



EAST AFR. PROT.
No. 43637

C O
43637
JUL 18

Individual

(Subject.)

Miss Major Ott.

1905

Letters of the East Africa Syndicate
unanswered

Dec

Foreign Paper

Complaints of delay which is most
prejudicial to business and delays in
handling capital; also that they are
not as prompt. If matters be not
settled soon.

(Enclosure)

As Miss Ott is addressed
to me personally, I had and
an acknowledgment (see draft herewith) in
my own name. But I think
that the complaints which it
makes should be dealt with
officially.

11th Dec 9

W. D. ...

The annexed memo shows sufficiently
I think that the Syndicate have been treated
with very care as regards the main question.
Talking now the various points in the letter
of the 5th of Dec:-

Para 3 - No one has represented to us
that the S.A. Syndicate consists of a
small Syndicate of influential persons

Foreign Paper

V

187/186

the Syndicate, the local authorities, & the
 Treasury, as well as the Syndicate's further
 offer, which had been made on the 15th of Sept. with
 rates of $\frac{7}{2} + 7$ in order to deal for a period
 of 3 years from the date of the opening of the
 branch -- an undertaking not to raise the
 rates above $\frac{3}{2} + 1$ respectively for a further
 period of 18 years, subject to a minimum
 output of 30,000 tons of soda annually.
 This however did not satisfy the Syndicate
 on the 14th of Oct. we had a full copy
 of demands from the Syndicate - amongst others
 a request that the $\frac{7}{2}$ rate for Soda should
 be continued for a longer period than 3
 years, & that the 7 rate for Coal should be
 reduced to 3 . Before definite action
 could be taken on the latter we had
 got another letter dated the 25th of Oct.
 suggesting a sliding scale of rates according
 according to the market price of soda.
 Eventually we were free to understand that
 the absolutely essential thing was that
 the Syndicate should be given a first priority
 of interest on a portion of the capital
 required for the branch. This has been
 referred to [the Syndicate on a separate sheet] &
 their former & leading us to believe that
 the guarantee was not essential & that they
 prefer to proceed without it. They accordingly
 require want to know if we will give them
 a $\frac{3}{2}$ rate both for soda & coal & other
 conditions made other concessions for what
 they have asked. Their letter of the 14th
 of Oct. & our letter of the 9th of Dec.
 have accordingly prompted the Syndicate
 with

56602

suggested
 possible
 solution
 1/11/11

with a portion of the capital they require on
 points other than that of the rates, with
 regard to the rates we have asked the
 Com^r for what period he can give a $\frac{3}{2}$
 rate on soda & whether he can give a $\frac{3}{2}$
 rate on coal for a similar period. We have
 now rec^d a let. in reply saying that the
 $\frac{3}{2}$ rate on soda can be granted & persisting
 but that unless we get leave to give the
 rate on coal amount to a total below 7 .
 I am sending forward a 5ft. to the Deput^y
 proposing to give the Syndicate $\frac{3}{2}$ rate
 on Soda for a period of 20 years subject
 to a minimum output of 30,000 tons of
 soda annually. The rate on coal to
 remain at 7 . These have been dealt with
 on 11th of the 9th of Dec. 1895
 Jan. 4. (19). On the 11th of Dec. the
 Syndicate wrote asking for cheap rates
 for a consignment of sheep which they were
 sending up the Railway. Nothing was
 said in the letter (although Major V.
 appears to have received a communication
 to Mr. Ellis) about arrangements for
 the Uganda R^y requiring to manage
 sheep to be put in a truck, but was
 illustration of the excessive charges in the Uganda
 figures were quoted for a consignment of
 90 sheep from Gubara to Johannesburg,
 which worked out at $3\frac{1}{2}$ per head for 390
 miles - we replied by pointing out that on
 the Uganda railway for a consignment of
 100 sheep the figure worked out at
 $3\frac{1}{4}$ per head for 390 miles - & pointing

possibly I think, looking to the small
difference between a commitment of 90,000
& one of 100,000 sheep that the rate on the
agencies is not reasonable, but suggested
that the manager might give better terms
for full term bonds. I do not think that
he was called upon, or that it was desirable
for us to interfere further in the matter.
The local authorities must be the best
judge in a matter of the kind.

Jan. 15. The Syndicate wrote a letter
on the 25th (Oct.) calling attention to
the theft of their sheep by the troops.
On the 3rd of Nov. we sent a copy of the l^r
to the "Comm." for a report & info
to the Syndicate that we were a "Comm."
with the "S. A. P." on the
subject. We also asked the "Comm." for a
copy of the papers which had been sent
to explain the means of their recovery.
I have not had time to receive a
reply & I do not see that there is anything
to be done in the meanwhile.

With regard to the resolution that
Maj. V. & his 200 men have been asked
by the CO to sound financial brass in
the city on, the only solution I can offer
is the following. As I have stated in my
memo: attached to the paper Maj. V. sent
to me on 2 or 3 times, such a measure
is a matter of the 20th of Oct.
I have with a view to a definite statement of the case
being prepared for the authorities here. I
do not remember all the details of what
passed at these interviews, but I am quite
prepared to admit that with the

38025

by person, than
I had been
to find the
#2.2

added to
30830

110

completing my statement, I rather
suggested (or that Maj. V. suggested, I
am sure) that he should ascertain
definitely from Baron D'Eslingon whether
he was prepared to find the money
required for the branch on the basis of
a full guarantee. At any rate it is quite
certain that Maj. V. sent me a
perfectly non-committal letter which
he had received from Baron D'Eslingon &
which I showed to you & Sir A. Drummond.
But, as you will see from the statement
enclosed in Sir C. Hill's letter of the 9th
of Oct. that Baron d'Eslingon had
already interested himself in the Syndicate
some time before my interview with
Maj. V. & his men, Maj. V. had no
doubt sounded him before he came
to see me.

The rest of the l^r requires no special
comment.
With regard to the papers sent me on
the 1st of Dec., we wrote two letters on
the 9th & on the 9th. The letter
announced the letter of the 7th, but
Maj. V. had not seen it when he wrote
to me on the 9th. I have no recollection of what
passed at the interview between us
by letter & Maj. V. & Mr. Stanley, & I
know nothing about the matter.
On the general subject of the case here

15284

The administration of the S. N. P. Co. was transferred to this Office on the 1st of May. The first letter addressed by the Syndicate to the C.P. is dated the 5th of May in it the Syndicate ask whether, in the event of the original idea of laying a light narrow gauge line being departed from, the expense incurred of building a line of the same gauge as that of the Uganda Railway, an arrangement could be made for the rolling stock of that railway to take the soda from the lake through the lake direct to Mombasa for shipment. The Director proposed that in the event of the latter proposal & with the C.P. building the line, land on either side of the railway could be leased as is usual in such cases.

To the latter effect was sent on the 18th of May saying that in my letter of the 11th the answer of the matter would be facilitated by personal discussion & suggesting a conference for the 22nd of May.

15282

On the 13th of May the Syndicate sent a questionnaire asking to be informed, at the earliest date possible, what price the Uganda railway would charge for carrying coal from Mombasa to Kisumu, & explaining why favourable rates for such a soda were required.

On the 16th of May a telegram was sent to the Commr of the S. N. P. Co. asking for the required information.

question of the
the R. Co. the
field branch
the lake.

1915

On the 20th of May a copy was received from the Commission stating that the coal could be secured for 3 pence per ton per mile.

This info was communicated to Major Villiers on the 25th of May.

The Conference between the representatives of the CO. took place on the 24th of May & in accordance with a suggestion made by Sir H. Drummond at the meeting, the Syndicate sent in a letter on the 29th of May, submitting their views in reference to the construction of the branch line, & the rate to be charged for coal & soda, with regard to the branch line. They said that they had made a survey for it & that the estimate of cost would be complete in a few days for the construction of a line of the Uganda gauge & that they would like to know whether an arrangement could be made whereby the branch could be worked as part of the Uganda railway system - a proportionate amount of the mileage rate to be refunded to the Syndicate & a portion of the capital to be repaid in instalments or alternatively a special rate not to be paid over the part of the line.

With regard to rates, they asked that the rate of 7 pence per ton per mile on coal might be reduced.

They further said that they understood that the present shipping facilities at Kibinda were not sufficient for the contemplated traffic & that the pier accommodation required in the order that which is to be built is a burning question - also that a large amount of coal could be secured at the port to provide storage accommodation. They asked that it will partly provide for

18247

18677

the scheme they had in view was the fact to see the way to grant alternative of one mile branch of land on each side of the contemplated line.

1st of June

On the 1st of June a telegram was received from the Protectorate stating that they would be lowest remunerative rates for soda & coal on the main line - & what arrangements the Commission considered should be made with the Syndicate as to the cost of conveyance on the branch line.

In a copy dated the 3rd of June a copy of the Syndicate letter of the 29th of May was sent to the Comm^r for report.

On the 7th of June a telegram was received from the Comm^r stating that with existing prices & stations, freight on soda & coal could not remuneratively go below 4 pence per ton per mile respectively, & that a minimum which could be secured was about 1000 to 150,000 tons of soda a year - that with higher prices more powerful & more stations & stock carrying 250,000 tons & reduced up freight on coal to 2 pence per ton - that the carrying of 500,000 tons annually would probably result herein into a saving or doubling of the line to Kiri - that cost of conveyance on branch line depended on conditions, water, etc - & that he would suggest that the branch should be worked by the Govt. at cost price based on the cost of working the main line plus additional charge depending on local conditions. He also added that a reply was forthcoming.

A copy of the telegram was sent without comment.

198

... to the ... of June ...
... of the ... of the ...
... the ... of the ...

22492

22499

On the 28th of June Lord Denbigh, one of the Directors of the Syndicate, wrote to Sir H. Gommersley stating, with regard to the Conference at the C.O. on the 26th of May, that the report of the Syndicate came away with the impression that a receipt of the answer to the tel. sent on the 26th of June it would be possible for the C.O. to furnish information of the lines they intended to go on with regard to the fixing of rates on the conditions for making a working the branch line - that he as a member of the staff had a interview with Sir H. Gommersley & was disappointed to find that neither had he as yet advised him then but a meeting at that we were waiting for a deep report on Friday week - that the amount required for the branch line he was £200,000 & that after the middle of July it would become an extremely difficult to do a big piece of business like that - & that unless it was possible to have all conditions settled within a week from the date of his letter it might be necessary to postpone the same till the autumn.

On the 29th of June Sir H. Gommersley replied that the ... was necessary to ... the Syndicate very reasonable ...

... so Lord Denbigh ... the industry to be developed ... to be extremely important ... the Syndicate were asking for material privileges & facilities extending over a wide area & a considerable period of time - that the very magnitude of the concession made it necessary that the S. of S. should not in full info - that the agreement by which the relations between the C.O. & the Port & Fort was to be defined should be chiefly sanctioned by both parties - that as soon as the draft was reported to ... he would get ... instructions as to the conditions which would be offered to the Syndicate & that if the Syndicate accepted them the Crown Agents would be at once directed to have the arrangement arranged so put into legal shape - that it was at the stage that, judging by a long experience, he anticipated delay due to the objections which a lot of ... always seemed to think himself bound to take to any provision which ... the fact - that is the most probable course he did not see a probability of the agreement being signed in less than a month from which probably meant that the time of the Syndicate's prospects must be deferred until the second half of October - that he was very not able to hold out the reputation for prompt settlement is Lord G. ... but that it all had had too many instances of the danger of ...

499

It is considered a improvement contract not
deliberately to own that kind of work
that he was glad to find that there
had been no available delay in the
10th that he hoped that none
would occur in the future

On the 29th of June we received
the Comm^r depl^y enclosing a memo
by the General Manager

On the 6th of July a letter was
received from Major William stating that
after long consideration, the Syndicate had
decided that the development of the mine
must be begun on a smaller scale than
they had first contemplated & must be
conducted gradually - that they thought
therefore that they should build a light
gauge of a 3' 6" gauge & run at first
of all exporting some 30,000 - 50,000 tons
- that then if more was wanted it, the
subject could be reconsidered & the line
expanded to the Standard Gauge - that
the Syndicate would avoid to begin &
and themselves - that they were not
writing before completing the contract
writing to hear from the Comm^r

- (1) Whether they would allow the branch
to be built
- (2) Whether they would give the Syndicate
a special letter authorizing the tel.
from the Comm^r with regard to the
railway rate from them to London
- (3) Whether the Govt would allow the
Syndicate to build a private telegraph
line from the mine to London to help the

Comm^r
22483

23568

Syndicate in procuring a piece of land at
Kilburn for storage purposes, &c. 500

That of these 3 points were settled
the Syndicate hoped to be able
to settle the underwriting business

On the 10th of July we replied -

- (1) That permission would be granted to the
Syndicate to build & work the branch line
subject to an arrangement for supplies at the
option of the Govt.
- (2) That for a period of ten years from the opening
of the branch, rates of $\frac{1}{2}$ & $\frac{1}{3}$ per ton per mile
for coal & iron would be granted in the first -
four years section - the arrangement being for the
purpose of encouraging the enterprise in its initial
stages & being confined to the amount of 100,000
tons of coal & 120,000 tons of iron per annum,
the largest amount which could be devised
with the present rolling stock.
- (3) With regard to the point of certain facilities
at Kilburn Mr Lytton reported that he
had not as a function to give a definite answer
which he had consulted the local authorities
separately
a few days after the date of the 10th a
reply from the Syndicate was received
regarding the underwriting business would
not be put up the necessary business unless
we guaranteed certain low rates for a
long period - say 10 years. We understood
that if they got the guarantee, everything
would be satisfactorily arranged
Matters were discussed with the General
the General Manager of the L.S. & D.R. &
we concluded that it might be possible to
send the Syndicate words a letter to the
effect we sent to the Comm^r on the 21st of
July. On the 10th of July we had not the

Comm: a deep sinking for ten years & those
of the present management as to the feasibility
which might be pointed to the Syndicate
for building a pier & acquiring land at
Kilindini.

On the 26th of July the Comm: sent a
telegram in reply to our letter of the 21st
of July - & on the 2nd of Aug: we sent
a letter to the Treasury setting out the
facts of the case & proposing that the
following terms sh^d be offered to the Syndicate

26372

(1) For a period of 3 years from the date
on which the branch is opened, the pier will
grant the rate of $\frac{3}{4}$ for soda & coal
respectively in the three northern sections

(2) For a further period of 18 years the
pier undertakes not to raise the rates
above $\frac{3}{4}$ for the pier for soda &
 $\frac{3}{4}$ for the pier for coal or provided
that the Syndicate undertakes to report
not less than 30,000 tons of soda annually

(3) Some proposals to be pointed in the
understanding that satisfactory arrangements
are made with regard to the conditions on
which the branch has to be constructed,
the pier at Kilindini is to be erected &
worked & kept by the Treasury

26373

into carrying the same in the
proposed terms

On the 5th of Aug: Mr. Arthur Stanley
said that the
undertake still wanted (the $\frac{3}{4}$ rate for soda
maintained for a longer period than 3
years & still a power to raise to $\frac{3}{4}$
would be felt to the if raised, as

It would mean no profit. Sir M. O'Malley
said that he was going to leave that then
change was so common, as it made the
speculative nature of the undertaking so very
obvious. Sir Stanley wanted the CO to agree
not to raise above $\frac{3}{4}$ would then hinder
on their ordinary shares reached 37.
Sir M. O'Malley said that it would depend
on how the lot was capitalised, whether such
a proposal could be considered. Evidently if they
raised them capital mainly by debentures,
it would not be acceptable.

21603

On the 17th of Aug: the Treas^r wrote
expressing the concurrence in the terms
proposed in the CO of the 2nd of Aug:

30675

On the 26th of Aug: we received a deep
from the Comm: building 3 means by the
Joint manager on the subject of the pier
to the Railway - putting reference of the
rate of $\frac{3}{4}$ for soda & $\frac{3}{4}$ for coal was changed

31617

On the 5th of Sept: a letter was sent from
Major Bellers saying that the Director
to have a meeting on the 19th of Sept: that
some definite financial arrangements would be
helped, he made with regard to building
the branch line, subject to the fact of giving
a workable rate for the timber that at
the meeting they would go carefully into the
relative cost of the narrow gauge line as
compared with a line of the Uganda R^y gauge
& that it would therefore be necessary that
the Syndicate should know definitely whether
the Uganda R^y would wish to work the branch
line with their own rolling stock, if built of
the same gauge as the Uganda line, or else to
let the pier for soda on the part of the line.
On the 15th of Sept: a letter was sent to the
Syndicate communicating the terms offered

by the Treasury
 2. A letter dated the 16th of Sept. in
 C. Hill forwarded a letter from my friend
 to Mr. Lytton a private letter which
 he had received from Major Villiers complaining
 that he had had great difficulty with
 the Co. & could get no definite figures
 regarding rates, or in fact any info. as to
 what they will or can do on the Railway
 Mr. Antrobus pointed out that the Co. had
 devoted a great amount of time & pains to the
 question, the importance of which was fully
 appreciated. Thus we had endeavored to
 meet the Syndicate in every way that we
 could without injustice to others, & that our
 proposals had been agreed to by the Treas.
 & Mr. Villiers & Major Villiers in time for
 the Syndicate to consider them at their
 meeting on the 14th of Sept. Mr. Lytton
 said that he thought reasonable proposals
 had been shown.

On the 23rd of Sept. we sent a despatch
 from the A. S. Co. from which it appeared
 that the local authorities were of opinion that
 any further extension of the line for passenger
 traffic should be provided by Govt. & that we
 were lost by the sea should be built - that
 in fact, except the land which is now considered
 railway property, only a small plot was ever
 owned by Govt. the remainder belonging to
 private individuals. The General Manager was
 in favor of a pier being built at Kilmindin
 to cope with the increased traffic on the
 railway

On the 16th of Oct. we received a letter
 from the A. S. Co. making fresh demands.
 They wanted -
 (1) Rates for Soda continued for a longer
 period than 3 years, & an undertaking

36738

that the rates would not be raised if it
 could be shown that any business would
 interfere with the industry.

- (2) That the Rates for Coal shd. be reduced to $\frac{7}{2}$
 - (3) No import duty on Coal or Railway material
 - (4) Railway material to be sold at its cost price.
 - (5) Govt. to build that part of the branch line which would open up an agricultural & pastoral country, or in some way help towards the building of the branch, estimated to cost £450,000
 - (6) Govt. to build or assist in building a pier or wharf at Kilmindin
 - (7) Trusts engaged in work to be allowed a rebate for tipping the goods into the vessels in harbors
 - (8) Upgrade railway to give an undertaking as to the minimum tonnage of Soda for annum which it will carry, & also undertaking that consignments would be dealt with promptly
- I & Mr. Antrobus of the 22nd of Oct. Major Villiers had said that there had been some delay in answering our letter of the 15th of Sept. as they had been obliged to get accurate figures regarding rates before from 2. Africa - & further, that he had been obliged to interview so many different people - manufacturers, Agents, shipping people, & that it was very difficult to get them all to agree.
- above despatch. Mr. Antrobus received through Mr. C. Hill two private & confidential statements one by Mr. Lytton (of the A. S. Co. & some other Soda manufacturers) & one by Major Villiers. It appeared from the latter statement that

The Syndicate had arrived at the following
 conclusions in various conclusions,
 the last of which was as follows:-
 That the money for the Railway should
 be raised by two classes of shares, viz:
 Ordinary Shares & Debentures - that
 £225,000 4% Debentures should be
 issued - i.e. half the amount required for
 the Railway - & that the Govt. should
 be asked to guarantee these Debentures.
 Mr. Villiers pointed out that certain
 names (including Baron
 de Sotomayor) were interesting themselves
 in the business & that their names shd.
 be a guarantee or that the Govt. would
 not bring to front £100,000 - part of
 the business was a failure but would
 have a security of 100 miles of railway
 costing £150,000 - the £750,000
 but had to be paid & that these
 interests were prepared to fund the
 money if the Govt. gave the done
 guarantee.

On the 25th of Oct. a letter was
 received from the Syndicate saying that
 it was considered that, after the Soda
 industry had become firmly established,
 the profits would at least admit of paying
 a slightly increased rate for both Coal &
 Soda & that the Director returning from
 the 20th had said a course would be suggested
 and a proposal to submit a proposal on
 the matter for a sliding scale in relation
 to the general price of the fuel for the time

304

On the 26th of Oct. Mr. Villiers had
 sent on to me a memo. regarding the
 on the Agenda regarding a proposed
 Conference with the Directors. In view of
 the Syndicate's letter of the 25th of Oct.
 expressing their readiness to discuss a
 sliding scale, the matter required comment
 from the new point of view, Mr. Villiers
 called on me very shortly after the
 dinner and, laying great stress on
 the necessity of a fair proposal, & as
 it was not yet clear what it was that the
 Syndicate really wanted, I thought it
 best to obtain from him a precise
 statement of the Syndicate's demands, & to
 ascertain particulars of the proposed
 scale, definite info regarding the desired
 guarantee. He gave me one or three
 subsequently & sent me various letters
 giving info on the various aspects of
 the info was embodied in a printed
 memorandum & sent on through Mr
 Villiers to the 11th of Nov. Mr
 Villiers told me that without the
 Govt. guarantee, they could not raise
 the necessary money; & that he had
 that he believed in a sliding scale
 (which, that it was absolutely essential,
 Mr. Villiers said on the 30th
 of Nov. that he was not prepared to
 grant the proposed guarantee & the
 that communicated to the Govt. on the
 8th of Dec. The letter of the 11th of Dec.
 (43240) & the Dec. (43637) were the result of this
 decision.

called to
 1895

Villiers called
 on the 6th of
 Dec. this
 decision
 43240

V
4763

Patrol
Major C.A. Williams

504

~~Commander~~
Drawing

DRAFT

9 Dec 1905

Mr. E. H. Villars

Dear Major Villars,

I have received
your letter of the
8th inst and
will submit it
to the Secretary
of State for his
direction as to
the manner which
should be pursued
to it.

MINUTE.

- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]

I am, Sir,
Yours faithfully
J. H. [unclear]

1855 to 43537. East of the ...
... the ...

C. H. Villiers to Mr R. L. Antrobus 505

1, GREAT GUMBERLAND PLACE.

December 31, 55



Mr Antrobus.

As I am obliged to leave London this morning
on political work & am unable therefore to call together
my Co-Directors. I will at once answer the letter dated
the 9th Inst. & received by the East Africa Squad. from the
Colonial Office.

I am afraid there is another instance of the ...
... of which we have already complained.

Your letter of the 9th Inst. ignores our letter of the 7th Inst.
... which was delivered by hand on that day.
... informs us of a fact which was ...
... it leaves us in exactly the position we were in ...
... with regard to all the questions raised.

Yours faithfully,
R. L. Antrobus

Handwritten signature/initials

1, GREAT CUMBERLAND PLACE

had an interview with Mr Lytleton on the subject of the proposed
much lines to Lake Magadi.

The proposal re a Government guarantee was discussed -
Mr Lytleton stated that there were objections to Government ^{help}
taking the form of a guarantee -

The question was then ~~discussed~~ ^{discussed} as to whether it would be
possible for the Government to give help ^{in any other way}
but a suggestion was made by Mr Stanley who Mr Lytleton
stated should be considered - as he stated that it is one of our
most ^{extremely} difficult to get the large amount of
money necessary for the Branch line underwritten
by Government either build a small portion of it or give
it in some other way.

The letter therefore from your Office dated December 18th
is not only out of date but is incorrect in every detail
I am

R. J. Lytleton Esq. C. B.
Charles W. Lytleton

43677

43677, GREAT CHURCHILL PLACE,
LONDON, W., 8th December, 1906.



Dear Mr. Antebuc,

My excuse for writing to you is that I do not know who is responsible at the Colonial Office in matters connected with East Africa, and that, on a previous occasion, when I wrote to the Resident Hill complaining that the letters of the East Africa Societies remained unanswered, and that we could not carry on our work in East Africa, you asked me in future to write direct to the Colonial Office.

As you are aware, for some years now the East Africa Societies, for the perpetration of which I am more or less responsible, have been working in East Africa; in fact they were the first people to take any interest in the country, and they have, during this period, spent some £25,000 in work which must be of benefit to the country - such as prospecting, searching farms with Mr. Lillman and their families, putting up farm buildings, and, in addition, some fifty miles of wire fencing, also packing the large soda deposits, over 120 tons of which have been brought to this country and tested, in spite of the fact that it has had to be carried to the Railway by means of native transport and donkeys etc. etc.

The Societies number over hundreds, and consist of people of all ranks, a large number being engaged in business,

H.L.A.

and the East Africa Syndicate does not consist of a small
Syndicate of influential persons, which those jealous of its
work in East Africa have insinuated.

Having explained the position of the Syndicate, my
object in writing to you is to complain of the manner in which
the Syndicate has been treated since East Africa was transferred
to the Colonial Office from the Foreign Office. We have
written now over a period of some six months a number of letters
asking that certain points may be settled. These letters
remain unanswered to this day. For instance, we have asked
that the rates on the Uganda Railway shall be put upon such a
scale as will allow of the working of the Soda deposits.

(2) We have asked that a Landing Stage may be built,
in order that material and live stock may be landed at the
harbour of Kampala, instead that the products of the
country may be shipped for export. Some 50,000,000 have been
spent by the Government on the Uganda Railway, but they have
forgotten to spend a comparatively small sum on building this
Landing Stage, for which our Engineer, Messrs. Pauling, has
given a reliable estimate, already forwarded on to your office.
You might just as well build a railway station - landing stage
as a house without a staircase. We are now shipping 5,000
Australian Sheep to East Africa; they will all have to be
landed in boats at the rate of about 400 a day. This sort
thing is not encouraging to people who are inclined to put
money into what might be made one of the brightest spots of
the Empire.

(3) We have asked that some trucks should be provided
with covers to protect material from the effects of sun and

rain. I may add that the rolling stock in use on the Uganda
Railway, although it has only been open a few years, is out
of date and entirely unfit for the work required. This point
has also remained unanswered.

(4) We have also written to ask that the rates for
carrying Sheep on the line should be lowered, as we have been
charged over 13/- a head for Sheep from Mombasa to Nakurua.
After some talks, and after I had personally called at the
Colonial Office, an answer was certainly received to this
question - a quite useless answer, because it ignored the
principal point, which was that the rules of the Uganda Railway
required the heavy Sheep to be put in a truck; that our men
could not allow the number laid down by the authorities to
be placed in the trucks as they would have been suffocated on
the road. It was in consequence of this that he was charged
above the normal rate. Your letter in reply simply states
that the normal rate is, thus avoiding the point which we
raised.

(5) The Masai have been allowed, during the last few
months, to raid our farms, and have carried off some hundreds
of Sheep. No notice has been taken of this, although, in
addition to writing, I have personally called at the Colonial
Office on the matter. No attempt has been made to keep the
Masai in the part of the country set apart for Natives. If
this is not done there will be serious native trouble in the
future.

(6) With regard to the proposed railway to Lake Nagadi,
as I have personally, and in conjunction with experts on the
subject, pointed out, as soon as the deposits are connected
with the Uganda Railway a large tonnage will be exported via
Kit and Mombasa, but I do not consider that I and my

30-Directors should have been asked by the Colonial Office to sound financial houses in the City as to whether they will help to find money for the railway, with a Government backing until the matter had been thoroughly discussed and more or less decided upon by the Colonial Office. This it now appears has not been done. Consequently, great distrust will be caused as to the probability of any future business in which Colonial Office officials are concerned being carried through completely.

There are many other cases of companies which I might mention, and also I am reliably informed that the Colonial Office is not singular. Only within the last few days I have seen one of the heads of important business firms who have told me that, owing to the attitude adopted by the Government Officials, they will not put money into such a business.

Until we receive an answer to the questions we have asked some months ago, our work in West Africa is of a great deal, and the money we have expended there has been expended in vain. Mistakes and negligence in conducting business operations such as the above will be fatal to West Africa, in which, as I stated in the Diamond Negotiations, I take a great interest. I have no wish to cause trouble or ill-feeling, but if our letters continue to remain unanswered and the country is treated in this unbusinesslike manner, I shall be compelled to publish the facts.

I am,

Yours very truly,

Charles H. Fisher

B. L. Anstobus Esq., C.S.
Colonial Office, S.W.

(Answered by the ...)

Downing Street,
9 January 1906.

DRAFT.

Major C.H. Villiers.



Sir,

I am directed by the Earl of

MINUTE.

Edin to inform you that he has had before him your letters of the 9th and 21th of December and that he has enquired into the facts relating to the correspondence between the Colonial Office and the East Africa Syndicate.

- Mr. Bostockley 29/12
- Mr. Reid 29
- Mr. Ingham
- Mr. Cox
- Mr. ...
- Mr. Graham
- Mr. H. Ozman
- The Duke of Marlborough
- Mr. ...
- Mr. Chamberlain
- Mr. ...

2. In your letter of the 9th of

December you make the following statement:

"We have written now over a period of some six months a number of letters asking that certain points may be settled. These letters remain unanswered to this day."

As letters have been sent from this Department in answer to the letters received from the Syndicate, Lord Edin presumes that you

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do not wish the words used in the latter part of your statement to be understood in their literal sense, but that you mean to imply that none of the various questions raised in the letters from the Syndicate have been answered. His Lordship cannot, however, accept your statement as correct, even if so interpreted; for he finds that, although some of the questions asked by the Syndicate have not been answered, this is due not to neglect in this Office but to the frequent changes which have been made by the Syndicate in their proposals, and that pains have been taken to give a prompt and complete answer in every case in which it was possible to do so.

Lord Elgin does not propose to include in this letter a detailed statement of the various proposals made by the Syndicate, as it would extend to a considerable length, but, if it is proposed to publish

the correspondence a course to which his Lordship has no objection, he will be prepared to supply such a statement for publication at the same time.

4. With regard to your letter of the 11th of December, I am to inform you that the letter from this Department of the 8th of December was written before the Syndicate's letter of the 7th December had been received and that the letter of the 7th of December was answered by one dated the 8th of that month. There is no record in this Office of the interview which you and Mr Arthur Stanley had with the late Secretary of State, and Mr Lyttelton did not refer to it when he gave directions that the Syndicate should be informed that he had been unable to recommend to the Treasury that the guarantee asked for should be given.

5. It has not been represented to the Colonial Office, as you suggest, that the

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East Africa Syndicate consists of a small
 Syndicate of influential but not responsible
 persons, but the view taken in the Depart-
 ment has been that the development of the
 Protectorats would be materially assisted
 if satisfactory arrangements could be made
 for the working of the soda deposit, and
 that the Syndicate should receive all the
 assistance which could properly be given by
 the Government. It is regretted that the
 amount of support which the enterprise has
 hitherto received from the general public
 does not appear to admit of its being con-

~~continued beyond the present~~

I am,

R. G. ...

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