

EAST AFR. PROT.
No. 28909

C O
28909
REC'D
REF 7 AUG 06

Office of Individual

(Subject)

Entered to a F

1906

to Aug

Last previous Paper

no. 2525
/ 2531

By Subordinate Officials
Conditions of Service

In absence of Reg^{no} etc. is unable to reply in detail as to whether reg^{no} proposed for ^{protection} ~~protection~~ ^{subordinate} ~~subordinate~~ ^{could be reached for Reg^{no} and the} ~~under~~ ^{importance of} ~~importance of~~ ^{border} ~~border~~ ^{is not} ~~is not~~ ^{to be asked to reconsider} ~~to be asked to reconsider~~ ^{refusal to} ~~refusal to~~ ^{consider} ~~consider ^{proposal} ~~proposal ^{is not} ~~is not ^{to be sent to} ~~to be sent to ^{protect} ~~protect ^{for} ~~for ^{consider} ~~consider~~~~~~~~~~~~~~

(Minutes)

W. Carter

Sent copy of our L^{tr} on 25311, with copy of this to the Treasury & printed (as in Mr Ellis' minute on 25311) that the last para of the Treas^r L^{tr} of the 12th July appears to imply that the subordinate Railway Officials sh^d be made payable - that for the reasons given by Mr Currie the reply seems undesirable - & suggest that the matter sh^d be referred to the Comm^r for his view - & send copy of this & our 8th to the Comm^r 27

H. J. R.

11/8

S. M. Drummond

Done & forwarded 11/8

P. 10

11/8

Solved to Treas^r cons of Aug 17
Copy sent to Treas^r of 516 20 Aug 06
Copy sent to Comm^r of 414 10. 5000 Copy no.

Next subsequent Paper

33219

333

24

PERMISSION OF THE
OFFICE LONDON

3. 3
Taper with Mr Currie. To limit that
the less the Railway of a Colonial
kind is assimilated to the ordinary
of parliaments the greater is the chance
of working that railway with economy
& efficiency, the conditions being
entirely different. The easier it is to
get rid of incompetent subordinates,
the better. Passed as proposal.

7/10/0 at 22.10
13/0

C O
28906 758

East India United Service Club,
16 St. James Square,
6th August, 1906.

The Under Secretary of State,
Colonial Office.

Sir,

I have the honour to acknowledge the receipt of Colonial Office despatch No. 23525/1906 dated the 24th July, 1906 on the subject of my proposals for the alteration of the leave regulations for subordinate officials of the Uganda Railway.

2. In the absence of a copy of section 10 subsection 3 of the East Africa Order in Council 1902, the Colonial regulations, and the Regulations dated Foreign Office, April 25th 1898 relating to "Pensions and gratuities to be made to European officers in respect to their having served in the British Protectorates in East, West and Central Africa (referred to in the Confidential Report by the Treasurer of the East Africa Protectorate) I am unable to reply in detail to Lord Elgin's enquiry whether the regulations proposed by Mr Sewing and Mr Smith could be adopted for the railway subordinate staff.

It is, however, unnecessary for me to go into detail on the subject at present. The question of leave is necessarily affiliated to that of pension, gratuity or provident fund and I propose to endeavour to deal in this letter with the broad principles only. My reply will therefore cover the question of a Provident Fund referred

referred to in Colonial Office despatch No. 25311/1906, dated the 30th July.

3. The conditions of Railway service, working and traffic in East Africa are almost identical to what they are in India. I doubt whether there is any other country or colony with a Railway system which is more similar to the East African than the Indian.

The Indian systems are universally recognised as being, on the whole, efficiently and economically worked and it is therefore incumbent on us to benefit by the years of experience gained in that country and to endeavour to avoid doing what has been tried in that country and found to be unsatisfactory.

Having had some six years' experience in various administrative posts on Indian Railways I speak with some knowledge of their working.

4. Whereas on Indian Railways worked by Companies it is not now usual to give pensions to the Superior officers it is customary to do so to Engineers on Government Railways because it puts them on the same basis as other Government officials of similar standing and for men of this position a pension is generally more attractive than a Provident Fund. It was for this reason that I urged that selected officers on the Uganda Railway should be made pensionable, moreover a certain amount of hope had been previously held out to them that they should be given a pension.

5. The subordinate staff (Railway) is on quite a different basis and I have from the first been opposed to the introduction of a pensionable service for them. Years ago a considerable number of subordinates on Indian State Railways were engaged on pensionable service. Experience proved that it was not at all satisfactory

and the custom has been altogether abandoned in favour of a Provident Fund. If pensionable service were unsatisfactory in that country it is certain to be so in East Africa.

In India all Railway non-pensionable employees are admitted to the Provident Fund whereas other Government subordinates have different conditions of service.

This arrangement works very efficiently in that country and I see no reason why it should not do so in East Africa. It is generally recognised that if a Railway is to be successfully worked it must be managed on a commercial basis and that each employee should have some direct interest in the yearly financial result. This is met in India, as far as experience has made it possible, by the Provident Fund rules now in force and which I suggest should be introduced with necessary modifications on the Uganda Railway.

6. In East Africa we have no local market for our Railway subordinates. I am dependent almost entirely upon Indian railways for the recruitment of my subordinate staff and I have experienced great difficulty in getting men to come to me because whereas on all Indian Railways there is a Provident Fund there is not one on the Uganda Railway.

As a body this class of men (there are of course exceptions) are most improvident and they know it, consequently they strongly dislike a service in which no means are taken for them for retaining and investing part of their pay.

7. The staff of a Railway fluctuates with the traffic. With a provident fund there is no difficulty and little hardship in reducing men on account of reduction in traffic; with a pensionable staff ~~it~~ can not easily be done. The longer a man stays on a Railway the greater is the sum standing to his credit in the fund and the greater is the inducement to remain on and earn a substantial sum against old age. ^{This acts as an incentive to efficiency.} I have no hesitation whatever in saying that we shall never get a really satisfactory and efficient subordinate staff on the Uganda Railway without a Provident Fund. If the Lords Commissioners of the Treasury have still any doubt on this subject if they will refer these papers to the management of any of the leading British or Indian Railway Companies I am convinced they will endorse what I have stated.

8. Holding the above views I do not think that uniformity in the conditions of service can be obtained between the Railway and the general subordinate service. Nor do I consider it any disadvantage that uniformity can not be secured. Unfortunately it is not possible to work all the other Departments on the same commercial basis as the Railway and consequently the employees can not be given a direct interest in the financial results.

9. I do not think I discussed this matter with Colonel Sadler but I did do so with the Treasurer and Sir Charles Eliot some time ago and speaking from memory they both agreed that it was

not

not possible to have a uniform service for the Protectorate and Railway subordinates. In my letter of 13th June I asked that the proposals should be sent to East Africa for consideration.

10. I would suggest that in view of the vital importance this question is to the future efficient working of the railway the Lords Commissioners of the Treasury be urged to modify their definite refusal to entertain the proposal for the establishment of a Provident Fund and that the correspondence be then sent to His Majesty's Commissioner for his consideration.

11. The clerical and non clerical staff on the Railway cannot be separated as has been done by the Treasurer but it is probable that greater uniformity can be obtained as regards the actual amount of leave admissible, and leave pay. It is also possible that when my proposals are carefully worked out by the Chief Accountant it will be found that the saving in passage money by the grant of less than 2nd class return passages (which appears to me to be excessive for the greater number of our Indian clerks and subordinates of similar standing) will reduce the initial cost of the introduction of a provident ^{fund} to less than what I estimated in my previous letter.

I have etc.

(Sd) H. A. F. CURRIE

C
28909

L.A.P.

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DRAFT

Ans to 33219

(C)

The Secretary
to the
Treasury

Wm 16/8
Mr. Reed 16

§

Mr. Carrar, to C.O. draft

Copy done and 5th 20 Aug 06

17 August 06

Sir
I am directed by
the Comd of Elgin
to acknowledge the receipt of
your letter 1218/06
of the 12th ult. on
the subject of the
proposed establish-
ment of a President
Fund for the main-
tenance of the employes
of the Uganda Rail-
way & to transmit
to you for the records

Copy of 28909 + this to
the Comd 197

of the L.C. of the
Treasury the same.

forwarding copy of a
further letter from
Mr Currie on the
matter.

2 I am to observe
that the final part
of your letter of
the 12th ult., in
which it is stated
that T.L. are unable
to differentiate the work
of the Railway employes
from that of subordinate
officers in other branches
of the Post Office Service,

would appear to imply
that the latter part
should be on the same
basis as the latter
already are. Such
a course would not
only involve a larger
expenditure than the
proposed President
Fund, but would
also, as Mr Currie
points out in the 5th
part of his letter, be
undesirable on other
grounds.

3. Last I should
accedingly be glad
if the L.C. would re-
consider their proposal
in relation to the estab-
lishment of a President
Fund and should