

1955.

Kenya.

No. 3313.

SUBJECT C0533/439

Special Duty Allowances.

Previous

222 1576/54

Subsequent

23387/54

1. Acting Governor Moore 129 (An. Mail) Conf. 16 Sept 35
Submits records of the Expenditure Advisory Committee
on Special Duty Allowances made in Kenya & furnishes observations
& recommendation on these proposals.

Before considering these various allowances in
detail, his general questions call for an
answer:-

(Copy behind 3109)

I. Is the principle set out in para. 88
of the Expenditure Advisory Committee Report generally
accepted by S. of S. (with the temporary exception
provided for in C.R. 54(3)a) and, indeed,
by the Treasury as regards the H.C.S.?

II In any case, should it not be maintained,
as a matter of principle, that vested
rights must be respected, and that none of these
allowances should be reduced or discontinued
until a vacancy occurs in the substantive
post to which it is attached?

If the reply to II is 'yes', a
telegram to that effect would simplify
O.A.G.'s task in preparing the 1936
Estimates (para. 9 of the despatch)

B. Hunt
29/9

The

The principle set out in para 88 of the Kenya Report seems to be sound. I agree with II of Mr Freestone's minute.

I pass this through Mr Jewell with regard to financial practice in the Home Service in this matter.

W.R. Lindsay

5.10.53

Please see attached to Mr Boyse to whom I referred the matter. It seems clear that the principle is one which is followed by the Treasury Mr Jewell

I agree as to II, which appears to be the immediate point.

Officers

13/10/53.

Before decision can be taken on all these individual cases, correspondence may be necessary with e.g. H. Pennington, D.A. & E.A.C.B. may have to be consulted. I would therefore let you in dept. recurculati.

I put this aside to consider and forgot about it as the telegram did not go. Kenya wants an answer. The question is not simple by any means.

The general principle is that officers are required to perform any of the duties of their office without extra remuneration and any extra duties which may properly be regarded as part of the duties of that office. To say that an officer's whole time is at the disposal of Govt. is correct in a general way but it is only in a general way. It is not right to make him work for more than the prescribed or usual hours and it is not right to impose upon him duties outside the ordinary duties of his job. Those duties may be varied from time to time and the changes may involve more work or less. If more, then the question of raising the pay can be considered if the extra duties are permanent. If less, then the question of reducing the salary might be considered when a chance arises (i.e. on a vacancy). For instance, an administrative officer might be ordered to ^(practice) supervise an experiment in native agriculture but if the extra work grew and involved him in too much work as well as his ordinary duties then he should either be given a special post or it would be right to give him more pay.

The situation is different here where it is a case of getting officers to perform certain small tasks outside the ordinary duties of their posts, which take up some time and trouble and are properly remunerated by extra pay.

To take the allowances set out in para 87 of the E.A. Committee report.

1) Commissioner of Customs for Chairman of the Harbour Board. Looking after a Harbour Board is not any part of the duty of the head of the Customs and if he does it he should get some extra pay.

2) Auditor for auditing the Railway. The Railway is an independent concern and its accounts have to be audited. The Kenya Auditor's duty is only to audit the Colony's accounts and auditing the Railway is as much outside as auditing say the accounts of Bachelors. For convenience the Railway gave him the title, and he does, but as Auditor of Kenya

3) Currency allowances to Treasurer & his assistants. Here it could be argued that looking after the Currency is the Treasurer's proper duty and as it would be if the Currency were not controlled by the Board in London. The setting up of the present system did throw a lot of extra work on the Treasurer & his staff and it is not the regular work of a Treasurer.

4) Allowance to Deputy Treasurer as agent for the English Ministry of Pensions. This work is clearly no part of the duties of any Kenya officer at all. The M. of P. want it done and pay an allowance for it.

I should like you issue on the first para of the proposals.

An official's whole time is not absolutely at Govt. disposal and he cannot be required to perform work of whatever character but only work which normally falls within the duties of his office and is performed under which he is serving (i.e. for Kenya, not for the Railway or the Currency Board or the Ministry of Pensions).

The Governor recognizes this in para 3 where he says that where an officer is required to discharge duties that are distinct and separate from those of his substantive office, some additional allowance may be paid. [This is stated in the Govt. Reg. governing acting arrangements and the analogy is not happy.]

In para 4, the Govt. points out that the Committee advised this over the Coast Agent & the Registrar of Aircraft but do not in the case of the Collector of Customs' allowance for the Harbour Board. Then there is the £50 to the Treasurer for the Land Bank which is obviously fully justified. It is no part of a Treasurer's job to run a Bank. I agree also that the fees paid to officials attending the Railway Advisory Council should be retained. The Railway is distinct from the two Government departments.

Para 5. Audit for auditing the Railway. Dealt with above. As the Governor says it might be proper to incorporate the allowance with pay but the result would be to upset the balance of salaries in the Audit and also to put up Kenya's pension bill. A further argument is that the part that part of the salary was for the railway work would tend to be forgotten or obscured in time and there might be demands for removal of the allowance.

Para 6. Currency Board allowance. It is recommended that

is good deal, I think
I've done myself
the Govt. is not at
all sure as to the
responsibility for
the Treasurer
himself

It is not work
proper to Kenya
and it is
to be done by
the M. of P.
and the
Govt. should
pay for it

have already said, with a Board in London the responsibility on the Treasurer is not that of looking after the currency so much as the duty of taking charge of the stocks of coin & notes held on behalf of the Currency Board and that does involve extra work for the Treasurer & his staff outside official duties of Treasury work. The allowance paid to the Treasurer as Chief Currency officer was lately reduced to £150. As the Governor says Kenya cannot act alone as similar allowances are paid by the S. A. Board in other British ports in East Africa and also by the W. A. Currency Board in West Africa. I know the W. A. Board would object strongly to reducing the allowances it pays its officers which are larger & more generous than those paid in East Africa.

Para 7. Allowance to the Assistant as Secretary of the Assistant W. & O. P. Fund & to the Estate Duty Clerk. (£130). The former allowance was paid by the Board of the Fund on Kenya's recommendation (see 7070 or 5000/128). The Govt. & the Treasurer thought it might be withdrawn but the Board apart from the Treasurer think some allowance is justified and suggest £25.

It is rather outside the duties of a Treasury officer and indeed is not held by a Govt. officer at all - in fact it would always be - and it should be maintained. The other allowance we don't know much about, but as the Estate Duty produces revenue, the allowance would seem proper to the Clerk.

Para 8. It is not part of anyone's duty in Kenya to do any work for the M. of Pensions & if fees are paid for medical exams, the M.O.s who carry them out should retain those fees.

It is necessary to bear in mind that this movement to cut allowances arose out of a Kenya unofficial crusade against what the European elected members style "hidden encroachments". They are opposed to free quarters, free passage and any other sort of "privilege" and this was part of the move. The unofficial opposition is however less vehement now and I think some of them would say they went too far.

It becomes a matter of general principle and I think that of the principle is established.

I think a whole time officer is not thereby bound to accept the Government's view of his work and working hours to be

and (2) That an officer cannot reasonably be required to perform duties outside his own proper office without extra remuneration - provided of course that these duties are not of a normal or temporary nature or do not involve much responsibility.

Then the argument for abolishing allowances for such extra duties fails. To increase emoluments would not result in any great economy as it would put up the pension charges and would also disorganize the Colonial Service since some posts would prefer to retain the usual extra allowances - which need not be attached to certain definite posts.

And we can say as to Kenya, that the allowances mentioned on the lines set out above. The same practice is not made in point as Treasury Dept as well as other departments for extra work. What they Dept like to extra pay from sources they Dept control - which is why I get nothing for the Currency Board.

J. S. G. King

I agree generally.

~~When an Officer is~~ When an Officer is required to undertake duties which are entirely outside the scope of ~~his~~ ^{normal duties of} his appointment, or which involve him in distinctly increased responsibilities, which require him to work continuously over a considerable period at a decidedly greater than normal pressure, then the payment of an allowance is justified.

But I feel that such extra allowances should invariably be paid only in respect of periods in which the actual duty is being performed, i.e. they should not be paid during leave. I assume that this condition is fulfilled in most of the cases referred to here, but I am not sure about all, e.g. the allowance to the Commissioner of Customs for being Chairman of the Harbour Board, to the Auditor for auditing the railway accounts and to the Treasurer and his assistants

A

5
considerations for looking after currency. When these officers are on leave somebody else has got to do the work, and who on it does it should draw the allowances.

As regards para 8 of the despatch my view is that the ~~arrangement~~ when Kenya Govt Officers (or Officers of any other Govt) undertake work for another Govt (or private body), the arrangement ought to be one between the two Govts. Any payment ought to be made from Govt to Govt, and it is for the Kenya Govt at its own discretion to decide whether or not payment should be made to the individual officers who do the work in the light of general principles. I do not see what ~~objection~~ ^{objection} has to the application of this rule unless it involves any change in the existing ^{rule} ~~arrangement~~ with the T/P. Such have gone on for a long time and are gradually diminishing. But it should I think be followed in the future ^{on the occasion when} ~~the occasion arises~~ ^{it is} ~~undoubtedly~~ the usual procedure in the ^{country} ~~country~~.

Sir C. Bittanley

I agree generally with Mr. Flood.

I assume that the position is ^{as} at A in Mr. Acheson's minute. This at least might be put to Kenya in such a way as to cause them to justify their practice if it is not what we assume it to be.

As regards Mr. Acheson's last para. I don't know that we need lay down any general

principle. It is agreed that
the Kenya practice need
not be disturbed.

10.5.34

I would certainly leave over to
Belmont's last point - of taking up
+ should be a matter for the
Colonial Empire generally.

As to Mr. Joyce (I do not know
Flood) whether we can bring up this
point. He is already settled in
the case of the Officers of the E. A. S.
It occurs to me that the Auditor
may keep the important Railway
and work (which is not
continuous) in his own hands: if so,
an exhibition can be made.

Generally I entirely agree with
Mr. Flood. The local view goes
a little further in the direction of
"Sweating."

10.5.34

I agree that Mr. Joyce is a matter to Mr. Flood
for his analysis & summary.

14/5

3574/48

Mr Flood,

I am sorry to have kept this draft so long;
but I wanted to look up some old correspondence
and minutes.

I quite agree with the general principles
laid down in paragraphs 2 and 3.

As regards the remuneration of the Auditor
of Kenya, I would invite reference to the following
minutes:-

- (a) My minute of 16th Feb. 1929 (I think it is
No. 2 in K15762/29 Kenya)
- (b) My minute of 11.7.29 (on No. 4 in K15762/29)
- (c) Mr. Fisher's minute of 7.4.30 on K15762/29.
- (d) My minute of 2.8.30 on K15762/29

The position is:-

(1) The Auditor of Kenya really holds two
important posts (a) Auditor of Kenya and (b) Auditor
of the Kenya-Uganda Railways and Harbours
Administration. The importance of the latter is such
that the E.U.R. & H. Administration pays - on the
basis of its revenue and expenditure - a contribution
towards the Funds of this Office amounting for
1934-35 to £378 as compared with Kenya's £512 and
Uganda's £227 and Tanganyika Territory's £286 (
+ £109 for the T. T. Railway). The work and
responsibility of the Auditor of Kenya and the
K.U.R. & H. Adm'n are very much greater than in the
case of either the Auditor of T. T. or the Auditor
of Uganda; and the present pensionable emoluments
of £1150 + value of quarters are really quite

inadequate

inadequate for the combined post.

(2) The work and responsibility of the Auditor of Kenya and the K.U.R. & H. Adm'n have recently been materially increased. Not only is he responsible for the audit of the Customs Revenue and Expenditure of both Kenya and Uganda, but he has recently had placed upon him without extra remuneration the audit of the accounts of the Posts & Telegraphs Department in E. T. (as well as in Uganda) and of the accounts of the whole Northern Brigade K. A. R.

(3) Even with the present nonpensionable allowance of £200 a year from K.U.R. & H. Adm'n funds, a total remuneration while in E. Africa of £1150 + £200 = £1350 plus quarters is unduly low, having regard to his work and responsibilities, as compared with the pay of other Heads of Departments.

(4) The only other cases where an Auditor is Auditor of more than one administration (apart from Native Authorities) are :-

(a) The Auditor of the Straits Settlements & Federated Malay States. He gets one consolidated pensionable salary which is shared between the F.M.S. and the Straits Settlements, but it is an adequate one (viz. £1650).

(b) The Auditor of Fiji and the Gilbert & Ellice Islands Colony and the British Solomon Islands Protectorate. As Auditor of the two latter, he receives a pensionable allowance of £200 a year.

(c) The Auditor of Seychelles & Swaziland.

He receives a joint pensionable salary larger than was paid to the Auditor of Seychelles when that post stood alone.

One of the most marked impressions which my visit last year to East Africa made on me was how much bigger a job the post of Auditor of Kenya and the K.U.R. & H. Adm'n was than that of any of the other East African Auditors.

In my view therefore the allowance of £200 paid to the Auditor of Kenya as Auditor of the K.U.R. & H. Adm'n should be incorporated in his salary, and it would be only reasonable to fix the salary at £1,350 instead of £1,350.

A. J. Harding

Director of Colonial Audit

18/7/34

Sir C. Bottomley

I think we had better consider the Auditor's pay separately and not hold up the despatch any longer. So I have promised a further draft about the Auditor & modified the piece of the draft relating to him. Draft can now go.

V. E. O. H. S.
19-7

24 JUL 1934

To Hqs Coy 2.

(inserted)

Copy No. 2 to B.O. & A. 1.3.34
Z
Copy (X) for Accy & draft Reciev. for

As regards the J.C.A.'s suggestion that the Auditor's total remuneration of £1150 + £200 is unduly low, having regard to his work, I have

Set out below a list of the salaries drawn by other Heads of Dept. in Kenya:-

Director of Agriculture	£1500
Commr of Customs	£1400
Director of Education	£1300
Conservator of Forests	£1200
Commr of Local Govt.	£1150
Director of Post Service	£800
Commr of Police	£1150
Govt. Engineer	£1000
Commr of Prisons	£1000
Dir. of Public Works	£1050
Revenue	£1100

2. C. Dept. for Transport
 C. Dept. for Transport
 C. Dept. for Transport

My view would be that Mr. Harding has made out his case for making the £200 a year which the Auditor in Kenya now receives for auditing the K.U.R. accounts pensionable. If that is done, Kenya can either pay him the £200 and re-imburse the ^{cost} treatments out of K.U.R. funds, in which case it would be legitimate to have a pension contribution also from the railway, or the Auditor in Kenya can be appointed to a separate post of Auditor for the K.U.R. and get a pensionable salary of £200 a year. I understand that the former arrangement was in fact suggested in No. 1. paragraph.

probably be more in the interests of the Officer, Mr. Harding also suggests, however, that the total emoluments of the Auditor in Kenya should be raised to £1,400 as compared with the existing £1,350. This is a matter on which, in the first instance, we should get the views of the local Government.

Put Mr. Harding's views both as to making the £200 pensionable and as to the increase to £1,400 to the Governor ^{showing} generally as at ^{and asking for his} observations. ^{we should explain by the fact of the two alternatives} is to propose, & perhaps Mr. Hardy will supply the explanation.

affixed
 6/11/34

I don't think we need ^{to} ^{the} ^{same} ^{allowance}. Kenya do not suggest it and ^{it is already} ^{more} ^{already} ^{than} ^{we} ^{have} ^{the} ^{other}. I am ^{not} ^{sure} ^{that} ^{if} ^{his} ^{allowance} ^{is} ^{incorporated} ⁱⁿ ^{salary} it could be reasonable to require a pension contribution based on £200 p.a. for the K.U.R. as well as a contribution for the £200.

JG/lyd
 7/1/34

Yes, put it to Kenya as proposed. The D.C.A. should see the draft.

J.R.O. Kend
 17.8

3. To Kenya, Conf (2). (w/memo) cons 30 AUG 1934

C.D. de
 points in this
 suggest.

2/1/34

Mr. Ersmith 24/8

Mr. Frester 25

Mr. Hardy 19/6 20/6

Mr. Parkinson 21/6

Sir G. Tomlinson

Sir C. Bottomley

Sir J. Shuckburgh

Permt. U.S. of S.

Permt. U.S. of S.

Secretary of State



30 August 1934

DRAFT.

Kenya
Conf. (2)
for

~~Reference to page 2~~

These etc. to refer to
paragraph 2(a) of my defensible
(2) Confidential (2) of the 1st
of July in which I informed
you that I would address
you with regard to the
representations made by the
Director of Colonial Audit
on the subject of the
allowance of £200 which
is payable to the Auditor
in Kenya for audit of
the accounts of the
Transport Administration.

2. The views of the
Director of Colonial Audit
are

FURTHER ACTION.

(C) W.R.

are set out in the accompanying memorandum. It will be observed that he considers (a) that the allowance of £200 should be incorporated in the Auditor's salary and (b) that it would be reasonable to fix the salary of the Auditor at £1400 instead of £1350.

3. As regards (c) I consider that a case has been made out, but I should be glad to learn your views. If the allowance is incorporated in salary it would be reasonable to require a pension contribution, based on £200 per annum, from the Transport Administration as well as reimbursement of the £200. I should also be glad to receive your observations with regard to suggestion (b).

(Sgd) P. DUNNIEE-LISTER

C. O.

Mr. Grosmith

Mr. Freiston 29

Mr. Archon 29

Mr. Parkinson

Mr. Tomlinson

Mr. C. Bottomley 20

Sir J. Shuckburgh

Perm. U.S. of S.

Parly. U.S. of S.

Secretary of State

DRAFT

KRNYA

CONFIDENTIAL

Gov.

FURTHER ACTION

Copy to C.A.

33/3/33

2

Downing Street

See minute

24th 1934

I have, etc., to refer to Mr.

subject of the memorandum

with regard to the

allowances

of the Memorandum Advisory

Committee's Report, and to express

regret that it has not been found

possible to deal with this matter at

an earlier date. In his despatch,

Mr. Moore observed that in paragraphs

88 and 91 of the Report it is suggested

that as an officer's wholetime is

at the disposal of the Crown his

substantive salary should be regarded

as adequate remuneration for the

performance of Government work of

whatever character, and that speaking

generally

generally allowances which increase an officer's salary rather than reimburse him for additional expenditure necessarily incurred in the performance of a specific duty should be abolished.

In considering these views I have been guided by the general principle that officers are required to perform any of ^(ordinary) the duties of their office without ^{as well as} extra remuneration and any extra duties which may properly be regarded as part of the duties of that office. To say that an officer's whole time is at the disposal of Government is correct only in a general way. An officer should not be compelled to work for more than the prescribed or usual hours and it is not right to impose on him duties outside the ordinary duties of his office.

These

C. O.

Mr.
Mr.
Mr.
Mr. Parkinson.
Mr. Tomlinson.
Sir C. Bottomley.
Sir J. Shuckburgh.
Perm. U.S. of S.
Parly U.S. of S.
Secretary of State

DRAFT.

Those duties may be varied from time

to time and the changes may involve

more work or less. If more, then

the question of raising his salary

can be considered if the ^{extra} duties are

permanent. If less, then the question

of reducing the salary might be con-

sidered when a suitable occasion

arises (i.e. on a vacancy).

As a secretary follows

then:

(1) That a whole-time officer is not

bound to devote every minute of his

waking hours to Government work, but

only the reasonable amount required

by ^{the} ^{of the office in which he is employed} duties; and

(2) That an officer cannot reasonably

be required to perform duties

outside his own proper office without

extra remuneration provided, of course,

that those duties are not of a trivial

^{a temporary such as} nature, or do not involve such

responsibility. With the establishment

of

FURTHER ACTION.

of these general principles the argument for abolishing allowances

for extra duties/fails. To increase emoluments would not result in any great economy since

the Colony's pension charges would be increased thereby. There

is the further point that other Colonial Governments may prefer

to retain the system of allowances.

As regards the particular allowances

referred to in paragraph 87

of the Expenditure Advisory

Committee's Report and in

paragraphs 4-8 of the despatch:

(1) Commissioner of Customs as Chairman, Harbour Advisory Board.

I do not consider that the Chairmanship of the Harbour Advisory Board is any part

of

which cannot be regarded as part of the normal work of the post

C. O.

Mr.

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bollenby.

Sir J. Sturges.

Perms. U.S. of S.

Perly. U.S. of S.

Secretary of State.

DRAFT.

The Harbour is a separate Administration

FURTHER ACTION.

of the duty of the Head of the

Customs Department, ~~and should~~

my opinion he should
therefore be suitably remunerated

for the additional ^{work} services.

(2) Auditor for audit of Railway and Harbour Accounts.

I consider that the audit of the Railway accounts is not

within the ordinary duty of the

Colonial Auditor and that he should

therefore be remunerated for the

extra duty. As regards the sug-

gestion in paragraph 6 of the des-

patch that the allowance might be

incorporated in salary. I feel

have received certain representations

that the result of such a course

from the Director of Colonial Audit

would be to upset the balance of

and propose to address Departmental

salaries in the Colonial Audit and

you separately in due course.

I also to increase the Colony's

may say here that he is in favour of

pension commitments. A further

the suggestion in view of the great

point is that the fact that part

responsibility of the post is kept

of the salary and for cutting of

an amount with similar appointments

and the result would tend to be

in the future.

if it were occurred in time, and

this

this might lead to demands for
revival of the allowance.

(3) Treasurer as Currency
Officer.

In paragraph 6 of the despatch
it is argued that the duties performed
by the Treasurer and members of his
staff as Currency Officers may
be regarded as part of the whole time duties
of those officers. In my view the
fact that currency is controlled
by a Board in London, the respon-
sibility of the Treasurer is not that
of looking after the currency so much
as the duty of taking charge of the
stocks of coin and notes held on
behalf of the Currency Board, which, *in my opinion,*
does involve extra work for the
Treasurer and his staff outside
their official duties of treasury work.
As you are aware the allowance paid
to the Treasurer as Chief Currency
Officer was recently reduced to
£150 and I ~~was not prepared to~~ *would appreciate*

C. O.

- Mr.
- Mr.
- Mr.
- Mr. Parkinson
- Mr. Poulton
- Sir C. Doleman
- Sir J. Shackburgh
- Perm. U.S. of S.
- Perm. U.S. of S.
- Secretary of State.

DRAFT.

*It is proper that
any officer who
may undertake
extra work should
be paid for it
by the Ministry.*

FURTHER ACTION.

agree to any change in the
existing arrangements.

(4) Deputy Treasurer as
Agent, Ministry of Pensions.

I do not regard it as part
of any officer's duties in Kenya
to perform work ^{on behalf of} for the Ministry
of Pensions, and if fees are paid
for medical examinations, the
Medical Officers who carry them
out should, in my opinion, retain
those fees.

In paragraph 7 of the
despatch reference is made to
the allowance paid to the Assistant
Treasurer as Secretary of the
Asiatic Widows' and Orphans' Pensions
Fund and to the European Clerk in the
Treasury as Secretary to the Estate
Duty Commissioners. As regards the
former allowance I observe that the
Board of the Asiatic Widows' and
Orphans' Pension Fund, apart from the
Treasurer, considered that some

allowance

allowance is justified and suggested that
an allowance at the rate of £25
per annum would be adequate. I
regard the duties of Secretary
to the Fund as outside the duties
of a Treasury Officer, and I feel
that the allowance should be

maintained. If, however, it were

continued at the rate of £25 would be

adequate, and I should have no objec-

tion to the reduction of the

existing allowance to that amount.

As regards the allowance to the

Secretary to the Estate Duty

Commissioners it would seem proper

on a general principle that the

allowance should be continued.

6. I have assumed throughout

that the extra allowances ^{would normally} should

invariably be paid only in respect

of periods in which the actual duty

is being performed, i.e. that they

would not be paid during leave,

but that in the absence on leave of an

officer

C. O.

Mr.

^{who} officer ^{draws any such} ordinarily entitled to an

Mr.

^{to} allowance, the allowance would be

Mr.

paid to the officer ^{when} called upon to

Mr. Parkinson.

Mr. Tomlinson.

^{to} performs the duties in his absence of

Sir C. Holloway.

Sir J. Stuckbury.

^{to} the substituted holder.

Francis U.S. of S.

I have, etc.,

Francis U.S. of S.

Secretary of State.

(Sgd.) P. CUNLIFFE-LISTER.

DRAFT.

FURTHER ACTION.

AIR MAIL

KENYA

No. 129

CONFIDENTIAL



15
GOVERNMENT HOUSE
NAIROBI
KENYA

RECEIVED

25 SEP 1933

C. O. P.

16th September, 1933.

Sir,

I have the honour to refer to paragraphs 87 to 92 of the Expenditure Advisory Committee's Report in which the question of Special Duty Allowance is discussed. It is suggested in paragraphs 88 and 92 of the Report that as an officer's whole time is at the disposal of the Crown his substantive salary should be regarded as adequate remuneration for the performance of Government work of whatever character, and that speaking generally allowances which increase an officer's salary rather than reimburse him for additional expenditure necessarily incurred in the performance of a specific duty should be abolished.

2. I am in agreement with these views as a statement of general principle, but in the application of such a general principle there are certain considerations which, I suggest, must also be borne in mind.

3. First, while it is undoubtedly true that an officer's whole-time services are at the disposal of the Crown the principle is recognised in Colonial Regulation 54 (3) (a) that, where an officer is required to discharge additional duties that are distinct and separate from those of his substantive office, some additional allowance may properly be

paid

THE RIGHT HONOURABLE
HON. MR. JUSTICE CHALFEN-LISTER, F.C., G.B.E., M.C., M.P.,
MEMBER OF THE EXECUTIVE COUNCIL,
SECRETARY OF STATE FOR THE COLONIES,
10, WHITE HALL, LONDON, S.W.1.

paid. It is true that the Colonial Regulation is designed to meet a temporary and not a permanent arrangement. Second, there are a variety of cases in which an officer is permitted to undertake work of a Government or quasi-Government character, such, for example, as Agent for the Ministry of Pensions, when the party responsible for the payment of the allowance has been glad to make it, presumably on the grounds both of convenience and economy, while the local Government has raised no objection to such separate payment inasmuch as it represented remuneration for work quite distinct from the officer's local official duties, which it was considered he could undertake without detriment to the proper performance of the latter.

In paragraph 92 (vii) and (viii) the Expenditure Advisory Committee has apparently recognized the validity of the ~~first~~ consideration referred to in paragraph 3 above, and has recommended special allowances to the Coast Agent for Treasury work and to a member of the Public Works Department for Aircraft Registration work. I am in agreement with this recommendation as the work involved is quite distinct from each officer's normal duties and economy in administration is being effected by these arrangements. But if this test is to be of general application I am at a loss to understand why the Committee in paragraph 87 (1) of their Report has recommended the discontinuance of the allowance of £100 a year to the Commissioner of Customs as Chairman of the Harbour Advisory Board. In such the same category is the allowance of £50, not specifically referred to in the Report,

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Report, which is paid to the Treasurer as Chairman of the Land Bank in accordance with Section 17 of the Land and Agricultural Bank Ordinance. Somewhat similar, too, are the attendance fees of £2.2.0 per diem paid to the official representatives both of Uganda and Kenya for their services on the Railway Advisory Council which, however, in the latter case include any travelling expenses when travelling in neighbouring territories is involved. So far as the payment of these allowances in the case of Kenya is concerned, the General Manager would personally deprecate the discontinuance of such allowances as he considers that they represent some small recognition of a great deal of time and thought given to Railway and Harbour matters which would not normally fall within the responsibilities of the officers concerned, while the making of any payment at all emphasises the fact that the officers concerned are there to give their independent advice in a personal capacity and not as necessarily representing the official view of their respective Governments. In the case of the Chairman of the Land Bank there is the further point that under the Ordinance it is not statutorily necessary for the Treasurer to be Chairman at all; although in practice it may well be that for some time at any rate the Treasurer will continue to be Chairman, it cannot in any way be suggested that the terms of his appointment as Treasurer include the duties of Chairman of the Land Bank. In my view, therefore, these allowances should continue to be paid.

5. In a somewhat different category is the allowance of £200 referred to in paragraph 27 (2) of the Report, which is payable to the Auditor for audit

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of the Railway and Harbour accounts. The justification for this payment, which I understand the Director of Colonial Audit considers to be a proper and reasonable one, is the additional work and, still more, the responsibility thrown upon the Auditor personally by his being made responsible for the audit of the Railway accounts. As the responsibility for auditing the Railway accounts is likely always to continue to remain with the Audit Department in Kenya, it is arguable that if the responsibilities attached to the post warrant it, the allowance should in future be incorporated in salary and the reimbursement payable to the Government of Kenya by the Kenya and Uganda Railway as its share of the cost of audit adjusted accordingly. In the long run such a course would presumably be more expensive inasmuch as the present allowance of £200 is not a pensionable one. You will no doubt desire to consult the Director of Colonial Audit before giving a decision on this matter.

6. In yet a different category are the allowances previously discussed are the Currency Allowances payable to the Treasurer and other officers of the Treasury. For facility of reference I set out below a list of these allowances:-

- (1) Treasurer, £200 (now £180) per annum as Currency Officer.
- (2) Deputy Treasurer, £75 per annum as Deputy Currency Officer.
- (3) Principal Assistant Treasurer, £60 per annum as Senior Assistant Currency Officer.
- (4) Senior Assistant Treasurer, £50 per annum as Second Assistant Currency Officer.

It cannot, I think, be denied that so long as the East and West African Currency Boards continue, the currency work that falls to be done by the Treasurer and his subordinates

subordinates is an integral part of the duties and responsibilities of the Treasury Departments in East and West Africa. Special attention was drawn to this point by the Governors in Conference in a memorandum prepared by the Government of Uganda, Paper No. G.C.-35/43, as a result of which the following resolution was passed:-

RESOLVED that the East African Currency Board should be invited to review the allowances drawn by the officers in Kenya, Uganda and Tanganyika Territory on account of part-time duties connected with the East African Currency Board so that a reduction in these allowances might be made if such a course appeared necessary after the case had been examined.

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and it was in this connection that Sir Joseph Byrne referred you in paragraph 3 of his Confidential despatch No. 44 of the 12th April, 1933, that he proposed to address you separately on the matter. I appreciate that as Currency Officer some additional responsibility is placed upon the Treasurer which he is not called upon to discharge in other territories where a managed currency is not in existence, but I find it difficult to believe that such additional responsibility as does accrue can be devolved by him to the Deputy, Principal and Senior Assistant Treasurers to a degree that would warrant the payment of the special allowances now drawn by them, and while it may be that apart from the question of responsibility some additional work is also involved, I suggest that such work should legitimately be regarded as part of the functions of the Treasury Department. But since, as I have already stated, the payment of currency allowances appears to be an integral part of the Treasury organization throughout the African Colonies, you will no doubt agree that the question

is not one on which independent action by this Government is possible. A possible solution would be the abolition of the allowances with some addition to the substantive pensionable salary of the Treasurer as compensation therefor. It is questionable whether this would result in economy.

7. There also fall to be considered the allowance of £50 paid to the Assistant Treasurer and Secretary of the Asiatic Wireless and Overseas Pension Fund and the allowance of £30 paid to a European clerk in the Treasury as Secretary to the Estate Duty Commissioners.

At a meeting of Executive Council Sir Joseph Byrne concurred in the Council's advice that there is no justification for the continuance of either of these allowances and that they should cease to be paid with effect from the 1st May, 1933. In that connection I enclose a copy of a letter of the 27th May 1933 from the Treasurer with its enclosure. From that enclosure

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it appears that the payment in question was approved by the Secretary of State on the 7th December, 1928, and in view of the fact that the Board was empowered under the Ordinance to appoint a Secretary whose duties are alleged to be distinct from those of the Treasurer, it would appear that the legal position does not differ materially from that of the Treasurer as Chairman of the Land Bank under the Land and Agricultural Bank Ordinance, and I shall be glad to have your final ruling in the matter.

8. Finally, there is the payment of £50 made to the Deputy Treasurer as Agent to the Ministry of Pensions. This falls within the second category of work to which I drew attention in the third paragraph

of this despatch. I believe that in connection with it, medical examinations are undertaken from time to time by officers of the Medical Department on behalf of the Ministry of Pensions for which they are entitled to charge. It may be argued that all work undertaken in the Colony on behalf of the Ministry of Pensions at home should be done by government officers without special remuneration and that the local Government should receive from the Ministry of Pensions some reimbursement to general revenue for services rendered. If that view is accepted and is generally adopted throughout the Colonies, I consider that the present allowances should be paid into the general revenue and also any fees paid to medical officers for these examinations. Alternatively, I consider that the present arrangement should continue both in respect of the Treasury and the medical work.

9. I regret that owing to pressure of other business these questions have not been referred to you before. A decision on the various points raised will be required in time for their reflection in the 1934 Estimates. The question of Currency Allowances is, however, of more special urgency as if any alterations are to be made, other than the reduction of the highest of these allowances from £200 to £150, the present would be a convenient time to do so.

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

A. M. Williams

ACTING GOVERNOR.

27/k
29th May, 1955.

The Hon'ble,
The Colonial Secretary,
HONG KONG.

**SPECIAL AND DUTY ALLOWANCES,
REF: YOUR MEMORANDUM DATED 27/5/54/12/64
HONG KONG.**

With reference to the decision recorded in the above quoted memorandum that the duty allowance to an Assistant Treasurer for work in connection with the Asiatic Widows' and Orphans' Pension Fund should be deleted with effect from the 1st of May, 1955, I transmit a copy of the Minutes of a meeting of the Asiatic Widows' and Orphans' Pension Fund Board held on the 5th instant.

2. As you are aware, I have opposed the continuance of this allowance, but I undertook to forward the views of the members of the Board for consideration by Government. The facts are, I believe, accurately stated in the memorandum incorporated in paragraph 2 of the Minutes, and you may consider that there is a case for the decision of the Governor-in-Council to be reviewed.

3. If you are of this opinion, I have no objection to review taking place.

(Sgd.) E.H. HUGHTON,
SECRETARY.

ASIATIC WIDOWS' AND ORPHANS' PENSION FUND.

MINUTES OF BOARD MEETING HELD AT THE
TREASURY ON THE 5TH OF MAY, 1933.

- Present: - The Hon. H.H. Rushton. Treasurer. Chairman.
- Mr. F.A. Smith. Acting
Postmaster
General.
- Mr. G.R. Sandford. Deputy
Treasurer.
- Mr. H.D. Trivedi.

Mr. Devadi attended in a dual capacity as a nominated member of the Board and as vice President of the Asian Civil Service Association the office of President being at present vacant.

1. MINUTES. - The Minutes of the meeting held on the 8th of March, 1933 were confirmed.

2. SECRETARY'S REMUNERATION. - The following memorandum was circulated.

" At a meeting held on the 1st of October, 1927, the Board discussed the appointment of a Secretary in accordance with Section 12(c) of the Ordinance, and agreed that it would be convenient to have as Secretary a member of the Treasury staff. Mr. Dittlerair, Assistant Treasurer (at that time) undertook the duties, and at a subsequent meeting (14th February, 1928) his remuneration was fixed at 250 per annum.

"In reply to an enquiry from the Colonial Secretary as to the necessity for such an appointment, it was pointed out that the Ordinance imposes on the

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Treasury certain duties, which are performed by the staff in the ordinary course, and that the Board is empowered to appoint a Secretary whose duties are distinct, and who is not necessarily one of the Treasury staff (nor even a Government official), and whose emoluments are not defrayed from Government revenue; that the work is continuous in its incidence, and does not come within the substantive duties of a member of the Treasury staff; and that while the scope of the work is distinct and separate from ordinary Government work, the slump of the work does not justify a whole-time postmaster.

"The Secretary of State, on 14th of December, 1928, approved the payment of £50 per annum to Mr. Littlefair to any public officer who might subsequently be appointed as Secretary.

"In the light of the recommendations in paragraphs 87-92 of the Expenditure Inquiry Committee's Report Government has decided that, together with several other special allowances, the allowance paid to the Secretary should be withdrawn as from the 1st of May. As the appointment was originally made, and the remuneration fixed, by the Board, it has been considered advisable to convene a meeting to consider the matter with a view to representations being submitted to Government if the Board thinks fit."

3. The Secretary withdrew. The Acting Postmaster General expressed the view that, as the allowance to the Secretary was paid out of the Fund for work performed for the Board, there was a case for submission to Government with a view to reconsideration of the decision referred to. Mr. Travadi said that when the question of remunerating the

Secretary was first raised in 1927, he had been of the opinion that the Secretary should be unpaid, but that, as a result of the discussion on the matter on that occasion, he had been convinced that some allowance should be paid, a view to which he still adhered. He was not, however, satisfied that an allowance of so much as £50 per annum was justified.

The Board interrogated the Secretary as to the nature and quantity of the work falling upon him as Secretary. The Secretary then withdrew. In the light of the information given, the Acting Postmaster General, the Deputy Treasurer and Mr. Travadi considered that, if Government approved the payment of an allowance, an allowance at the rate of £25 per annum would be adequate.

5. The Chairman stated that he was, in principle, opposed to the payment of an allowance for the work, but undertook to forward for the consideration of Government the views expressed by the members of the Board.