

Print.

EAST AFR. PROT.

C.O.
36690
REV 20 NOV 12

36690

LOAN OF £250,000
EXPENDITURE DURING 1912-3

States estd expire up to 31st March 1913ie
(a) Tika Tramway £58,815, (b) Mombasa Water Supply £49,423
(c) Kilindini Pier £5,000. Total £113,238. £47,000 has
already been drawn. Balance of £66,238 can be met from
balances in hand. Proposes therefore to make no further call
on loan funds for the present.

Mr. R. S. G. Fildes

According to the General account for
1912-13 part of the balance on
1st April last amounted to £298,000.
A certain amount of this was expended
to meet the year's expenditure but
even so a very large sum has been
in view of this I believe that it
is very open to the former's proposal
to make no further call on loan funds
at present. When the Estimates arrive
I shall be in a position to report

Number 742

Date 1912

October

Previous Paper

25616

Subsequent Paper

A. 57679

We shall have to consider the financial
position in all its bearings very carefully.
Copy to Treasury and say that
the Dept concurs in the Gov's proposal
[It will be remembered that provision
for the loan of \$250,000 is included
in Section 16 of the Finance Act 1901,
under which the Treasury has power
to issue ^{of the loan} ~~certificates~~ at such times
as they may deem.]

H.S.B. 27/11

H. J. R.

27/11

It will be sufficient brief ^{Trust}
in the same Vol 2

Alonce P. 28

The Record.

I attach letter to Mr Battenberg (with whom
I have discussed the matter) from Mr Behrens.
I understand that on the receipt of our letter on this
subject Mr Behrens asked whether we were asking
for the sum £6,000 from the loan funds & that
after consulting Sir G. Phipps Mr Battenberg said
that we were not yet able to say whether we should
be able to do so.

Colonial Secretary
Whitehall, S.W.

18th December 1912.

My dear Batterbee,

You will remember our conversations on the telephone with reference to your 36690/12 of the 30th ultimo. The question has now been carefully considered here and the view taken is that we should not regard the assets of the East Africa Protectorate as affected by the temporary application of balances to finance loan services seeing that the amount of the balances so applied could be restored by demand on the Exchequer for an issue under the Finance Act 1911. It follows that we could not take such employment of balances into account in determining what assistance if any would be required by the Protectorate in the ensuing year.

In these circumstances you will probably agree that unless the Protectorate's balances are sufficient to cover all the estimated expenditure, capital and otherwise, for 1913-14 (and I think you said this was not the case)

it

it will be necessary before the 31st March next to ask for an advance under the Finance Act 1911 in respect of the loan services specified in your official letter.

I send you this letter now as you asked for the earliest intimation of our views.

Yours

W. B. Scherer

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GOVERNMENT HOUSE,
NAIROBI,
BRITISH EAST AFRICA.



EAST AFRICA PROTECTORATE

October 22nd 1912.

(No. 742)

C. O.
~~36890~~

NOV 1912

Sir,

14
20034

In reply to your despatch No. 461 of July 30th relating to the instalment of the loan of £250,000 which will be required during the current financial year. I have the honour to report as follows:-

2. It is estimated that the expenditure which will be incurred up to March 31st 1913 on account of the Thika Tramway will be £58,815. on that of the Mombasa Water Supply £49,423 and on that of the Kilindini Pier £5,000 only, owing to the uncertainty which exists as to the exact design to be adopted. These sums amount in the aggregate to £113,238 of which £47,000 has already been drawn, leaving a residue of £66,238 to be provided during the present year.

3. As our balances in hand are amply sufficient to meet the expenditure required during the financial year 1912-13 I would propose

THE RIGHT HONOURABLE
LEWIS HARCOURT, P.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET, LONDON, S.W.

X. No. 20034

(12/13) - (440) - 20

propose to make no further call on loan funds
for the present.

etc
I have the honour to be,

Sir,

Your humble, obedient servant,

Alonso Breyer

GOVERNOR.

will be as follows:-

Thika Tramway .. £58,815.

Marbona Water Supply .. £49,423.

Kilindini Pier .. £5,000.

These sums amount in the aggregate to £113,238, of which £27,000 has already been drawn, leaving a residue of £66,238 to be provided during the present financial year.

Yours etc

H. J. Reed

for the Under Secretary of State

HJR