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WIDOWS' AND ORPHANS' PENSION SCHEME

1920
2nd July

Last previous Paper
4/24/953
Kipera

Comments on various points and requests obscure on

And see 15 Dec 1920
June 14
and see
15 Dec 1920

W. D. G. G. G.

66 / matter of J. D. G. G. I believe
are in the communication
See Mr. G. G. G.

The board of the scheme cannot
at present be held. x
and not consider further part
of the report
to be made in 1920/21

and for some approval
at least

Good

APP

Oct 3. 6. 20

EAST AFRICA PROTECTORATE
No 715a.

REC'D
GOVERNMENT HOUSE
NATROSSI.

BRITISH EAST AFRICA

2nd July, 1920.

My Lord,

W/9234

W/9234

I have the honour to acknowledge the receipt of Your Lordship's despatch No. 568 of the 23rd April 1920, on the subject of a Widows' and Orphans' Pension Scheme for European officials serving in East Africa. As directed in paragraph 9 of Your Lordship's despatch, I telegraphed on the 22nd ultimo a condensed expression of the views put forward by members of my Executive Council, with whom I discussed the various proposals set out in the above quoted despatch and its enclosures.

2. The feeling generally voiced in Executive Council was that although the scheme prepared by Mr. Warner is a welcome innovation, yet it does not appear to afford adequate relief in the case of large families, and that an arrangement would be more satisfactory by which the amount of the pension would depend upon the number of persons in receipt of relief.

3.

THE RIGHT HONOURABLE
VISCOUNT MILNER, P.C., G.C.B., G.C.M.G., &c., &c.
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,

3. The suggestion contained in the eighth paragraph of Your Lordship's despatch regarding the re-calculation of the Pension Tables on the basis of 8% compound interest instead of 6% as hitherto was accepted, as also was Your Lordship's proposal with regard to non-pensionable officials of the Uganda Railway.

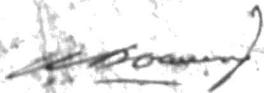
4. Adverting to paragraph 2a of the Pamphlet attached to the despatch under discussion, which lays down that Governors, their Private Secretaries and Aides-de-Camp, are not eligible to be contributors unless they were contributing before they were appointed to any of these positions, members of Council recommended that this ruling should not apply to officers seconded from the Administration. It was further recommended that officers should be allowed to begin to make voluntary contributions under section 5 at any rate. In early days of married life their position in the service and salaries may not permit them to contribute, while later, when their position has improved and salary increased, they may wish to contribute, in proportion to their increased responsibilities.

5. It was also felt by the Executive Council that officers who have attained the age of 49 years since the 1st October 1913 should be allowed to pay a lump sum in respect to any period

period subsequent to October 1916 during which they had not reached that age.

6. With all these recommendations I concurred and I should be grateful for an expression of Your Lordship's views on the various points raised. I now await a copy of the draft legislation to which reference is made in the fourth paragraph of the despatch quoted above.

I have the honour to be,
Your Lordship's
humble, obedient servant,



ACTING GOVERNOR.

Downing Street,

3 August, 1920.

Dear Grigg,

East Africa Widows and Orphans Schemes

As I told you when you telephoned this morning, we have had the inception of this scheme in mind throughout our consideration of the improvement of conditions generally and turned down many points pressed on us locally because of it.

Please look at the table on pages 28-29 of the report of the East Africa Protectorate Civil Service Commission, a copy of which we sent you in our letter of 26th February dealing with the new salaries:-

- Proposal 4. Gratuity in addition to pension
- Proposal 5. Gratuity to relatives in case of death before retirement.
- Proposal 6. Gratuity where death occurs immediately after retirement.

All these proposals were for non-contributory benefits

unlike

like the arrangements under the Superannuation Act

... professional qualifications.

... paragraphs 108 to 113-Provident Fund-(Government
^{This was} listed) considered even more important than Proposals
5 and 6.

All these recommendations were turned down
because the Widows and Orphans Pensions Scheme, which
has been practically completed, would, as we thought,
be the same without raising any awkward questions of
principle.

All the existing Widows and Orphans Schemes
of which I know of are intended to be recast by the
Government, the benefits having been calculated at 6
percent at a time when the ordinary rate was certainly
lower. The West African Scheme is to be recalculated
on a 6 per cent basis and I expect that others will
follow suit. Our Governors have all recommended 6 per
cent.

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cent, and I feel sure that the authorities here would be very reluctant to agree to a 6 per cent basis, which means no Government support until the ordinary rate of interest falls, and when will that be?

The question of providing for the dependents of East African officials has been under consideration for over 10 years. You will see from our letter of 19th June 1909, that we put aside the idea of a Pension Fund on the ground of the instability of such Funds and proposed a scheme of Government-sided insurance (which the Treasury negatived). Thus the idea of Government contribution existed from the outset, and indeed it is inseparable from all the Pension Schemes which have now replaced the old Funds.

To assess the difference in cost to the Governments between 3 per cent and 6 per cent, Tables would be an arduous problem of greater complexity even than the calculation of the Tables themselves; but I think the memorandum enclosed in our letter of 13th May 1920 will serve to show that for many years

at least the extra cost will be purely nominal.
 I sincerely hope that it will not be found necessary to
 insist on this fresh payment of duty in a matter which,
 in the opinion of all East Africa, is many years over
 due. Up to the end of 1917 we were able to tell
 people that our Agency had taken them as the work of
 the statistics collected might be regarded as
 adequate. That is 25 years ago now, and the "hard
 cases" which the Scheme would have met are continually
 being in.

Yours sincerely,

[Handwritten signature]

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