

1933.

Kenya.

No. 3076.

(Part 2.)

SUBJECT

C0533/433

Terms of Service.

Previous

Part 1.

Subsequent

23068/34

Mr A/B Governor Deputy W. Wade 99 leaf \_\_\_\_\_ 15 July 33  
Transmits views of European Civil Servants Assn. upon  
the first interim report of the P. Board.

15. T. H. Hignall 5/0 \_\_\_\_\_ 25 July 33

(copy) orig.  
no 9056/33  
Personnel

Furnishes views as to a contributory pension scheme  
or Provident Fund arrangement for the local European  
Civil Service.

16. T. Hignall 4/0 (150 word) 3.8.33  
on 9056/33  
Personnel

(M)

17. Governor of Tanganyika 86 leaf \_\_\_\_\_ 24 June 33

Furnishes views on proposals for Tanganyika local  
Civil Service & states as to action taken in Kenya.  
(Original on 5136/33 - copy attached)

18

These minutes have  
been copied from 111  
of B. G. G. 10164  
EA  
by 297.

I annex an extract from the notes of the  
discussion with Sir J. Byrne on the 14th July. (The  
full record is filed on 3076/33) The discussion was  
continued on the 28th July but no further reference  
was made to the point at issue in this file.

I submit draft for conson.  
C.A. Grossmith.  
19.8.33.

I was not present at the discussion with Sir Joseph  
Byrne. I have, however, taken the liberty of somewhat  
expanding Mr. Grossmith's draft and I draw particular

(1) The definition "ordinary tour".

Mr. Grossmith's draft suggests that Mr. Mackenzie did complete two ordinary tours before the 1st January, 1933 because although he did not come on leave for the 2nd time until March, 1933, he had completed 30 months in his second tour before the 1st January, 1933. I foresee all kinds of difficulties if that interpretation is adopted. Supposing, for example, a man did 38 months in his first tour and on 1st January 1933 had completed 12 months of a second tour, if 30 months is to be the maximum of an "ordinary tour" for the purpose in question here will he be permitted to add the balance of 8 months from his first to his second tour for the purpose of getting himself exempted from local Civil Service terms, etc., etc.? It seems to me that the only workable rule is two tours (of whatever length, provided they exceed the minimum of 20 months) or 6 years, and we must rely on the provisions for special cases to adjust inequalities.

(2) The question whether officers can properly be engaged on agreement on the understanding that their terms of office may be altered during the currency of their agreement.

I have made the draft quite definitely in the negative on this point, but the letter sent from Kenya to the Crown Agents on the 29th March seems to suggest another view.

(3) The question whether officers whose agreements expire before the local Civil

Service

3

Service terms are settled can be properly kept in the service on a month to month basis until the new terms are decided.

I have indicated in the draft that there seem to me to be difficulties about this and that in any case if the system is adopted, the rights of officers who have refused engagement on the revised terms must be defined beforehand.

A. B. Acheson  
4/9  
(Mr. Jeffries should see at some stage)

Mr. Jeffries

(I have not had this a fortnight as I only got it a week ago). I am inclined to agree with Mr. Acheson's views and I think his draft will do very well.

J. E. W. FLOOD.

19.9.

*This has been delayed hardly to get the registration altered and hardly because Mr Mackenzie's file (30124/CA) was wanted in another connection.*

*I think that the draft is all right, given acceptance of the underlying principles; but I must say that I have some misgiving about these.*

*The normal method*

of deciding whether an officer should serve on conditions of service designed for local residents or on those designed for persons recruited from overseas would be to consider whether or not the officer was in fact a local resident or an overseas recruit. But in Kenya the distinction will be according to the post held by the officer, and the "local civil service" is to some extent a fake, in so far as they will have in practice to recruit overseas for the posts included in it. We need not worry much about future entrants, since if Kenya can get the recruits it wants, well & good; if not it will have to go without or improve the terms offered.

But as regards officers recruited in England in the past and up to the time when the term "local civil

service" terms are finally settled, I cannot help feeling that it would be more satisfactory if the fact that they are overseas recruits and not local residents could be recognized by allowing them to continue, as a personal arrangement, to be treated in the same way as members of the overseas service, and not required at any stage to accept the local civil service terms or lose their jobs. It has already been ruled that they should be so treated in the matter of leave, but the present draft abrogates this ruling as regards officers who had not by the 1st. January 1933 completed 6 years' service or two tours.

C. J. Higgins  
28. 9. 33.

This involves going back on what was more or less agreed with the Governor. The position is difficult. If the men are still in agreement there will be a demand that they shall not be

(No. 13 on  
18078/32)

confirmed or re-engaged but replaced by people on the "local" terms. It is not easy to see how the demand is to be resisted. The Governor's suggestion is to stick to all people who have done two terms or 6 years (whichever is the less) on the ground that this represents a reasonable limit, and that if a man who has less service is being re-engaged it is not unfair to apply the new rules to him.

In the telegram it was stated that as regards officers on agreement it was open to Govt. to insist on their taking the new leave terms as a condition of re-engagement (see end of (1) in the tel. Dn 18078/32). If leave is not relayed? The arguments are fairly well met by the Governor's proposal because a man who is on his first agreement or even his second has not the same claim on Govt. as a man who has served longer.

As I read Mr Jeffries' proposal it is that all officers now on agreement in local posts who are serving on overseas terms & were in fact recruited from overseas shall retain their rights as personal cases, not only during the currency of their present agreements but even after whether they remain on agreement or are made pensionable. This seems to be going rather too far. When an agreement is up the officer has no more rights under it and, though I like Mr Jeffries' proposal I do not think it should be adopted in the case of Kenya.

So I advise accepting the Govt's proposal of the six year or two term limit with power to adjust hard cases.

S.S. to Flood 20-2-33

Sir Bottomley

I am sorry to say that this file, which was waiting for me on my return from leave, invited itself under some papers of no urgency. I am inclined to think, with Mr Flood, that Mr Jeffries' proposal, although sound in principle, is scarcely applicable to present circumstances in Kenya. Perhaps we might discuss.

S.J.D.P.

11.11.33

Mr Toulson

Our discussion has raised some points but as far as I find myself quite unable to agree with Mr Jeffries that a man who has just been engaged on overseas terms should carry the right to overseas terms for all time.

S.S. 13.11.33

Mr Flood

Mr Toulson

This has been awaiting an opportunity for discussion. In the meantime, however, there are two new points affecting the question.

First, the Plymouth Committee are evidently steering towards the conclusion that in non-confirmed

x  
[13m 18078/32]

(But it was also laid down clearly that officers recruited outside the Colony for posts included in the local service were as a personal arrangement to be treated in the same way as officers of the Overseas Service)

S.J.D.P.

that will be bad for the  
service.

Wed. 15-12-33  
etc

By Air Mail  
19/12/33  
Secy for EAC

14 to Kemp, Conf. (w/le incl 65 18)  
on 301243.6)

16 DEC 1933

7 on 18078/32 amended

~~Mr. Boulton  
to see Mr. B.  
14/12, take flying  
of the E. mail~~  
21.7.34  
21.34

seen A. B. 10/12

~~Executive  
Committee~~  
C.S.D. to go

See last  
Unnecessary to  
circulate 14 to  
Jans Committee  
W. B. 12/34

~~Preeds~~

~~Business  
Committee  
minutes on  
19/12/33~~

~~W. B.~~

C. O.

3076/33. Kenya.

7 19<sup>th</sup>  
Shaw color for last section  
C

Mr. Acheson 4/9/33.  
Mr. Jeffries 28/9 (please see minute)  
Mr. Flood 28  
Mr. Tomkinson 14/12  
Mr. Flood 4.12  
Mr. Tomkinson 14/12

Downing Street,

16 DEC 1933 1933.

wait for

X Sir C. Bottomley 15.12 (see memo) 5/6

C.H.  
R 15 DEC  
D 15

Sir J. Shuckburgh.  
Permt. U.S. of S.  
Parly. U.S. of S.  
Secretary of State.

Sir,

I have, etc. to transmit to

for consen

**DRAFT.**

you the enclosed copy of a letter addressed by Mr. E. Mackenzie to the Crown Agents for the Colonies in reply to a letter sent to him containing a warning in the terms of the letter addressed to the Crown Agents from the Kenya Secretariat on the 29th March.

K E N Y A.

CONFIDENTIAL.

G.S.G.

Governor Sir J. Byrne

From Mr. Mackenzie.  
21st June.  
(encl. to 18)

encl. to 16  
4024/1/32.

2. In <sup>your</sup> confidential despatch

7  
18078/32

No. 125, of the 30th of September, 1932, Sir Joseph Byrne amongst other things you recommended that officers serving on agreement in posts which would be included in the local Civil Service, should "unless they have had six or more years continuous service or have completed two tours whichever shall be the greater, be warned that any offer of re-engagement which

**FURTHER ACTION.**

Copy for  
30124.E.A.

which may be made to them on the expiration of their present agreements may be on revised terms of service, and that in cases in which existing agreements expire before the new terms of service have been approved, they will if they wish be retained on a month to month basis until the new terms are ready for their examination."

In my confidential telegram, No. 286, of the 13th of November, 1932, I stated that I accepted the proposals contained in Sir Joseph Bristow's confidential despatch, No. 125, of the 30th of September, concerning officers on agreement in posts assigned to the local service, in so far as leave was concerned, subject, however, to the proviso that officers recruited outside the Colony should not be forced to accept conditions designed for local personnel, but as a personal arrangement should be treated in the same way as those holding posts assigned to the Overseas Service.

3. Kenya Secretariat Circular No. 48 of the 10th of December, 1932, included

encl. to 6  
18114/32

C. O.

Mr.

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley.

Sir J. Shackburgh.

Perm. U.S. of S.

Parly. U.S. of S.

Secretary of State.

**DRAFT.**

**FURTHER ACTION.**

encl. to  
16  
1324/1/33

included the following warning:-

"Notice is hereby given to all officers serving on agreement that on the termination of their present agreements any offer of future employment will include the terms set out above, subject to the further proviso that any officers who are serving on agreement in posts which have been scheduled in the Report of the local European Civil Service Committee and who have less than six years' continuous Colonial Service may be required to serve under different conditions from those enumerated below."

In the letter addressed to the Crown Agents on the 29th of March, 1933 the Crown Agents were asked to warn certain officers who were on leave pending re-engagement and had had less

than



than six years' service that, as soon as the new terms of service are settled, they would be required to transfer to them if they wish to continue in the service of the Government.

4. It will be appreciated that the terms of Secretariat Circular No. 48 and of the letter addressed to the Crown Agents from which I have quoted were in conflict with the terms of my confidential telegram No. 236

13  
~~18078/32~~

of the 14th of November which is the only pronouncement I have yet been able to make regarding the application to serving officers of whatever terms of service are eventually

decided upon for the local Civil Service,

On the information before me I feel considerable

difficulty in giving a decision at the present

time upon the proposal that any officer

originally engaged in this country should be

required on re-engagement to accept the

conditions of employment laid down for the

Local

C. D.

Mr.

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Perml. U.S. of S.

Parly. U.S. of S.

Secretary of State.

**DRAFT.**

**FURTHER ACTION.**

Local Civil Service. Until those conditions of employment have been defined, I am not in a position to judge how far they can properly be applied to persons who are not recruited locally. In the matter of salary scales, for instance, it may be that a salary which would suffice for an officer locally appointed to a particular post would not suffice to meet the reasonable requirements of an officer recruited from outside in the absence of a suitable local candidate. Again, questions of leave and passages can hardly be considered without reference to the question whether the home and family connections of the officer concerned are in England or in the Colony. These matters, as you are

aware

aware, are at present under consideration  
by a special Committee, and I do not wish  
to prejudice their findings. . . So far as the  
question of pensionability is concerned, I see  
no reason why, if a Provident Fund is instituted  
for the Local Civil Service, it should not apply  
to persons recruited overseas as well as to  
their locally recruited colleagues; but it  
may be necessary to take into account in the case  
of individual officers *already in the Service*  
the legitimate  
expectations which they may have formed when  
accepting employment.

5. In all the circumstances I am of  
opinion that a decision should be deferred  
at any rate until I have had an opportunity  
of discussing the matter personally with you  
during my forthcoming visit to East Africa and  
that in the meantime officers serving on  
agreement in posts included in the Local  
Civil Service should be re-engaged without  
any qualification if they were originally  
engaged in this country. Unless you  
desire

C. O.

Mr.

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Permt. U.S. of S.

Party. U.S. of S.

Secretary of State.

10  
desires to make further representa-  
tions on the point I shall be glad  
if you will cause the position to  
be explained to the Crown Agents  
*accordingly*  
I have, etc.

DRAFT.

(Sgd.) P. CUNLIFFE-LISTER.

FURTHER ACTION.

The question at issue is briefly this. In the past European officers employed in Kenya have all been serving under <sup>substantially</sup> the same conditions whether they were recruited in the Colony or here or e.g. in South Africa. Partly as a measure of economy and partly with a view to providing employment for the white inhabitants of the Colony, the Kenya Government propose to divide their Europeans into <sup>two</sup> "Overseas" Service and <sup>a "Local"</sup> "Local" Service. With the Overseas Service we are not here concerned. As regards the Local Service they have drawn up a schedule of posts and have made various proposals with regard to pay, leave and passages, Provident Funds instead of pensions etc., but they have not yet completed the local consideration of these matters or submitted a final scheme for the approval of the Secretary of State. Now in these posts which it is proposed to include in the Local Service there are at present serving a large number, probably a majority, of officers, who were originally recruited, not locally, but in this country. The proposal is that those officers in this country who are serving an agreement, and have not completed six years <sup>recruited</sup> or two years of service, should be told on the expiry of their current agreements that they will be re-engaged only on condition that they will be called upon to accept the terms of employment laid down for the Local Service when these are settled.

There is no question of the right of the

Kenya

Kenya Government to make any terms <sup>they</sup> choose with officers on agreement who are re-engaged; and it may be said that if these officers do not like the terms on which they are offered re-engaged, <sup>accept</sup> they need not accept them. On the other hand, it is difficult in these times to say that an officer should be called upon to choose between committing himself to an acceptance in the future of unspecified changes in his conditions of service or to lose his employment. Moreover, until we know precisely the terms which are going to be laid down for the Local Service, we cannot assume that these terms will be reasonable for officers whose homes and family connections are in this country. Especially in the matter of leave and passages it seems undesirable to prejudice the findings of Lord Plymouth's Committee, <sup>who</sup> ~~who~~ at present seem disposed to take the view that leave and passage conditions should be governed not by the post which the officer holds but by the place where he is recruited. In these circumstances it seems desirable that the Secretary of State should avoid committing himself, at all events until he and Mr. Tomlinson have had an opportunity of discussing the matter on the spot. The only loss involved by delay is that if the proposals of the Kenya Government are ultimately accepted, the date of their application to officers who happen to re-engage up to the date of the decision will be postponed as regards those officers until

they next become due for <sup>their</sup> re-engagement.

C. Brodie  
2/12/33

18 27  
12

Extract from Note of conclusions reached at a discussion in Mr. Tomlinson's room on 14th July, 1933, regarding the Kenya Local European Civil Service.

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Present      Sir Joseph Byrne (Governor of Kenya)  
                 Mr. Tomlinson  
                 Mr. Flood  
                 Mr. Jeffries  
                 Mr. Freeston.

-----

Position of officers recruited in England on agreement. (Kenya Secretariat Circular No. 48. 10th December, 1932)

a. Sir Joseph Byrne agreed that a person who had completed 2 ordinary tours or 6 years service, whichever is less, should not be required to accept the Local Civil Service terms on re-engagement.

b. Any person who has not completed 2 ordinary tours or 6 years service, whichever is less, will be required to accept the Local Civil Service terms on re-engagement.

The Local Civil Service terms will apply to all new entrants, engaged on agreement.

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Hard Cases.

Sir Joseph Byrne agreed that any hard cases arising out of (b) should be reviewed by the Governor in Council.

AIR MAIL

Kenya

No. 86.

CONFIDENTIAL

*Orig. on 5/36/33*

13

17

24<sup>th</sup> June, 1933.

Sir,

*No 30-  
5/36/33*

With reference to your despatch  
Deserved No. 355 of the 24th of May, on the  
subject of the establishment of a Local Clerical  
Service in Tanganyika, it seems clear that the  
Government of Tanganyika is treating the  
question of the subordinate clerical staff in  
that Territory much on the same lines as is  
being done in this Colony; although general  
conditions in the two dependencies do not allow  
of complete uniformity.

1. In the proposed Clerical Service Scheme  
for the Tanganyika Territory no racial  
discrimination is proposed, no distinction is  
made between Asiatics and Africans and it  
being open also to Europeans to join the  
service if they so wish. No special steps  
seem therefore to be contemplated which would  
open up opportunities to young European  
residents in the Territory which are not  
equally available to residents of other races.  
Conditions in Kenya do not, in my opinion, make  
it possible to provide for such an amalgamation  
of services. This Government has prepared  
separate schemes for Europeans, Asiatics and  
Arabs and Africans and it seems impossible for

THE RIGHT HONOURABLE

MAJOR AIR PHILIP CHILIFFE-LISTER, F.C., C.B.E., M.C., M.F.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET,

LONDON S.W.

14

an amalgamation of conditions such as has been worked out for Tanganyika to prove feasible in Kenya. In this Colony I consider it essential that, with increasing numbers of European residents of both sexes leaving school annually, some attempt should be made to provide openings in Government Service on terms which do not fail to offer an attractive and assured career to would-be candidates of this type and I do not consider that the conditions of the proposed Local Service in the Tanganyika Territory are sufficiently generous to effect this.

It should be borne in mind that the policy of this Government is to decrease the number of servants with overseas privileges as far as possible and it would appear that the Government of Tanganyika Territory may not yet be in a position to take steps with a similar end in view.

N-6  
3. As you are aware from Sir Joseph Byrne's Confidential despatch No. 26 of the 28th February last, a scheme for the creation of a Local Asiatic Civil Service has recently been formulated in this Colony. This scheme on the advice of Executive Council was referred to an "ad hoc" Civil Service Board with the following terms of reference:-

- (1) To examine and to report upon the inclusion of the posts scheduled in the Report of the Local Asiatic Civil Service Committee in the light of the comments received and the decision of Executive Council that officers with

6 years or more service should retain Overseas Service rights;

(2) to advise, assuming a 10 per cent reduction from salary will have to be made to cover contributions to a Contributory Pensions Scheme and obligations in respect of the Widows' and Orphans' Pensions Scheme (or such modification thereof as the Board may recommend), whether the scales of salary set out in the Report of the Local Asiatic Civil Service Committee are reasonable, and, if not, what variations should be made; and

(3) In the light of such advice, to make detailed recommendations as to points in the scales of salary on which officers recommended for a Local Civil Service should transfer; and

(4) To consider and report on any other matters referred for the consideration of the Board.

4. The Board, however, has been fully occupied during the past few weeks in formulating a scheme for the creation of a Local European Civil Service; in this connection I hope to transmit to you its Second Interim Report in the near future. The Board has therefore not yet been able to examine the Local Asiatic Civil Service Committee's Report and it will possibly be some time before the Board will have completed its work in connection with the Local European Civil Service. Nevertheless the proposals of



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the Tanganyika Territory Government appear to approximate to those made by the Kenya Local Asiatic Civil Service Committee. The chief recommendations aim at a reduction and consolidation of salaries, the withdrawal of passage concessions and the introduction of a Provident Fund. In comparison with the Kenya proposals the Tanganyika scales of salaries are lower, this reduction having been introduced presumably ~~by~~ of the intended application of the ~~new~~ scales to Africans. You are aware that ~~there~~ is in being in the Colony an Arab and African Clerical Service. The terms and conditions of this service up to the present have proved quite suitable for the Colony's requirements and I see no reason to alter them at the present time.

3. In all the circumstances, therefore, I agree with Sir Stewart Symes' contention in paragraph 11 of his despatch that so far as the recruitment of subordinate staff is concerned, the necessities of the service in the three mainland territories, combined with the class of recruit available, will necessitate the introduction of divergent terms of service and should not in my opinion lead to any embarrassing repercussions throughout the three contiguous territories.

I have the honour to be,

Sir,

Your most obedient, humble servant,

H. M. M. MOORE.

ACTING GOVERNOR.

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I have the honour to be,

Sir,

Your most obedient, humble servant,

H. M. M. MOORE.

ACTING GOVERNOR.

7 16  
COLONIAL OFFICE,

Downing Street, S.W.1.

3 August, 1933.

(copy)  
Draft  
9086/33.

Personal

Dear Fitzgerald,

Many thanks for your letter of the 28th of July and for your offer to come over and take part in the discussions with the Governor about pensions arrangements for the local Civil Service.

After I had written to you we got down to the Second Interim Report of the Civil Service Board. They have recommended the adoption of a Provident Fund for the local Civil Service to be run in conjunction with the existing Widows' and Orphans' Pensions Scheme; the other premises on which they have based their proposals are that Government contributions to the Fund will be not less generous than those made by the Railway Administration to its Fund, and that the total contributions of officers to the Fund and to the Widows' and Orphans' Scheme should be about 10% of their salary.

On this basis the Board have put forward a scheme which seems to us to be quite sound and, after consultation

T. FITZGERALD, ESQ., O.B.E.

consultation with the Governor, it has been decided to adopt the proposals of the Board, which have already been approved by the Acting Governor and the Executive Council.

In reaching this decision we did not lose sight of the arguments which you advanced in favour of a contributory pension system. It was, however, found that, according to the report on the finance accounts of the Union of South Africa for the year 1931-32, the last actuarial valuation of the Union Pension Fund, which was made at the 31st of March, 1929, disclosed a heavy deficiency, and it was felt that, without expert actuarial advice, it would be unsound to adopt the Union arrangement as the basis of any system for Kenya. Moreover, many of the factors that an actuary would have to weigh in considering a scheme for Kenya (e.g. interest rates, mortality statistics and the average length of a pensioner's life) are so uncertain, or indeterminate, that even an arrangement based on actuarial advice might prove to be unworkable. And finally the need for an early decision was a more important consideration.

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The

The Acting Governor's recommendation of the report and the Governor's association of himself with that recommendation are subject only to one minor condition as to the possibility of funding arrears of contribution; we are consulting the Crown Agents about that, but there is no reason to anticipate difficulty, and we expect that the scheme will shortly be approved.

It was kind of you to offer to interrupt your leave and to come over to join in the discussion, but, looking to the terms of the Board's report, which had been accepted by the Officer administering the Government in Executive Council, and knowing that the Governor was favourably disposed to the idea of a Provident Fund, we did not think it necessary to trouble you to make so long a journey to attend a short meeting.

Yours sincerely,

(Signed) J. E. W. FLOOD

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Yours sincerely,

(Signed) J. E. W. FLOOD



Copy  
Original on  
9056/33  
Personal

6, Crofton Mansions,  
Dunlaoghaire, Dublin.

25th July, 1933.

Dear Flood,

No 13

I received your letter of the 21st instant - re Kenya Local European service - on my return to Dublin last night from the country.

The question of making suitable provision on a contributory basis for an officer on his retirement has been one of the greatest difficulties of all the Committees on Terms of Service with which I have been associated. As suggested in your letter there are in effect only two ways of making this provision - either by a contributory pension scheme or by a Provident Fund arrangement. The latter has not found favour with any of the Committees that I have been on for the reason that a lump sum payment is so liable to be frittered away by an improvident officer or - in the case of the best intentioned - lost in an unfortunate investment or speculation. This disadvantage is of course well known and has been referred to in the report of an Imperial Commission or Committee which sat on pensions etc. some few years ago. It is on this ground we never felt quite justified in definitely recommending the adoption of a Provident Fund Scheme, with its advantages of simplicity and ready application, but rather leaned towards a contributory pension system.

In taking this attitude we were fully alive to the difficulties and delay involved in devising an actuarially sound pension scheme for Kenya which would give the maximum benefits to the service. My own view was and is that, having regard to what the Colony was likely to gain under the proposed revised conditions of

service, it could afford to take a little risk by adopting as the basis of a contributory scheme, a scheme already in operation elsewhere e.g. that embodied in the 1923 ( I think ) Pensions Act of South Africa. The Fund established under that Act is not I understand quite solvent and as it is guaranteed by the Union Government, the latter had had on one occasion to come to its assistance by means of a special contribution. But South Africa on the whole should be a healthier country than Kenya and I believe, speaking roughly, that a Fund based on South African figures would be solvent in Kenya.

As I am interested in the matter I discussed with the P.M.G. of the Union, on my way home on leave, the working of the Union Scheme. Ten years is not of course a long period in the life of a new pension scheme; but his impression was that the scheme was working satisfactorily and fairly. There was however the point that men were now beginning to retire under the scheme and that a feeling was awakening in the service that the benefits were rather inadequate: this not because the Fund was gaining, but because the rate of contribution by the individual and by Government was too low. I cannot say with certainty what the present rate is but I know it is much below the rate of contribution contemplated for Kenya by the individual viz. 10 per cent of salary to include both pension and Widows and Orphans Fund. Particulars of the South African rates are shown in the relative Act, a copy of which I supplied to the Kenya Secretariat early this year.

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I must confess I would prefer to see a contributory Pensions Scheme in operation for the local European Service than a Provident Fund and in this I believe I represent the views of my colleagues on the various committees. I am inclined to think that the South African Scheme can be applied to Kenya with little modification and without undue risk to Government. It is in my opinion the most suitable for application of certain other schemes which I have read and considered. Further it has the advantage that it has associated with it provision for Widows and Orphans.

In the circumstances might I suggest for consideration the sending by air of a Kenya Officer from Nairobi to Pretoria to investigate on the spot the working of the Union Scheme and its suitability for application in principle to Kenya. Mr. Sandford, Deputy Treasurer, occurs to me as a very suitable officer to undertake an enquiry of this kind, as, apart, from being a Treasury Officer, he has been associated with various enquiries into terms and conditions of service in Kenya.

An enquiry of this kind would not take long and if it was found that the Union Scheme was not suitable I see no other course open but to apply a Provident Fund Scheme similar to that in force in the Kenya and Uganda Railway. I say this because I feel that a local European Civil Service should not be launched unless definite provision on what may be termed the "Benevolent" side has been made, and because public opinion is calling for the establishment of such a service without much further delay.

You will have this letter on tomorrow the 26th and if you feel that I should be of any assistance in

in your discussion with His Excellency I should not at all mind going across for the day, but it will be necessary to telegraph to me tomorrow. I see I can get a reduced fare and the cost should not be more than £7 or so. Or telegraph if there is any point that needs clearing up.

Yours, etc.,

(sd) T.Fitzgerald.

AIR MAIL.

KENYA.

NO. 99

CONFIDENTIAL.

Original copy 9056/33

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24

14

15<sup>th</sup> July, 1933.

Sir,

No 10

Report.

With reference to paragraph 2 (b) of Sir Joseph Byrne's Confidential despatch No. 44 of the 18th April, I have the honour to transmit a copy of the Second Interim Report of the Civil Service Board which was considered by the Governor in Council on the 7th July when Mr. Moore concurred in the advice of Council that the Report should be accepted by Government and should be submitted to you for approval. Further copies of the enclosures will be sent to you by sea mail.

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Mr. Moore also concurred in the further advice of Council that paragraph 28 of the Report relative to Government placing the amount of its contributions to the credit of personnel now under agreement, who are offered transfers to the "Local" Service, should be recommended to you provided the amount estimated can be funded. I shall be grateful for advice as to this possibility and as to the easiest terms on which such funding could be carried out.

2. You will appreciate, vide paragraph 4 of the Report, that until a decision is reached in this connection it does not appear practicable to effect the transfer of serving officers to the new "Local" Service. The inauguration of a happy and contented

"Local"

THE RIGHT HONOURABLE

MAJOR SIR PHILIP GUILFORD-LISTER, F.C., C.B.E., M.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET, LONDON S.W.1.

"Local" Service will largely depend upon the offer of terms sufficiently attractive to ensure that a number of officers who cannot be forced to transfer will do so voluntarily.

5. The views of the European Civil Servants' Association upon the First Interim Report have now been obtained and these I transmit together with the Association's comments upon the Second Interim Report.

An early reply to this despatch will be appreciated.

I have the honour to be,  
sir,  
Your most obedient, humble servant,

A. DE V. WADE

ACTING GOVERNOR'S DEPUTY.