

1911

EAST AFR. PROT.

33942

C O
33942
RCEP
Page 21 OCT 11

Secretary

Railway Capital Account.

Date.

20 Oct

at previous Paper.

33011

Sanctions for proposal that the unhypothecated balance which stood at £79000 on 31 March 11, be devoted to certain capital expenditure for improvement of the Nairobi-Bat Florence section of the line. This approval is given on condition that any further capital expenditure must be defrayed from that revenues under the half & half principle.

W. F. Fikes.

I have some qualms about the assurance asked for in the last sentence of this letter. It clearly cannot apply, for instance, to the balance of the sum which the Treasury have agreed to find for the improvement and equipment of the westward half of the Railway in connexion with the Magadi soda traffic. They have put up £75,000 of this amount this year, & have another £275,000 to provide. This should be expressly excluded from the scope of any such assurance.

Copy sent for Govt. - 26 Oct.

A

Could the assurance, if given, be held

to deter us from applying for a loan for an
urgently required branch line? I presume
not, but again it would be wise to make the
point quite clear. We certainly cannot undertake
to find the money for new construction out of
revenue. Nor could we make sure of providing
new steamers, piers, and harbours out of
revenue. But we have just got £33000 for
new steamers on Lake Victoria (though a
fairly share of this, perhaps more than half,
will have to come on the ordinary Estimates
for 1912-12), & £100,000 for a pier at Kilindini,
so ~~we~~ we ought to be comfortable in these
respects for a little ~~time~~ to come. In any
case, steamers & piers could not, I think,
be held to be ~~included~~ included in "further
expenditure on the railway" referred to in
this letter.

220
I inform the Govt. by tel. that the
proposals made in his despatch No. 107 of the
10th of August are approved, & give the Treasury
the assurance for which they ask, with the
reservations suggested at A & B above;
I send the Govt. a copy of the

B

correspondence with the Treasury in a
short despatch confirming our telegram

1111
The D.C.A. Co. (note eventually)
Spas. Oct. 23.

437

1111

Sir J. Anderson

In spite of the delay I
think we ought to answer ^{the} before telegraphing
The last par. implies an impossible condition.
I suggest it is impossible for the D. of A. to
procure an undertaking and that while
in normal circumstances would be prepared to
comply but he must reserve for himself
the necessary details to put before the
L.C. in the case of emergency circumstances
proposed for dealing with him. Under "A"
above for my own reply.

23

The Treasury letter speaks only of the Railway
and I don't think that they can fairly maintain
that it applies to a Branch line or a pier.
As the matter is urgent I would telegraph
approving and inform the Dreas we have
done so and that we understand that
the restriction is as above.

at 11.11.10

In the reply to this Letter the following
Number should be quoted.

17630
11

20
33942
TREASURY CHAMBERS
OCT 21 1911

20th October 1911.

438

Sir,

The Lords Commissioners of His Majesty's Treasury have had before Them Sir H. Just's letter of the 20th ultimo (28681/1911) enclosing a copy of a despatch from the Governor of the East Africa Protectorate, on the subject of the disposal of the balance of the funds provided for the construction of the Uganda Railway under the Uganda Railway Acts.

In reply I am to state that, in the circumstances represented, My Lords sanction Sir P. Girouard's proposal that the unhypothecated balance, which stood at £79,000 on the 31st March last, should be devoted to certain capital expenditure for the improvement of the Nairobi-Port Florence section of the line, and that it should be left to his discretion to approve expenditure in detail on each separate item within the limits laid down in paragraph 6 of his despatch, and subject to his reporting each individual work as sanctioned. Their Lordships' approval is given however on the understanding that after the liquidation of this balance all further expenditure on the railway of a capital nature will be defrayed from the Protectorate Revenues under the half and half principle, and They will be glad to receive an assurance from Mr. Secretary Harecourt that he accepts this condition.

I am, Sir,

Your obedient Servant,

The Under Secretary of State,
Colonial Office.

P. H. H. H.

Treasury East
33942

Int 26
Sub 6.10p
A 24/10

DRAFT.

Telegrams
Governor

For despatch of 10th August 20
in accordance

Nairobi

(28/81) 467

proposals approved
proceeded

MINUTE.

- Mr. Butler. Oct. 24
- Mr.
- x Mr. Fiddes. 24 stone
- Sir H. Just.
- Sir C. Lucas.
- Sir J. Anderson.
- Lord Lucas.
- Mr. Harcourt.

3 alls

received
33942
EAP

~~S~~

25 Oct 1911

DRAFT.

The Secretary
to the Treasury

Sir,

MINUTE.

- Mr. Barker Oct. 24
- Mr.
- Mr. Fiddes. 24
- Sir H. Just.
- Sir C. Lucas.
- Sir J. Anderson.
- Lord Lucas.
- Mr. Harcourt.

I am directed by
 Mr. Secretary Harcourt
 to acknowledge the receipt
 of your letter No 17630/11
 of the 20th of October
 relating to the disposal
 of the balance of the
 funds provided for the
 construction of the Uganda
 Railway under the Uganda
 Railway Act.

2. W. Harcourt

3 dpts

Copy for 624 - 26 Oct

understands the
condition imposed
~~on the second paragraph~~
in the second paragraph
of your letter as relate
only to further expenditure
of a capital nature
on the existing Uganda
Railway proper, and
not to apply to ~~such~~
new capital works such
as the construction of
branch lines, ~~or~~ piers,
~~and~~ ^{or} harbour works. It
is also clear that it
cannot apply to the
sum of £275,000 which
still remains to be
provided for the
equipment and improve-
ment of the Railway
under the agreement

for the more ~~and~~ of the
soda deposits at Lake
M/apai. 441

3. I am to
repeate you to inform
the L. C. of the Treasury
that Mr. Harcourt accepts
the condition imposed
on his understanding
and that the Govt of
the E. A. P. has ~~been~~
informed ^{by telegraph} that the
proposals made in his
despatch N^o 447 of the
10th of August are
approved.

I am or.
8/7

Treasury E.A.P.

33942

25

442

DRAFT.

E.A.P. N^o 626

5th road 5425

26 Oct 1911

Sir P. Girouard. Sir

MINUTE.

Mr. Butler. Oct 24

Mr.

Mr. Fiddes. 24/11

Mr. Just.

Mr. Cox. (ditto herewith)

Sir G. Lucas.

Sir J. Anderson

Col. Seely.

Mr. Harcourt.

Treasury Sept 20
(on 28/11)

Treasury Oct. 20
(33942)

Treasury ditto herewith

3 dft

I have the honour
to confirm my telegram
of the 24th of October
in which I informed
you that approval was
given to the proposals
made in your despatch
447 of the 15th of August
for the disposal of
balance of the funds