

E. AFRICA

C O

29448

Agents

new steamer service - freight

910

Days

Submits memo from Shipping Agent re: certain questions which have arisen in conn. with freight Contract. Has also proposed rates for motor reefer shipment of Peppers for Congo. Requests also an indication from London Office as to if a ton higher than last year's prices would be

W. F. Alder

The Company are now willing to have 3 new framed loading ports viz. Middlesborough, London, Southampton; & offer to carry from Liverpool & Glasgow at 5/- a ton more for classes I, II, or III, & at 7/6 a ton more for class IV.

We have taken the line that as no ports are mentioned in the agreement, we cannot admit any limitation as to loading ports. But the C.A. have insisted that

Vertical text on the left margin, possibly a date or reference number.

Small text at the bottom left corner, possibly a page or document number.

practise it may, for the purpose of  
working the agreement, be necessary  
to put the Governments concerned  
to extra expense in the transport of  
the goods to the particular ports at  
which the Union Castle steamers are  
loading so long as this is done  
as a concession & not as a matter  
of right.

They would ~~on~~ propose to try  
for 3 months or up to the end of  
1910 the arrangement described in  
the last paragraph & in a note  
given ~~to~~ ~~me~~ to reduce the additional  
charge of one class of goods to 5/-  
limiting the additional charge to  
shipments of 100 tons or less. This  
would I presume leave them free  
to send larger shipments by other  
lines if the U.C. declined to collect  
them without imposing an additional  
charge of an unreasonable amount.

It is clear that we can't expect  
the Company to collect any small

parcel from any <sup>particular</sup> ~~particular~~ ~~ports~~ ~~to~~ simply  
wouldn't be worth <sup>while</sup> to do it, & I think  
mistaken in my procedure ~~would~~  
make the agreement nugatory.  
I think therefore that the modus  
vivendi proposed modified as  
suggested in the C.C. might be  
accepted as an experiment up  
to the end of 1910 on the distinct

understanding that it is then  
revised that I do not in the  
meantime abandon our original  
interpretation of the agreement.

The Company claim also  
freight for our East African ports  
from foreign ports. We say that the  
agreement does not relate to  
foreign ports. In the present instance  
the D.O. & L. will carry the Finga  
Kakinda shepers from Antwerp. at  
least. The U.C. won't go below  
20/- a ton. There is a difference of  
5/- on the consignment of 1000 tons

I doubt whether we shall get a better opportunity of emphasising our view that the agreement does not relate to foreign ports. If we give way in this case, it is unlikely that we shall ever be able to carry this point. I would therefore advise the acceptance of the D.O.A. offer.

Yours

Geo. V. Hopwood

I agree

The fact that the market is so low for the cargo is a serious disadvantage, but there is a substantial difference in price, and I feel that if we do not get it, we are to lose the cargo. We shall never get another chance again. It will be completed in the course of the day. I believe the D.O.A. offer is as good as an agreement. Under the terms proposed last we were making a concession of 10%. Therefore, I agree with the offer as to sampling the D.O.A. offer in this case.

Yours

I believe the D.O.A. offer is as good as an agreement. Under the terms proposed last we were making a concession of 10%. Therefore, I agree with the offer as to sampling the D.O.A. offer in this case.

27.9

900

23443

FILED  
R. 24 SEP 10

ALL COMMUNICATIONS  
TO BE ADDRESSED TO THE  
AGENTS FOR THE COLONIES,  
AS ABOVE REFERRED AND THE  
OF THIS LETTER BEING QUOTED.

And "CROWN, LONDON"

WHITEHALL GARDENS,  
LONDON, S.W.

23rd September 1910.

EAST AFRICA.

With reference to our letter of the 13th of September and previous correspondence I have the honour to transmit a copy of a memo and of its enclosure from our Shipping Agents respecting certain questions which have arisen in connection with the freight contract with the Union Castle Co.

2. You will see that the Company offer to collect goods from Liverpool and Glasgow at the additional rates of 5/- and 7/6d per ton, which we hope they will agree to reduce to 5/- per ton all round. These are favourable rates which will probably scarcely cover the additional expense incurred by the Company. As in the case of small parcels the expense of collecting appears unavoidable, we propose to arrange accordingly for shipments of 100 tons or less, and to leave to be settled as case may be the rates for parcels which may exceed 100 tons, but are not large enough to justify us in requiring the Company to send their steamers for them. We shall as far as possible avoid putting the Governments concerned to the additional expense of collecting cargo by placing orders in the vicinity of Liverpool or London whenever this can advantageously be done.

3. It is now necessary to arrange freight for

Secretary of State,  
etc., etc., etc.

Colonial Office.

the sleepers for the Tinja-Takindu Railway which were  
 authorized by your letter No. 2431/10 of the 20th August  
 to purchase at Antwerp. The Union Castle Co. offer to  
 take these from Antwerp at 20/- per ton, delivered ex  
 ship and below this rate they will not do. Thus there is  
 a difference of 3/- per ton in favour of the quotation  
 made by the Deutsche Ost Afrika Linie, which in ordinary  
 circumstances we should feel bound to accept. In this  
 case however the Secretary of State may think it desirable  
 to support the Union Castle Company by accepting their  
 rate, if their circumstances are not too unreasonable  
 ones. I have accordingly on this point to ask for the  
 instructions of the Secretary of State, which we should be  
 glad to receive at an early date.

It is desirable that the rate quoted by the  
 Deutsche Ost Afrika Linie should not be divulged.

I have the honour to be,

Sr,

Your obedient servant,

561  
ALL COMMUNICATIONS  
TO BE ADDRESSED TO THE  
AGENTS FOR THE COLONIES,  
BEFORE REFERENCE AND THE  
OF THIS LETTER BEING QUOTED.  
ADD "CROWN, LONDON"

200  
28443  
REC-24 SEP 70

WHITEHALL GARDENS,  
LONDON, S.W.

23rd September 1910.

EAST AFRICA

With reference to our letter of the 13th of  
September and previous correspondence, we have the honour  
to transmit a copy of a memo and of its enclosure from  
our Shipping Agents respecting certain conditions you  
have agreed to consider with the contract with  
the Union Castle Co.

2. You will see that the Company offer to collect  
goods from Liverpool and Glasgow at the additional rates  
of 5/- and 7/6d per ton, which we hope they will agree to  
reduce to 5/- per ton all round. These are favourable  
rates which will probably scarcely cover the additional  
expense incurred by the Company. As in the case of small  
parcels the expense of collecting appears unprofitable, we  
propose to arrange accordingly for shipments of 100 tons  
or less, and to leave 100 lbs. packed as cases arising in cases  
for parcels which are under 100 tons, but are not large  
enough to justify us in requiring the Company to send their  
steamer for them. We shall as far as possible avoid putting  
the Governments concerned to the additional expense of  
collecting cargo by placing orders in the vicinity of Liverpool  
Brough or London whenever this can advantageously be done.

3. It is now necessary to arrange freight for

Secretary of State,  
Sigsbee, etc., etc.,  
Colonial Office

the sleepers for the Uinja-Makindu Railway which we were authorized by your letter No. 24511/10 of the 20th August to purchase at Antwerp. The Union Castle Co. offer to take these from Antwerp at 20/- per ton, delivered ex ship and below that rate they will not go. Thus there is a difference of 3/- per ton in favour of the quotation made by the Deutsche Ost Afrika Linie, which in ordinary circumstances we should feel bound to accept. In this case however the Secretary of State may think it desirable to support the Union Castle Company by accepting their rate, since their circumstances are not so unreasonable ones. I have accordingly on this point to ask for the instructions of the Secretary of State, which we should be glad to receive at an early date.

4. It is desirable that the rate quoted by the Deutsche Ost Afrika Linie should not be divulged.

I have the honour to be,

Sir,

Your obedient servant,

*W. J. Turner*

MESSRS. FRIGLANT TO CROWN AGENTS.

29/43

2029

24/10

EAST AFRICA FREIGHT CONTRACT.

15th September 1910.

Dear Sirs,

We hereto inform you that as we discussed with the Union Castle Co. various questions which have arisen on the recent East Africa Freight Contracts and enclose copy of the same for your perusal.

1. The "Present" rates are those which are now the tariff rates, and which we will charge during the continuance of the contract. They include a 10% profit. It is the intention to increase the rates to 10% from 5%.

2. With regard to deliveries made at Middlesbrough, London or Southampton there is no objection to this, except in the cases of stores manufactured in Glasgow, and in the neighbourhood of Liverpool.

The increased rate of 5/- and 1/4d. per ton suggested means that amount, besides a profit of 10% on the cost of the chartered line, load stowage at New York. The Toutsme East Africa Line charges 5/- per ton all round for this service, if, on the other hand, the contract warrants it, we would suggest that we should be agreed to, limiting the purpose to say 100 tons, and that hence the position of the port of shipment to be dependent on the merits.

3. The rate of 5/- from Antwerp for the 1,652 tons of sleepers etc. does not compare favourably with the

Yours faithfully,



quotation of the F.O.M.I. of 21/- per ton quoted. The  
 margin is approximately 4/- per ton, which makes the  
 British Company's quotation about 17/- per ton, and we  
 shall be glad to receive your first orders as to whether  
 we are to offer the steamers of the Union Castle Co. at  
 21/- per ton, and if they decline, accept the offer of the  
 F.O.M.I.

At the same time, we would point out that if  
 Union Castle Co. bring the steamers to London, they will  
 have to pay out 5/- to 6/- per ton, so that they would  
 actually receive less freight than the F.O.M.I.

The additional cost of delivering the  
 Glasgow and Liverpool cargo to and from across the  
 "Guelph" amounts to about £10, but £10 was saved through  
 shipping the leather to Regy. 164 Uganda - from that amount,  
 occurs. Henry having purchased it from Messrs. Lister of that  
 port.

You will notice that they agree that the port  
 of shipment of this is not to be limited to Madras,  
 but they do not accept your reading of the contract res-  
 pecting shipments from the Continent.

Yours faithfully,

Proposals for giving effect to the above to be tried for the next three months or say till the end of 1910.

Loading ports to be Middlesbrough, London and Southampton. All cargo to be concentrated as far as possible at one or other of these ports.

The "Present" tariff rates of the attached from the above ports to Kilindini and Zanzibar areas

Class I 40/-

Class II 32/6

Class III 24/6

Class IV 16/6

and the classification as per details attached. All rates to be without prime or rebate and include the cost of loading and unloading material and rolling stock as per contract.

The "Present" tariff rates of the attached from Middlesbrough, London and Southampton to Zanzibar areas

Class I 70/-

Class II 60/-

Class III 50/-

Class IV 40/-

and the classification as per details attached. All rates to be without prime or rebate and include the cost of loading and unloading.

In case of reference to the above Agents' letter of 21st December, where it is impracticable to deliver at the above ports the cargo shall be delivered to East Africa from Liverpool and Glasgow etc.

3/- per ton extra on Classes I, II & III

2/- per ton extra on classes IV.

Ball ports for full cargo are to be "loaded", "un-  
 loaded", "export", "import" or such other port as may be mutually  
 agreed. Rate of discharge for steamer during full  
 cargo to be 1000 tons per day.

Antwerp clause. In order to get over the difficulty  
 which has been caused by the placing of the contract for  
 1,500 tons in Antwerp, the Union Castle Steam Co. to  
 agree provide tonnage for these at 0/- per ton, with  
 liberty to ship them in one, two or three steamers.

CA 29448

E. Africa

296

DRAFT

CA

Sept 1910

MINUTE

Gentlemen,

- Mr. Parkes 28/9
- Mr. Bailler 28/9
- Mr. Fiddes 25/9
- Mr. Just 1/10
- Mr. Cox
- Sir C. Lucas.
- Sir F. Hopwood.
- Col. Seely.
- Lord Crewe.

I enclose to each the receipt  
of your letter of 15th of the  
23rd of September ~~the~~  
~~copy of a memorandum~~  
~~of its enclosure from~~  
you shipping agent  
relating certain questions  
which have arisen  
in connection with the freight  
contract with the U. C.

Co ~~to~~ ~~the~~ ~~2~~ ~~last~~ ~~crew~~  
~~that~~ ~~the~~ ~~approve~~

If your accepting ~~the~~

the ~~subject~~ arrange

to be freighted ~~by the~~

second paragraph of

your letter under reply

should be ~~very~~ distinctly under-

stood ~~standing~~ out the whole

arrangement ~~is~~ renewed

at the end of 1910

that ~~arrangement~~

interpretation of the

agreement ~~is~~ not

with the Union Castle Co

abandoned in the

respect of the limitation

freight ~~in~~ the memo  
the Co which a copy  
is enclosed is open to  
subject to the ~~arrange~~  
suggested in ~~the~~

charge to be levied  
goods collected  
Liverpool & Co  
shall be ~~in~~ fact  
shipment of 1000  
is less, and ~~it~~  
be 150 a ton  
of class ~~it~~ as  
as to goods  
than these class

[C]

to the second paragraph of  
your letter, Low Cause

would be glad to be  
in the first place

whether the rate quoted  
by the road for the

carriage of the slippers

for the Janga-Kakinda

Railway is a fair

usual rate ~~is~~

with the ~~arrangement~~

cut rate ~~is~~