

P. C. O.

28015

TREAS. - S.D. 2

EAST AFR. PROT.

28015

SUPPLEMENTARY ESTIMATES 2, 3 AND 4 OF 1911-12

Date
1912

Sept.

Colonial Paper

25/64

Submits observations. Sanctions as far as which it is assumed will be modified by the altered circumstances disclosed in F.O. letters of the 9th and 12th August.

(W. Read)

? copy of the letter of 16 July
or 20th or 3rd of this letter to
say for ~~the~~ point his
attention to the criticisms of
the Treasury.

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done.

A. J. R.
10/9

Colonial Paper

28015

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TREASURY CHAMBERS

3rd September, 1912.

Sir,

The Lords Commissioners of His Majesty's Treasury had before them Mr. Read's letter of the 16th July last (20692/1912) and the accompanying copy of correspondence with the Officer Administering the Government of the East Africa Protectorate relative to the Second, Third, and Fourth Supplementary Estimates of expenditure for the financial year 1911-12 and request that the following reply may be laid before Mr. Secretary Harcourt.

At the time these estimates were actually drawn up, there does not seem to have been any certainty that they could be met, and the approved limit of expenditure for the year and such circumstances in their Lordships' opinion should have emphasized the well understood necessity of excluding all items which were not of an urgent and unavoidable character. There is nothing to show, however, that the services for which provision is made, under items 16, 17 and 18 of the Second Estimate, satisfied this condition and their Lordships consider that they should at any rate have been postponed as an alternative to the course proposed by the Governor with regard to item 19.

As regards items 13, 14 and 15 of this same estimate, moreover, my Lords cannot accept the view expressed

expressed in the 3rd paragraph of Mr. Balfour's despatch of 15th May last that increases in Railway earnings beyond the approved amount were justified by a corresponding excess in expenditure. The recent modification of the Regulations under which the net railway earnings only are included in the Protectorate Estimates was intended to apply solely to the original estimates of the year for purposes of calculation under the half-and-half principle, and was not meant to be carried to the extent apparently contemplated by Mr. Balfour.

My Lords note, however, that in point of fact the excess expenditure involved has all been met without excess on the authorised gross expenditure for the year and in these circumstances, while they have thought it necessary to invite the attention of the Secretary of State to the foregoing remarks, they sanction the Supplementary Estimates in question, which they assume will be modified to meet the altered circumstances disclosed in the letter from your Department of the 9th and 12th ultimo (23601 and 24260).

I am, etc.,

(Sd) ROBERT CHALMERS.

STATE OF STATE
COLONIAL OFFICE.

TREASURY CHAMBERS.

In the reply to this Letter the following
number should be quoted.

14543

September 1912.

Sir,

The Lords Commissioners of His Majesty's Treasury having had before Them Mr. Read's letter of the 15th July last (20693/1912) and its accompanying copy of correspondence with the Officer Administering the Government of the East Africa Protectorate relative to the Second, Third, and Fourth Supplementary Estimates of expenditure for the financial year 1911-12 request that the following reply may be laid before Mr. Secretary Harcourt.

At the time these estimates were actually drawn up, there does not seem to have been any certainty that they could be met within the approved limit of expenditure for the year and such circumstances in Their Lordships' opinion should have emphasized the well understood necessity of excluding all items which were not of an urgent and unavoidable character. There is nothing to show, however, that the services for which provision is made, under items 16, 17 and 18 of the Second Estimate, satisfied this condition and Their Lordships consider that they should at any rate have been postponed as an alternative to the course proposed by the Governor with regard to item 19.

As regards items 13, 14 and 15 of this same estimate, moreover, My Lords cannot accept the view expressed in the 5th paragraph of Mr. Bowring's despatch

of 1874 have included a sum of Rs. 1,000,000 in the railway earnings and revenue. This appears to indicate that there was a corresponding excess in expenditure. The second qualification of the Regulations under which the net railway earnings only are included in the Protectorate Estimates was intended to apply solely to the original estimates of the year for purposes of calculation under the half and half principle and was not meant to be carried to the extent apparently contemplated by Sir W.

It is the opinion of the Government, however, that in point of fact the amount of the railway earnings will not be less than Rs. 1,000,000. It has been proposed to meet without increase of taxation the increased expenditure for the year and in these circumstances, while they have thought it necessary to invite the attention of the Secretary of State to the foregoing remarks, They sanction the Supplementary Estimates in question, which they assume will be modified to meet the altered circumstances disclosed in the letters from your Department of the 9th and 12th ultimo (23601 and 24280).

I am, etc

Sir,

Your obedient Servant,

G. P. McLean,

~~DRAFT.~~

(N 593)

MINUTE

Mr. Allen

Mr. Bulley

Sir G. Fiddes

Sir H. Full

Sir J. Anderson

Lord Bennett

Mr. Harcourt

Minister's note is recd. re
receipt of. Guidance N^o 3/6 of
1st of April + joint depn
N^o 14 of the 3rd of April in
the subject of the Supplementary
Statement of accounts for
the financial year 1911-12.

It is transmitted to you, for
your ~~information~~, a copy

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+ 2nd 20015 + 20015