

EAST AFR. PROT

44435

44435

Rec. P17
250

Ministry of Pensions

1917

5 Sept

PENSIONS FOR MRS SLEE AND CHILD

See previous Paper.

500/40257

States award had Serg. Slee been serving in British Army at time of death (16/3 for widow and 5/- per week for child).

Mr. Beaman

? Tell Mrs Slee that she has been granted pension at these rates & in these conditions as from April 30th & that Co. are being asked to pay her accordingly.

Tell Co. to pay her accordingly.

Said Mr. Eob copy of 44435 & say that Co. have been authorized to pay Mrs Slee pension at this rate as from April 30th.

W.C.S. 10.9.17 89 89/7

11 Sept 17
Copy to Mr 701
Sent to S.O. 115-2000

Subsequent Paper. 5/4430/16

Com

4/25

PARAPHRASE
TELEGRAM from the Secretary of State for the Colonies
to the Officer Administering the Government of the
East Africa Protectorate.

(Sent 5.40 p.m. 15th August)

15th August.

If it is necessary, in view of present high price
of silver, what possibility of abnormal drain on
emergency reserve fund should be considered.
It has a fairly small amount of reserve is large and there may
be a possibility of it being exhausted and a special
arrangement, therefore be necessary. Let me know
your view by telegraph.

Elsewhere it is under consideration to pass
legislation giving power to deal with the matter in
emergency by proclamation suspending obligatory
exchange of notes to gold, and of Currency
Commissioners foreclose any danger. Details of what is
proposed will be communicated in due course.

16/8

*Copy from Sept 7th 1905
to
divd 4/12/09*

*Minutes on 19/10/05
Ceylon
O'Leary*

Handwritten initials/signature

PARAPHRASE
TELEGRAM from the Secretary of State for the Colonies
to the British Consul at Harisar.

(Sent 4.20 p.m. 13th August, 1917)

13th August.

It is necessary in view of present high prices
of silver, the result of abnormal drain on
the market, to advise the Secretary of State by
Telegraph whether he will accept a loan in kind or a
loan in the currency of the Colonies. It is to
be noted that the currency of the Colonies is
exhaustive of reserves. The amount of notes in
circulation and cash is £11,000,000 as at the
end of 1916. January 1917, April 1917, July 1917.

1917

Copy Rec. 3 Sept 17 40980/17/1 Divd 40900

Faint, mostly illegible typed text, possibly a telegraph or official document.

Can

4 1955

PARAPHRASE
TELEGRAM from the Secretary of State for the Colonies
to the Officer Administering the Government of the
East Africa Protectorate.

(Sent 5.40 p.m. 13th August)

13th August.

It is necessary, in view of present high price
of silver, that possibility of abnormal drain on
currency note reserve funds should be considered.

In East Africa amount of reserve is large and there may
be no probability of it being exhausted and special
measures may therefore be unnecessary. Let me have
your views by telegraph.

Elsewhere it is under consideration to pass
legislation giving power to deal with the matter in
emergency by Proclamation suspending obligatory
encasement of notes temporarily and if Currency
Commissioners foresee any danger. Details of what is
proposed will be communicated to you by me.

LONG

*Copy from Sept 17 to the
409500/2360.*

Makes on No 40732

*Ceylon
Mauritius*

FARAFRANK TELKIBAN from the Governor of Ceylon to the
Secretary of State for the Colonies.

(Received Colonial Office 3.5 p.m. 13th August, 1917.)

263

With reference to your telegram of the 10th August in cypher I do not consider in view of prohibition of export of specie that there is any reason to anticipate abnormal demand for ENCASHMENT of notes as there is little hoarding in Ceylon. It is conceivable that legislation such as you suggest might start panic, especially in view of the known fact that reserve is being depleted to support Indian Exchange. In these circumstances I deprecate any action.

I will take executive action should it become essential, and obtain from Legislature covering authority.

ANNONSON.

Paraphrase of telegram from the Secretary of State for the Colonies to the Governors of Ceylon and Mauritius.

(Sent, 9.40 p.m. 10th August, 1917.)

You should consider whether in view of present price of silver Ordinance should at once be passed empowering the Governor by Proclamation to defer from time to time obligatory encashment of currency notes and that proclamation, deferring payment for say six months, should be ready for issue as soon as demand for encashment becomes abnormal. Commissioners could be given discretion to continue to cash notes within normal limit, especially for small holders. In another connexion Lords Commissioners of the Treasury have expressed the opinion that silver should be freely paid out for notes before inconvertibility is declared and that legislation should only be passed when it is beyond doubt clear that use of silver reserve has been insufficient to maintain confidence in notes. I fear however that run on notes reserve besides leaving reserve bare would be the most certain method of causing panic. This aspect of the question depends so largely on local conditions and temperament that it appears to be one essentially for decision locally. What are your views on the subject. 10th August.

LONG.

beginning of July 10 millions in cash (since diminished by shipments to India). The rupees in the hands of the public are estimated at 5 million only. It seems to me that to allow a run on the Commissioner's reserve leading up to inconvertibility with no rupees in our reserve, is the surest way of precipitating panic. Whereas if power is not taken to defer payment the Commissioners can be given discretion to cash notes within normal limits, especially for small holders.

This is not the Treas. view. see 37617 S.S. and our reply.

I would tel. to Ceylon Maur. and ? E.A.P. as in draft herewith.

A.E.C.
10.8.17.

Treas. may have to be consulted and possibly referred to as regards E.A.P.

I am of course only concerned directly with Ceylon and Maur. and I would send the tel. to them at once.

A.E.C.

The E.A.P. position - April 10th - is as follows:

Notes in circulation	Rs. 89,54,000
Cash: Gold (of which Rs. 8,25,000 is in London)	Rs. 14,77,500
Silver	Rs. 34,03,097
" held in reserve for emergencies	5,00,000
Total cash	Rs. 53,80,597
of which local cash is	Rs. 45,55,597

I think that, on these figures, we can face any probable drain on the Guarantee Fund. In any case I suggest that the question should be decided for Ceylon and Mauritius in the first instance and the papers recirculated to Mr. Baker on his return.

A.C.B.
10.8.17.

? Get

? Get off the tel. to Ceylon and M'tius - and then return papers for a tel. to the E.A.P. which, in view of the figures given in Mr. Bottomley's minute should be on rather different lines from the tel. to the other 2 Colonies?

H.J.R.
10/8/1917.

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No. I was only counting the local cash as available in emergency. But it is 50% of the note circulation against Ceylon.

W.E.B.
11/8.

Yes, but do you really expect to get the Rs. 8,25,000 out of London? I think you leave it out of account in discussing a lien on the note reserve?

G.V.F.
10/8.

Tel. sent to Ceylon and Mauritius; and copy of paraphrase attached.

Pp. recirculated in accordance with minutes for tel. to E.A.P.

B.A.F.
11/8/17.

Mr. Read.

I submit draft to O.A.G., E.A.P., for consideration. I think it will serve for present purposes.

Zanzibar also has a note issue, and the coin position is fixed at 50%. There should therefore be ample reserve there, but, although the 1916 Decree required monthly statements in the "Gazette", I find no such statement either last year or this. I submit tel. to Zanzibar also.

W.S.B.

11/8/17.

at once.
H.J.R.

13/8/17.