No. 16287. SUBJECT CO 533/402 Emoluments of new Governor of Herrya 15442/28, 15754/29 (Bustoms) Subsequent Lee 16 3 14/20. 3077/43.

- 1. C.O. Heme, regarding the salary of the effice of the Governor of Kenya.
- 2. C.O. Meme. regarding exemption from Gustems Dutkes.

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## EXEMPTION FROM CUSTOMS DUTIES.

1/15442/28.

Sir Edward Grigg raised this matter in paragraph 6 of his despatch No.675 of the 30th November 1928. He said that although as would be remembered, he accepted the appointment as Governor on the understanding that the revised salary would cover all reasonable expenditure in connection with the office, he had not found this possible in practice owing to the heavy reimbursements on account of customs duty, taxes, and other charges which he made annually from his salary to Government. He said that he would therefore like. when he arrived in England. to raise the question of these payments which amounted to a total sum of approximately £2,000 per annum. Sir Edward Grigg discussed the matter with the Secretary of State, and by Mr. Amery's direction despatches were sent to Kenya and Uganda on the 6th June 1929, pointing out that an order had been made in October 1927 granting the Governor of Tanganyika exemption from payment of import duties, and saying that it was equitable that similar provision should be enjoyed by the Governors of Kenya and Uganda with effect from the same date. The despatches therefore directed that the necessary steps should be taken with a view to the exemption from import duty from the 12th October 1927 of goods imported into Kenya and Uganda for the Governor's use.

This has been done in the case of Uganda, but in the case of Kenya, Sir Edward Grigs

15442/28.

did not take advantage, however, of Mr. Amery's decision giving two reasons (see his letter to Sir Cecil Bottomley of the 22nd April 1930); the first, that it always has been (and apprently always will be) a highly controversial subject and he did not want to be involved in another Government House row which would be weak at such a critical time, and the second, that as Mr. Amery ruled he was overpaid before he went out, he thought it easier to repay in this form, which involves no readjustments, and does in fact keep him personally out of controversy of any kind.

The repayment referred to the fact that Sir Edward Grigg before taking up his duties drew some £1,500 for excess of what the regulations laid down. Amery ruled in his despatch of the oth June 1929 that Sir E.Grigg might properly have had half salary for the period in question, he did not feel justified in pressing for any refund in respect of the other half (he having drawn full salary). The minutes that the overpayment of half salary, would have amounted to some 1960, but in the semi-official letter referred to above, Sir E.Grigg pointed out that his decision not to take advantage

of the exemption from customs duties meant the sacrifice of some hundreds of pounds, as the refund of customs would have come to much more

therefore that in the recent revision of the Customs Ordinance no provision was made exempting the Governor from customs duties, and as this

than half salary referred to.

The result is

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privilege is enjoyed in Tanganyika, Uganda, Northern Rhodesia and Nyasaland and is to be given in Zanzibar, it is a question whether it should be given to the new Governor of Kenya.

I think I can best close this note by quoting the following minute by Sir C.Bottomley written on the 31st May last:-

"Mr.Thomas (Governor of Myasaland) does enjoy the exemption. So do the Governors of Northern Rhodesia, Targanyika and Uganda. In Kenya, the Governor was told that he might make legislative provision for the exemption, and a clause was actually put in the new Customs Tariff Bill, but cut out for the reason given in No.10 on 15442/28. As that file shows, the matter was mixed up with the overpayment of Sir E.Grigg's salary in 1925. The Secretary of State had said officially that we could not press for a refund, but it was then understood that Sir E.Grigg would make a refund of the overpaid salary.

any refund by fortearing to use a privilege which the law does not give him. On the other hand, Kenya knows that it has seen decided that the refund shall not be claimed, and therefore does not expect it. But Sir E.Grigg's way of discharging his obligation, for the very reason that nothing is known about it, makes the position very difficult if it is decided that his successor isto have the privilege.

The question, from the point of view of our discussion the other day, whether Mr.

23303/30. Jan zitor a general practice in the East African Group is badly complicated by Sir E.Grigg's happy solution of his own difficulty, but the exemption is so very general in East Africa that I do not think that the Kenya exception need get in the way.

Then, if Zanzibar gets the exemption, we shall be able to point out to Kenya later that it is the sole exception in the group, and get the exemption through there also!

"Thus bad begins, but worse remains behind".".

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## NOTE REGARDING SALARY OF THE OFFICE OF THE GOVERNOR OF KENYA.

Prior to the appointment of Sir Edward Grigg to be Governor of Kenya, the emoluments of the office were:

Salary as Governor 4,000

Duty Allowance 1,500

Allowances as High Commissioner for Zanzibar

500

£6,000.

when the Governorship became vacant on the death of Sir Robert Coryndon, the Unofficial Members of Council unanimously adopted a motion recommending that the office should henceforth command a salary of £6,000 a year and entertainment allowance of £2,500 a year.

(N.F. The High Commissionership for Zanzibar lapsed, but in discussing the emoluments account was taken of the increasing responsibilities of the Governor as High Commissioner for Transport).

The matter was fully discussed in the minutes on 8482/25 which laid down that the emoluments should be as follows:-

Salary as Governor 4,5

Duty Allowance 2,000

High Commissioner for Transport

£7,000

The £500, from Transport Funds, counted as salary, was to be drawn during leave.

As regards the empluments of the Colonial Secretary as acting Governor it was decided that

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he substantive salary of the Colonial Secretary has since been raised to £2,200.

12509/25.

they should in future be: -

Substantive salary

1,800

Duty allowance

2,000

Extra allowance as Acting Governor

The extra allowance replaced the usual provision for half the difference of salaries; it was intended to cover the work of the office of High Commissioner for Transport in the absence of the Governor, and to the extent of £250 should be paid from Transport Funds. These decisions were communicated to Sir Edward Grigg in a letter of the 7th July. He strongly objected, and the Secretary of State's despatch, which had already gone, was temporarily cancelled pending further consideration of the matter. As a result of this further consideration it was decided that the Governor's emoluments should be: -

Salary

4,500

Duty allowance 2,500

High Commissioner for Transport

This involved a change in the emoluments of the Acting Governor who would receive an increased Duty Allowance of £2,500, making his total emoluments £5,500 instead of £5,000. The other conditions mentioned above apply to these new arrangements. Sir E.Grigg was still not satisfied, but the Secretary of State refused to

12509/20

go any further, but in the despatch of the 16th July,1925, reporting his revised decisions. he stated that he would be prepared to reconsider these arrangements later if it was found by the Governor and his advisers, after careful trial, to be anadequate to the expenses of the position. In connection, however, with the Estimates for 1926 which were considered shortly after Sir E. Grigg's arrival in Kenya, en increase in the Governor's salary of £500 was moved by Lord Delamere and seconded by Captain Coney and was passed without a division, the only dissenters being two Indian Members who objected to any change being made in the amount approved by the Secretary of State. A resolution to the same effect had been made at the request of the Unofficial Members of the Select Committee. In reporting this the Governor said that the matter being one concerning himself, no comments were of course made by him, & he had included the item in the Estimates for the Secretary of State's consideration and decision. Special attention was drawn to this item in sending on the Estimates, but in the draft reply no reference was made to the increase in the Governor's salary as it was difficult to think of any formula which would not, by implication, reflect on the Governor's silence in Council. It was understood, however, that Mr. Amery wrote to Sir Edward Grigg on the subject. The result is that the Governor's emoluments now are: -

787/26.

Salary 5,000 Duty Allce.2,500

High Cr. for Transport. 1.000 £8.500

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When Acting Governor in 1929, Sir Jacob Barth raised the question of the allowance of £1,000 payable as High Commissioner for Transport which, as stated above, was to be regarded as salary and paid to the Governor when on leave. Sir Jacob Barth pointed out that under the Transport Order in-Council the person holding the office of High Commissioner is the Officer Administering the Government of Kenya, and he argued therefore that he, as Acting Governor, was the High Commissioner, and should therefore draw the allowance. No reply was returned to the despatch, but it was laid down in the minutes that if Sir J. Barth raised the question when he came on leave, he should be told quite definitely that Mr. Amery promised the £1,000 as part of the salary to the Governor and that it would be paid to the Governor. In order to make the position clear, directions were given in connection with the Transport Estimates for 1930. that in future the provision for this allowance of £1,000 in the Transport Estimates should be accompanied by a note showing that the money was payable to the Governor of Kenya.

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