

EAST AFR. PROT.
 NYASALAND PROT.

22341

Steaming Service with ...

Submits proposals on behalf of ...
 S.S. Co. for ... weekly service ...
 No subsidy, but all port cargo must be shipped by the
 route at an allowed rate for ordinary cargo of 500 per
 hundredweight ...

~~W. Ver non ...~~

~~Whitehead~~

~~Dr. Fisher~~ S. P. Hayward

See memo. ...
 Summary of yesterday's meeting
 with Mr. ...

Has

July

May

1/11

is very accurate summary

22341

Mr. Moltene, accompanied by Mr. Cooke, came to see Colonel Seely on this subject to-day. Major Cameron, Mr. Holt (of Messrs A. & F. Freshams), Mr. Vernon, and myself were present with Colonel Seely.

Colonel Seely explained to Mr. Moltene that we felt very great difficulty in entertaining the idea of an all round rate. He pointed out to him that such a rate must be of a speculative nature, representing an underpayment on certain classes of goods, ^{and an overpayment} on a heavier and rougher class of goods such as railway construction materials or cement. He also dwelt on the outcry that might be made if, owing to the adoption of a policy of railway construction, specially large shipments of such rougher materials had to be made, it were necessary because of an agreement entered into for an all round rate to pay a rate on such shipments greatly in excess of a normal rate. He therefore asked Mr. Moltene if he could not put forward a proposal based on a tariff arrangement for the different classes of goods, ^{in order that we might compare} with a view to the expense of such an arrangement being compared with the payments already made for the shipment of Government cargo.

It was arranged that Mr. Holt should supply Mr. Cooke direct with details of the Government stores actually shipped to East Africa within the

last

last three completed years, arranged under their proper classifications in order that Mr. Molteni might have some basis to go upon in considering whether it were practicable to make a proposal on a ^{fair} basis.

Colonel Seely also explained that, in guaranteeing to the Company ^{that they should have} Government cargo, an exception would have to be made for cases of extreme urgency. He gave as an instance of such cases of emergency the shipment of medical stores in the event of an outbreak of disease and the shipment of military stores in the event of an armed rising or a war. Mr. Molteni admitted that the Company could not reasonably expect that Government cargo should be kept waiting in such cases for one of the monthly sailings of the proposed service. He did not quite see, however, how the Government could be ^{interested in the Company's} ^{profitably so} ~~interested~~ in the matter, and it was eventually arranged that he should attempt to draft a form of words which would satisfactorily meet the case from the Company's point of view.

The passenger traffic was also discussed. There was no question of sending any Government passengers by the proposed service except those to Chinde. It was found on calculation that the length of time required for the voyage to Chinde by the proposed

proposed route was ^{almost} ~~perhaps~~ equal to or even shorter than that occupied from London to China via Laredo by the existing German line

Colonel Seely thought that there would be no difficulty in guaranteeing to send all Government passengers from this country to ~~London~~ the Company's boats in the event of an arrangement being come to, and promised that he would consult Lord Crewe and Sir F. Hopwood on this point. He pointed out, however, that a similar guarantee could hardly be given in the case of Government passengers from Nyasaland to this country. It was far more important, that an officer should leave the Protectorate promptly than that he should return from this country promptly on return from leave, ~~or on account of health~~, and in the case of a man being invalided from the Protectorate it might even be a matter of life or death that he should take the first available steamer of whatever line. While therefore no guarantee could be given, it ~~could~~ ^{might} ~~surely~~ be promised that the Company, if an arrangement were made, would be given the preference of the Government toward passenger traffic from Nyasaland as far as practicable.

It was agreed that Mr. Holt, after considering the information to be furnished by Mr. Holt, should say whether he was prepared to make an offer on a tariff basis.

I think we can settle the route by the route whether we are speaking of passengers to and from the office in relations considered with health

of B
July 5

P. 1007
The Union-Castle Mail Steamship Company, Limited.

DONALD CURRIE & CO. Managers

22396

Agents: Address
25, Abchurch Lane,
LONDON, E.C. 4.

Recd
JUN 29

2nd, Fenchurch Street
London
28th June 1909.

PRIVATE & CONFIDENTIAL.

179

Dear Seely,

With regard to your enquiry last evening as to the number of sailings, we would propose to send direct steamers every four weeks, i.e. 13 sailings a year, without transhipment. The time taken from London to Mombasa would be about 40 days, but by transhipment at Natal for small parcels it would be a week less, and of course passengers could avail themselves of this opportunity also.

The approximate rate we should want would be an all round rate for all ordinary cargo of 30/- from Middlesbrough and London.

Yours truly,

P. A. Mollins

Lieut. Col. Seely, M.P., D.S.O.,

DEFENSE OFFICE, S.W.

Confidential

Recd

22 308
Recd 5 JUL 1913

EAST AFRICAN STEAMSHIP SERVICE.

Mr. P.A. Moltens, M.P. has put forward privately, on behalf of the Union-Castle Mail Steamship Company, certain proposals for providing a British service to East Africa. The Company offer to send a direct steamer to Mombasa, via the Cape and Durban, every four weeks. The time taken from London to Mombasa (with no transshipment) would be about 40 days. In the case of small parcels this could be reduced by about a week, and passengers would, of course, avail themselves of this opportunity also. No subsidy is asked for the consideration for the establishment of the service being an undertaking to ship all Government cargo by this route. Mr. Moltens states that the Company would ask for "an all round rate for all ordinary cargo of 30s. from Middlesbrough and London."

The East Africa Protectorate being in receipt of an Imperial Grant-in-aid, any subsidy for a service to East Africa would, in effect, have to

be paid from Imperial funds, and this would involve Treasury sanction. It has been assumed that it would be useless to ask for this sanction, unless the Cabinet had first agreed to accept, in principle, the proposal for a subsidy. But if the consideration for the service is not a subsidy, but a guarantee of Government cargo, it would be unnecessary to obtain Treasury sanction, unless the proposed rates of freight were such as to impose an additional charge on the Protectorate, and, therefore, ultimately on the Imperial Treasury. It therefore becomes important to know how the rate named by Mr. Moltens would work out in comparison with the rates hitherto paid.

Particulars of Government cargo shipped to Bombay in 1908 have been supplied by Messrs. Freeland (2369/09). They show that the total tonnage was 10,172, and the total freight charges £12,646. This gives an average charge of a fraction less than 25s. per ton. If there had been a uniform charge of 30s. per ton, the total cost in 1908 would have been £15,258, or £2,612

more than was actually paid. This would probably be considered not too much to pay for a British service. But the return furnished by Messrs. Freeland shows that freights varied from 20s. to 55s. per ton, according to the class of goods. It would, therefore, seem desirable that the Crown Agents should be asked to advise -

- (1) Whether a uniform charge for all classes of goods would be acceptable;
- (2) Whether the shipments of 1908 may be regarded as typical, or whether there was an abnormal proportion of shipments at specially low or specially high rates.

Mr. Currie might probably be able to help on these points. This information would enable us to determine what would be the probable increased cost, if any, of accepting Mr. Maitens's proposals, and we should then be in a position, if necessary, to consult the Treasury.

HART ARRIVE.

1. An all round rate is not desirable unless it is about what a tramp steamer can be chartered for, the objections being :-

a. If Railway Extensions are contemplated, full cargoes would be available for which the lowest market rate would be obtainable, and the material would form the bulk of the cargo to be shipped.

b. An all round rate would make cheap rough cargo, like Cement and Timber, pay the same freight as fine goods. This would be a source of complaint that such cargo could be purchased cheaper locally than if shipped by the Crown Agents.

2. The shipments of 1908 may be taken as normal.

3. If the Union Castle Co. would formulate a proposal somewhat on the lines of the early Transvaal and Orange River Colony freight contracts, it could be more satisfactory, the chief points being :-

Rate on full cargoes of, say, 4,000 Tons of Permanent Dry Material (i.e. Rails, Sleepers, Fastenings and Sockets and Crossings) from rail ports.

Rate on parcels of less than 4,000 Tons of Permanent Dry Material.

Rate on Coal and Coke at per ton weight.

Rate on Cement and Galvanized Iron and Timber of all kinds.

Rates on other cargo, as classified in Cape Tariff Classes I, II, III, IV, and V.

Rate on Silver, Bronze and Aluminium Coins.

Rate on Vessels in pieces at per ton weight, heavy lift rate applying.

Rate on Live Stock, including Fodder, Fittings, Water and Attendance.

GENERAL TERMS

at 11 under identical set of rules...
 outside and...
 Freight to be computed at per ton weight or measurement
 at contractor's option, as usual, but the freight on wire
 switches and crossings, wheels and axles, fencing, curved
 rails and curved plates, cast iron pipes, telegraph
 poles and towers to be charged at per ton weight only.
 Earthware Piles to be rested, and freight paid on actual
 measurement, tonnage to be mutually agreed. Rails not
 to exceed 40 ft. in length. Should Coals, Irons or
 other goods be shipped where there is a considerable sav-
 ing of space occupied when the stacked measurement is
 taken, as compared with the single measurement, a mutual
 arrangement between shippers and contractors as to tak-
 ing such stacked measurements is to be made.
 Timber merchants measurements to be accepted.
 The Value Clause in the Bills of Lading to be omitted.
 All rates to be without pilferage and without rebate.
 Rates to include landing on to wharves, piers or trucks
 at Mombasa or Mombasa Town.
 Contractors agree to accept delivery of any cargo at
 London, Liverpool, Birkenhead, Glasgow, Cardiff, Newport,
 Hamburg or Antwerp, at contract rates.
 Contractors to accept all cargo offered including danger-
 ous goods and explosives.
 3. The Crew Agents cannot bind themselves to ship all
 their cargo by the contractors' steamers as it may be neces-
 sary to ship urgent stores, such as Charities Material and Medical
 Stores, by the quickest route. The Crew Agents must be free
 to send passengers by any suitable route.
 4. Stevedores Ballings and rates of Freight. Particulars
 of cargo to be obtained from the Protectorate Government.
 5. Should the steamers be sent via the Canal filling up
 with Beira, Delagoa Bay and Natal cargo.

Beak cargo and Explosives to pay double 1st class rates.
 Additional rate per ton on lifts over 5 tons weight.
 Freight to be computed at per ton weight or measurement
 at contractor's option, as usual, but the freight on wire
 switches and crossings, wheels and axles, fencing, curved
 rails and curved plates, cast iron pipes, telegraph
 poles and towers to be charged at per ton weight only.
 Earthware Piles to be rested, and freight paid on actual
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7. The British India Company, could have a distinct grievance if any contract was entered into without their having an opportunity of making an offer.

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APPROXIMATE TONS COUNTRIES BY MONTH INDIAN STREAMS
ON VOYAGE TO INDIA.

COUNTRY	MONTH	TONS
1907. BANGLADESH	MAY	22
INDONESIA	MARCH	20
INDONESIA	MAY	18
INDONESIA	NOV.	15
LAOS	NOV.	14
1908. MALAYA	FEB.	10
AFGHANISTAN	MARCH	10
TURKISTAN	MAY	10
INDONESIA	JUNE	10
INDONESIA	JULY	10
INDONESIA	SEPT.	10
INDONESIA	NOV.	10
INDONESIA	NOV.	10
1909. THE CHINA	FEB.	10
INDONESIA	MARCH	10
INDONESIA	APRIL	11

INDIA IN 1909-----10,000 TONS
ALL TONS IN INDIA IN 1909

