proceed as proposed -
to be done by 31/12/12
all by 31/12/12*

31/12

*To proceed with the most important
point is to get expert advice on the
question of the maintenance of
the line
The Secretary
of the India Office*

17503

Governor's Office,
Nairobi, Dec 28-08-08
December 28th 1908.

~~EAST AFRICA PROTECTORATE~~

111 (129)
(Incl. 1)



My Lord,

In confirmation of my telegram No. 251 of the 2nd inst. I have the honour to submit the following observations on the proposals made by Messrs. M. Samuel and Company respecting the working of the soda deposit at Lake Magadi.

REMARKS NOV 28th 08

- (2.) Taking the various points seriatim, No. 1, the franchise to construct the line subject to Government supervision is agreed to.
- (3.) No. 2, the undertaking on the part of the Uganda Railway to run suitable rolling stock over the branch line is also agreed to, but the Manager assumes that this applies only to the provision of trucks and wagons and does not include any responsibility for the provision of locomotive power or for the maintenance and working of the line. The rates quoted under (3) are based on this assumption.
- (4.) Condition No 3 asking for a grant of one mile on each side of the line is one to which I do not feel inclined to agree as practically the whole area lies within the Native reserves.

5.

H. M. Principal Secretary of State

for the Colonies,
Downing Street,
LONDON, S.W.

69
111 44307

in sessions

- (5.) The right to cut wood asked for under (4) would be of little use to the concessionaires as there is scarcely any within 20 miles of the line and coal will undoubtedly have to be used for fuel.
- (6.) The Manager, a copy of whose minute is enclosed for reference, considers that the rates asked for under (5) would not be remunerative. He estimates that an expenditure of £385,500 on new engines and rolling stock will be required in order to enable the Railway to cope with the traffic anticipated, and the charges imposed ~~ought~~ therefore to include provision for interest at the rate of 5% (at the very least) on this sum in addition to working expenses. This the proposed rates would not do and they cannot therefore be regarded as financially practicable. The lowest possible rate is $\frac{1}{2}$ per ton per mile for coal up and for soda down and this is recommended for a period of five years. It would practically represent the cost of working and to quote anything lower would be to sacrifice some other part of the Railway traffic to the Soda Company or, looking at the matter from another standpoint, it would mean that the general revenues of the Railway were being applied to the relief of this particular venture.
- (7.) The extension of the Company's lease up to 99 years (No. 6) is a concession to which I see no objection, provided that a condition obliging them to export a fixed quantity of soda (say 100,000 tons annually) is imposed under penalties.
- (8.) The area of 20 acres asked for as storage ground at Kilindini appears to be unnecessarily large for the purpose.

purpose. Three acres ought to suffice (vide Mr. Colman's letter on the subject enclosed in Lord Elgin's despatch No. 118 of the 8th of March 1906.

(9.) I am strongly opposed in principle to the suggestions made under (8) and (9) that the company should own and work its own piers, wharves and sidings, not only in connection with the soda traffic but for the general public as well. I have already expressed my views on this subject and am firmly of opinion that it would be most undesirable to allow such an enterprise to fall into the hands of a private company. If a pier is essential, it should be built and worked by the Government.

(10.) The Railway will undertake to carry the 150,000 tons specified under (10) provided that the Manager's estimate for new engines and rolling stock is sanctioned.

(11.) A minimum rate of 1d per ton per mile must be charged for all material and mechanical appliances carried up the line. The vehicles will carry no freight on the return journey and there would be a heavy loss if the rate of 1/2d per ton per mile were conceded. That quoted above practically represents working expenses.

(12.) There is no objection to the India Office being asked to sanction the employment of natives of India on the construction of the line.

(13.) No export duty will be levied on soda or soda products but royalty will have to be paid in accordance with the terms of the lease.

7212

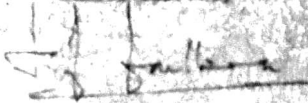
(14). No import duties will be levied so far as the coal and materials for the construction of the line are concerned. This is in accordance with the existing tariff and no special facilities would need to be granted. It would not however be possible to differentiate in favour of the Company in the case of any articles not exempt under the tariff.

(15) I am naturally anxious that Messrs. Samial and Company should be encouraged as far as possible to develop the Magadi deposits but I do not think that we can safely go further to meet them and the concessions indicated above are I think the maximum which should be offered. In forming this opinion I have had the advantage of hearing the views of the Manager, the Treasurer and the Crown Advocate.

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

My Lord,

Your Lordship's most obedient,
humble servant,



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

Handwritten notes: 129 of 810/4

47503
1908 MINUTE PAPER
RECEIVED
26 DEC 08

SECRETARIA
No. 2.2.0
Recd 26/11/08

With reference to Colonial Office Confidential Despatch dated the 23rd October 1908.

521

I am unable to deal satisfactorily with the proposals made in Messrs Samuel and Co's letter dated the 13th October 1908 because I have not been given full data.

I am uncertain whether condition 2 i.e. "that the Uganda Railway will undertake to run their rolling stock over this branch line etc. etc." means that the Uganda Railway (1) shall undertake the total working of the branch, or (2) that we shall only provide wagons and brake vans only or (3) that we shall provide wagons, brake vans and engines.

The wording leads me to think that (2) is intended i.e. that the Uganda Railway shall provide wagons and brake vans only and that Loco power, maintenance and general working of the branch, shall be done by the Company. I base the following remarks on this assumption:-

If I am wrong, and it is intended, that the Uganda Railway shall undertake the total working of the branch, before I can give a satisfactory reply to the proposals I must be supplied with the results of the surveys that have been made showing what the ruling gradients will be, how distributed, i.e. easy gradients (1.5%) and level throughout, except near the lake, or whether the ruling gradient will be distributed over the whole length. In this connection I would point out that an 1.5% will shortly be our ruling gradient from Kisumu to Mombasa (it is very essential for economical working that this ruling gradient be adopted throughout the branch.)

④
47303
MINUTE PAPER
Per 28 Oct 08

SECRETARIA
No. 100
Recd 20 Oct 08

With reference to Colonial Office Confidential Despatch dated the 23rd October 1908.

521

I am unable to deal satisfactorily with the proposals made in Messrs Samuel and Co's letter dated the 13th October 1908 because I have not been given full data.

I am uncertain whether condition B i.e. "that the Uganda Railway will undertake to run their rolling stock over this branch, etc. etc." means that the Uganda Railway (1) will undertake the total working of the branch, or (2) that we shall only provide wagons and brake vans only or (3) that we shall provide wagons, brake vans and engines.

The wording leads me to think that (2) is intended i.e. that the Uganda Railway shall provide wagons and brake vans only and that Loco power, maintenance and general working of the branch, shall be done by the Company. I have the following remarks on this proposition:-

If I am wrong, and it is intended, that the Uganda Railway shall undertake the total working of the branch, before I can give a satisfactory reply to the proposals I must be supplied with the results of the surveys that have been made showing what the ruling gradients will be, how distributed, i.e. early gradients (1.5% and so on) throughout, except near the lake, or whether the ruling gradient will be distributed over the whole length. In this connection I would point out that as 1.5% will shortly be our ruling gradient from Kiu to Mombasa it is very essential for economical working that this ruling gradient be adopted throughout the branch.

I shall also want to know where water can be found and of what quality. Also what prospects there are of obtaining wood for fuel (I believe very little can be got).

Referring to my minutes dated the 5th June 1907 and 27th July 1908 I am glad to be able to say that the result of the three years working since those minutes were written has enabled us to effect very substantial economies and we are now in a better position to undertake the work than we were then.

Those minutes were written on the assumption that the branch would be worked entirely by the Company and that our interests began and ended at Kiu or wherever the junction might be.

The data I have now to go on are:-

- (1). The branch will be worked, maintained and powered by the Company, our goods vehicles only will be run over it.
- (2). We are asked to carry per annum 160,000 tons of soda down at $\frac{1}{2}$ d. and $\frac{2}{3} \times 160,000$ tons = 32,000 tons of coal up at $\frac{1}{2}$ d. per ton mile.
- (3). That all material for the construction of the branch line, works etc, may be carried up at $\frac{1}{2}$ d. per ton mile.

As regards (1) the terms on which we will allow our stock to run over the branch will have to be settled. This can be done on the usual basis of $\frac{1}{2}$ d. so much per hour per ton of carrying capacity plus insurance for detention beyond stipulated period. This I need not detail now.

As regards (2) it will be seen from the Administration Report for this Railway for the year ended 31st March 1908 that with a train mileage of 705,656 the cost per train mile was Rs.5.22. We have therefore

been able to effect a great reduction since 1904-05 when it was Rs. 1.18 per train mile. Curiously enough Rs. 3.82 per train mile is identically the figure I quoted in my minute dated the 15th July 1905 viz: 51.50 pence as the lowest at which we could anticipate being able to handle the soda traffic.

160,000 tons of soda downwards mean in practice with our existing engines 4 trains per diem (allowing for occasional stoppages) & each train should be able to carry 170 tons.

Our up loads will be one-fifth of this.

Our earnings per train mile at $\frac{1}{2}$ d. down and $\frac{1}{4}$ d. up will therefore be

$$\begin{array}{r}
 160 \text{ tons} \times \frac{1}{2} \text{d} \quad \cdot \quad 80.0 \text{ pence} \\
 \frac{1}{5} \times 170 \text{ tons} \times \frac{1}{4} \text{d} \quad \cdot \quad 13.0 \text{ " } \\
 \hline
 \underline{93.0} \text{ pence} \\
 = \text{Rs. } 2.32 \text{ per train mile.}
 \end{array}$$

• Rs. 1.48 per train mile.

With a train mileage of 705,656 it costs us at present Rs. 1.21 per train mile to work the line. We can reasonably anticipate a gradual increase in the annual train mileage on account of general traffic and three years hence i.e. about the time the Mandi scheme will be in working order if commenced next spring our mileage may be say 850,000.

4 trains a day up and down between Bombay and Kiu represents 670,000 train miles per annum.

Our total train mileage for the year may therefore be

| | |
|---------|-----------|
| General | 850,000 |
| Patron | 650,000 |
| | <hr/> |
| | 1,500,000 |

or earnings on this will be

| | | Rf. |
|---------|--------------------|-------------|
| Natron | 670,000 x Rf. 1.42 | = 957,000 |
| General | 870,000 x Rf. 4.72 | = 7,400,000 |
| | | <hr/> |
| | | 4,325,000 |

i.e. Rf. 2.88 per train mile on the average.

I have allowed Rf. 4.72 per train mile as earnings on general traffic. It is at present about Rf. 4.72 so I have given very little allowance for further reduction on freights for general traffic although I consider such reductions must be given if we wish the country to develop.

I do not think that we could work to this, as with the large train mileage on the section Mombasa to Kisumu we should be obliged to use coal instead of wood fuel and our general working and maintenance expenditure would otherwise be necessarily heavier than it is at present. At any rate the actual receipts per train mile on Natron viz: Rf. 1.42 would not cover working expenditure and we would carry the soda at a severe loss which would have to be recovered from and to the detriment of our general traffic.

This method of working need not be further considered the more so that we could not work it with our present stock of engines. New engines would have to be purchased so I will now assume that we secure

efficient transport engines to handle the natron traffic only and that these engines are capable of taking 500 better load i.e. 100 tons of soda per train. With such engine 3 trains per day represents 180,000 tons per annum and I will assume that we carry this amount.

Our estimate for this will be

| | | |
|---------|--------------------|------------------|
| | | Rs. |
| Natron | 650,000 x Rs. 1.48 | = 962,000 |
| General | 80,000 x Rs. 4.00 | = 3,200,000 |
| | | <u>4,162,000</u> |

i.e. Rs. 2.85 per train mile on the average.

I have allowed Rs. 4.00 per train mile as earnings on general traffic. It is at present about Rs. 4.33 so I have given very little allowance for further reduction on freights for general traffic although I consider such reductions must be given if we wish the country to develop.

I do not think that we could work to this, as with the large train mileage on the section Ambara to K1 we should be obliged to use coal instead of wood fuel and our general working and maintenance expenditure would otherwise be necessarily heavier than it is at present. At any rate the actual receipts per train mile on natron viz: Rs. 1.48 would not cover working expenditure and we would carry the soda at a severe loss which would have to be recovered from and to the detriment of our general traffic.

This method of working need not be further considered the more so that we could not work it with our present stock of engines. New engines would have to be purchased to I will now assume that we require sufficient stronger engines to handle the natron traffic only and that these engines are capable of taking 50% better loads i.e. 150 tons of soda per train. With such engines 3 trains per day represents 150,000 tons per annum and I will assume that we carry this amount.

5.

The earnings per train mile would then be:

| | | |
|---------------|---|------------------------|
| 195 x 1/4 | = | 48.5 pence |
| - (195 x 1/4) | = | 19.5 |
| | | <u>2) 68.0</u> |
| | | 34.0 pence = Rs. 2.12. |

Three up and down trains per diem between Lombana and Kiu may be taken as 500,000 train miles per annum and on this basis the average earnings per train mile per annum will be

| | | |
|---------|----------------------|------------------|
| Natron | 500,000 x Rs. 2.12 = | 1,060,000 |
| General | 500,000 x Rs. 4.00 = | 2,000,000 |
| | | <u>3,060,000</u> |
| | | 4,460,000 |

i.e. an average of Rs. 3.7 per train mile.

The Loco Superintendent informs us that these engines will have to burn coal and on account of this and their increased power at least 8 pence will at once be added to the cost of working per train mile so the figure Rs. 2.12 per train mile for natron only is in-
-feasible and any attempt to work at these rates can only be done at the expense of other traffic.

As we shall have to run our goods vehicles over the branch line and not from Kiu only and as also our general traffic is now much better than it was 3 years ago we will require the addition of a considerably greater number of vehicles than was estimated for 15 1/2 minutes dated the 17th June 1905.

I now estimate that we should require

| | | |
|-------------------|---------------------|----------------|
| 45 Engines | at Rs. 4,000 each = | 180,000 |
| 150 Covered Boats | at Rs. 700 | 105,000 |
| 50 Brake Vans | at Rs. 300 | 15,000 |
| | | <u>299,000</u> |

Rs. 299,000

Brought forward \$ 301,500

The other items mentioned in my
minutes already referred to may remain viz:-

| | |
|-----------------|--------|
| Station | 48,000 |
| Water | 40,000 |

Total \$ 389,500

The new engine might be of the Mallet Compound type with axle loads not exceeding 10 tons in weight and our existing permanent way should suffice. If however loads of heavier axle loads have to be provided it would be requisite relaying about 270 miles of our road with 11 lbs. rails and steel sleepers to suit (our present sleepers will not take a heavier rail and axle load) which would represent an outlay of not less than \$1,000,000 or say \$,540,000.

To work the engines at actual cost price will therefore necessitate our clearing interest on at least \$,588,800 in addition to our ordinary working expenses. Assuming interest at 5% this represents about \$,11,000.

At the rates already quoted to the Company viz: 1/4. per ton per mile down and 1/2. up the figures given above work out as follows:-

| | | |
|---------------|---|-----------------------|
| 2 x 1/4 | = | 57.0 pence |
| + (197 x 1/2) | = | 59.0 " |
| | | <u>\$ 116.0</u> |
| | | 68.87 pence = Rs.4.88 |

Allowing for the increased cost per train mile due to increased power of engines and the use of coal already referred to I put Rs.5.28 per train mile as the limit at which we can begin to work this system profitably, assuming this to be correct, our profits at the above rates would be Rs.4.86 - 5.28 = Rs.1.04 per train mile.

This

This on 500,000 train miles represents Rs. 580,000 or £.54,600.

($\frac{1}{4}$ = 3 cents and 1d = 6 cents). If therefore we reduce the down freight on natron to $\frac{1}{4}$, the result would be

| | |
|---|----------------------------|
| Natron down 2 cents per ton per mile i.e. $\frac{1}{4}$. | |
| Coal up 6 do. do. do. do. 1d. | |
| This works out | |
| 197 x $\frac{1}{4}$. | = 65.0 pence |
| - (197 x 1d) | = 39.0 " |
| | <u>26.0 pence</u> |
| | = Rs. 3.27 per train mile. |

or practically the cost of working without giving any return on the extra capital outlay.

If we keep the low freight at $\frac{1}{4}$ per ton per mile and reduce the freight to the same figure as in the above

| | |
|--------------------------|----------------------------|
| 197 x $\frac{1}{4}$ | = 97.7 pence |
| - (197 x $\frac{1}{4}$) | = 19.7 " |
| | <u>78.0 pence</u> |
| | = Rs. 3.06 per train mile. |

This would give a profit of Rs. 3.06 - 3.22 = Rs. 3.44 per train mile which on 500,000 train miles = Rs. 1,720,000 = £.14,500 or a little over what is required to cover interest on increased outlay at 3%.

If what I have assumed at commencement of this note is that we only provide wages for the riding in stone and we are asked to undertake the total maintenance and working of it (this is the impression Mr. Quickshank got from his interview with these people in London) I am unable to recommend that even this reduction should be granted. The maintenance of 100 miles of new line of (probably) severe gradients and sharp curves with (probably)

bad water and heavy traffic will be very great. If however the Company is going to do this and we are only to supply the wagons, although I am not certain that we shall be able to work to the figures I have given, I think we might grant the reduction mentioned viz: 1/4. per ton per mile for soda down and 1/4. per ton per mile for coal up. It must be made clear that this up rate is for coal only and that for all other traffic the ordinary tariff rates will be charged. It must be also made clear that if we work the branch we shall be allowed to carry all general traffic which may offer whether for the Company or not. If we shall work the branch for public traffic at ordinary tariff rates.

As regards the proposal that all material for the construction of the branch line, works etc. may be carried up at 1/4. per ton mile I think I have already shown that as we shall get no back loads for the wagons in which this material is carried this rate would mean that we should receive only $\frac{150 \times 1/4}{8} = 65 \times \frac{1}{2} = 32.5$ pence per train mile for the work. This is impossible and I do not see how we can quote less than 1/4. per ton per mile. Our loss for this material would have to be 130 tons only because we would not have our heavier engines out in time to deal with it.

As regards Messrs Samuel and Co's other proposals I can only remark that

- (2). Can be agreed to on terms to be decided upon.
- (3). Is a matter on which I need not make any remarks.
- (4). I don't think this will amount to such an outlay as is very scarce and it could not possibly be carried 20 miles to the line. Coal will have to be used and I see no reason why a belt 20 miles in width should be demanded of what fuel

it has got.

- (5). I have already dealt with.
- (6). It is a matter on which I need not make any remarks.
- (7). I see that 20 acres are now asked for whereas in previous correspondence 4 or 5 acres are put down as the maximum that could possibly be required. We could easily arrange to give sufficient land to store 10,000 tons say 3 acres and this should be the limit.
- (8). I still maintain that it would be fatal policy to allow any Company to build a pier for general purposes. If the Company builds a pier it should be for its own use only. It would however be much better for Government to build a wharf and charge the Company dues on it.
- (9). I see no difficulty about this in principle but I am not at present aware of the site the Company wants.
- (10). Already replied to.
- (11). ditto.
- (12), (13) & (14). Need no remarks from me.

I think also that it would be as well to have a clause in the agreement to the effect that Government shall have the option of purchasing the Railway from the Company at cost price at any time. This clause might be desirable in event of other minerals such as gold being found in the neighbourhood.

H. H. C.

4-1500

12



25
26

[Handwritten signature]

Confidential
DRAFT

U. P. 10
10

44503

27 January 09

Sir
I am directed by
the Earl of Crewe to
inform you for the
information of the
Ministry that he has
made his own
proposal for the disposal
of the soda
deposits at Lake
Magadi in the U.A.P.

MINUTE.

- Mr. [Name] 11/1
- Mr. Read 12
- Mr. [Name]
- Mr. [Name] 25
- Mr. [Name]
- Mr. C. Lucas.
- Mr. P. Hopwood
- Col. Seely. 25.1
- The Earl of Crewe. 25.1

[Vertical handwritten notes on the left margin]

I don't think in common
that we can ask the
G.O. to grant the
question unless some
[unclear]

25.1

2 The possibility of such
development turns largely
on the question of the
maximum rates for
the carriage of the soda
& the coal required for
its treatment on the
existing Magadi Railway

Lord Minto's report
Mr. Currier figures to
be examined with a
view to ascertaining
whether the cost of
making the traffic is
not overestimated by
him, & in particular,
whether the additional
rolling stock which he
mentions is not more
than is required for
the traffic contemplated.

5 Copies of the reports on
the Uganda Railway
for the last two years are
inclosed and of
the Gouto tariff are
inclosed, and any
further data ^{required} con-
tained in these books
will be obtained as soon
as possible
A copy of a bill
from the ^{Uganda} Parliament
& of the proposed rates

Year 1903/04 E.A.P.

532

729

may

27 January 1909

DRAFT

Major M Pennel
Lt Col
and 3492

Gentlemen

Re to the letter
from this dept. of the
16th ^{Dodg} ~~Feb~~ I am directed
by the Genl of Crew
to inform you that he
has now received the
full report from the
Genl of the E.A.P. on
the subject of your
proposals for the constru-
tion of a railway
to develop the water
power of Lake
Magadi and to inform
you that (subject to the
sanction of the
Government) the
proposals are
favourably looked
upon and that the
Government of the
Sudan is prepared to
consider the same.

MINUTE.

- Mr. Allen 4p
- Mr. Beck 12m
- Mr. Supt
- X Mr. Abirina 23
- Mr. Cole
- Sir C. Lucas
- Sir F. Hopwood
- Col. Seely
- The Genl of the Army

Copied by B. ...
Mr. ...
Mr. ...

30/15

containing ...

of 44 202 ...
75080 ...
B.H. 476.

in the north on the side of 53
the line, forests considered
sufficiently, - as nearly
as the of the railway
area involved here with
a Native Reserve, The
(Ludlow will, however,
consult the Gov. as to
whether this difficulty
is insuperable.

Proposed 4.

A license to cut
wood within 20 miles
of the line does not appear
to be admissible, as there
is no little available that
to cutting any considerable
quantity would mean
the entire denudation of the
country; and at the
same time the license
would not be able to
disposal will extend for
greatly more of the
immensity of the supply
of wood, or that the consumption

Proposed 5.

The least rates
which it is apparent possible
to grant are $\frac{1}{2}$ a per cent
premium for wood goods

that 3 acres would make
10,000 tons to be stored
& that this had been
Proposed 849-

It would prefer that
rather than what is
and any connection
at. Attention may
be found to be required
for dealing with the
main traffic should be
provided by the gate,
but, if further measures
should render this impracticable,
to allow the C. line
to pass them

DRAFT

MINUTE.

- Mr
- Mr
- Mr. Just.
- Mr. Anstruther
- Mr. Cox
- Sir C. Lucas
- Sir E. Hopwood
- Col. Sney
- The Earl of Orkney

Proposed 10

The Uganda Railway
will undertake to
carry 100,000 tons of
goods per annum at
once, and every
endeavour will be made
to provide the additional
freight as the
business develops

Proposed 11

To the heavy carrying

Proposed 14

Costs of maintenance
for the construction of
& maintenance of .525
railways are exempt
under the existing
tariff. It would not
be feasible to extend
this exemption to other
articles imported by the
C. which are not
covered by the tariff

W. F. H.

Francis H. Johnson

47508

536



Handwritten scribbles

May

DRAFT

S. A. P. (Capt)

Gen Sir J. Sadler

MINUTE.

- Mr. White 11/1
- Mr. Reed 12
- Mr. Just
- Mr. Antrobus 23
- Mr. Dix
- Sir C. Lucas
- Sir F. Hopwood
- Col. Sestey
- The Earl of Ormsby

60/66562 21/09

27 June 09

Sir

I have the honor to acknowledge the receipt of Mr. Jackson's copy of the 4th letter on the subject of the proposed Penetration for the development of the soda deposits of Lake Magadi, and to transmit to you your copy thereof, forwarding copies of letters which have been addressed to that form on the subject.

I am to the 4th part of

Copy Forwarded to Mr. P. ...
Copy to Mr. ...

27 June
27 June
27 June