

DOMESTIC

EAST AFR. PROT.
No. 25111

C. O.
25111
JUL 11 08

914

Name (Individual)

(Subject)

Class (to file in & title)

1908

July
2 weeks

of previous Paper

L. Magadi Schene

as to proposals for working

(Minutes)

W. introduction.

print - & consult to the Commission
etc. with the other papers?

K. J. K.

20/7

It is a pity that the "endorsement
from Sir Geo. Murray" is not
here: for the one thing that
we want to know is whether
the Treasury are prepared to find
any money or take any risk. If
not, it is a mere waste of time
for the Concessions Committee, or
any of us, to discuss it.

W. J. July 20 1907

Subsequent Paper

25769

Barrowfield House,
St. Albans,

8th July, 1903.

My dear Sir Clement,

I was very glad to get your letter and the enclosure from Sir C. Murray which I return, and of course will treat as confidential.

I have written a letter which I should be very much obliged if you would show to Colonel Seely.

I have not had it typed as it is better that it should be quite private.

I feel convinced that having the whole business in my hands it would be in the interest of East Africa if Colonel Seely and the Treasury would discuss the matter with me.

I can then discuss the matter with M. Samuel and Company and other financial houses and by this means I feel confident of being able to arrange terms which would not exceed a guarantee of more than £5,000 per annum from the Government and perhaps less and on lines which would make the Government's position practically secure.

As I have explained the attitude taken by the financial houses in the city and M. Samuel and Company is that if they put up this money and M. Samuel say if we have this guarantee we must have something in the way of help from the Uganda line. I can only do my best to bring the two interests together.

My own interest in the business is as you know with the East Africa Syndicate, any profits are in the dim and distant future, and they are as nothing compared with my interest in getting this through on lines sound for the country.

Yours, very sincerely,

(Sd.) C. H. VILLIERS.

I could come up any time to meet Colonel Seely and Sir G. Murray if they wish to discuss it.

Let. Party
G. Manning
back to the top of the

front V
240

1/2 6.00.
C O.
25111
R.C.
11 JUL 08

I have very glad to get your
& the enclosure from Sir G. Manning
return & of course will treat
confidential.
I have written a letter to: I should
very much obliged if you would
to Colonel Seely.

I have not had it typed but it
letter that it should be quite private.

if they speak of their recovery & how
soon such they if you give their opinion
we have much heard something in
way of help from the Regenda
I have only the way back to being
two interests together.

My own interest in the business is to
you know with the East Africa 1841
very perfect one to the time & that
father & they are in nothing
with my interests in getting their share
in their interest for the business of

W. (London)
16/11/41

Danversford House

St Albans 342

1 GREAT COMMERLAND PLACE

C O.
25111
REC^d
11 JUL 08

July 2. 08.

My dear Mr. Chamberlain

Very many thanks for your letter. There are one or two points
I should like to explain.

1. The reason there has been no very close cooperation is because I have not
yet the whole of the business might be handled from the start & being a part
merchant or particular has connected with it outside the Division of
the West of India Agency has been introduced the business through the
hand in its present stage this business is more easily handled by one man
it is indeed entirely wrong to say that the property has been found
to be valuable & worth working.

2. With regard to the idea that too many schemes have been put
forward. I was asked by Mr. Chamberlain to send in alternative schemes.

I have always been of opinion in my self that the Government should
not be asked to build the whole line & that there should be a sharing
with of Royalty & rates on the Railway - according to profits made
in order that West of India should benefit fully by the development of
them (practically at present) it is only nominal worth.

I do not think that the business can be done without some such help
it would naturally be given if the Agency Railway was in the hands
of a Company. Just as for instance ^{the Railway Co} ~~the~~ in this country.

I have had to consider all the practical negotiations so far in the way
 in their business. I should suggest however that the two business
 when united will benefit the Uganda Railway some help should be given
 I fully realize the position of the Government with regard to the business
 and my only object is to get the business started on terms which are sound
 before the Government & the country are committed and not the terms
 which are possible to negotiate in the future.

Every one is agreed that the business for the Railways, roads & shipping left
 £100,000. £400,000 for the Railway & the remainder for roads & shipping.

My opinion then is that the Government can best help us by building
 and running the first part ^{of the} of the branch line & running that in conjunction
 with the Uganda Railway - with their own rolling stock, i.e. that
 they should give the money necessary for the first 40 or 50 miles so long
 as the total sum required ^{for this} does not exceed say £200,000. & that I should
 arrange to lend the Government this money at 10% & that I should
 receive a guarantee from the Government of £8000 per annum.

My reasons for this suggestion are.

That our Colossally Works will have 5th or the high Plateau but an area
 to deposit as possible. & therefore this will mean that they will
 start about mile 45-50. & half way along the branch line.

EXHIBITION
NEW YORK 1893

3

243

GREAT CUMBERLAND PLACE

for Government then could work & save the banking from the calamities
in connection with the 40,000,000
bankers - and in their case I will arrange to find £100,000,000 for the
purpose of insuring the calamities which will be brought
withdrawing the banks & banking staff.

This arrangement would be very well if the Government being
buried up with a financial difficulty, as the line between the banks
and the liquidator line would belong to the liquidator banking.

The Government again would only run a Railway, possessing access
to building platform with great agricultural & grazing possibilities
the land on either side of this part of Railway would be valuable
& would undoubtedly be taken up.

There would be practically no cost to the Government, as for the first 5 years
there £1000 a year would be safe, for with a guarantee of 50,000 there
are some: now at $\frac{1}{2}^4$ this amount going down to the last year of
at $\frac{1}{2}^4$, if no more than this commission was earned, there would be
a profit to the liquidator banking of less than £1000 per annum.

I would likewise demand that the Government held a mortgage
on the whole property & railway until the £100,000,000 was cleared off.
That a banking fund should be provided for their purpose & would first
before their demands were paid.

3. The Government in addition to the security of the Railway should help people beyond the £10000 per ann: during the first 5 years.
4. The Government should have the security for 4 years before after the first five years. in the fact that two London can be placed in round trip to the Indian Ocean at a price which will not exceed the cost of freight from Europe without taking into consideration the cost of actually manufacturing it from India as has been done in Europe.

Mr. Samuel & Co. E. Meyer & Co. standing Co. having obtained the market for five years are not likely to lose the Indian Market when they are one of the present moment all powerful with a strong organization.

I would arrange for the purchase of paid working construction and the whole line will take 18 months to build.

Would also draw your attention to the fact that Messrs M. Samuel & Co will make themselves quite scarce by starting their own soap banks in India & Japan or will get together together with a private Company to take the trade.

We have already been approached by two different parties in India on this subject.

The above is my suggestion & it is in my opinion the simplest form of help for the Government & you.

I have not hesitated at all with anyone else because these matters are always better managed in the City by our own business people together & looking after all arrangements than by holding meetings & discussing business amongst a dozen people.

My reason for talking to so many people & the Colonial Office at the last meeting was in order to show Colonial Secretary that Mr. Chamberlain was not treating them & them & I was unable to do this without including some of the people in the last before you signed.

It would save a great deal of time if Colonial Secretary & the Treasury would discuss the business with me. I would of course endeavour to get it through with the Government without a smaller objection or giving a smaller guarantee & I could endeavour to get Mr. Chamberlain to guarantee 60000 tons for me instead of 50,000. It would make up 2 hours a day, making 800 days in the year. Let me know whether I should arrange it.

You may take it that I know pretty well what I can do & that I have successfully negotiated the suggestion I have made.

Yours faithfully
C. H. Williams