

EAST AFR. PROT.

No. 33091

C. O.  
33091

Recd  
16 SEP 07

Number No.  
356

1907

(Subject)

Estimates 1908-9

- (1) Special estimate
- (2) Accumulated balances

at previous Paper.

In copy of letter for Treasurer asking for  
 ruling on (1) & (2) to send a file note re (2)  
 after discussion with 8/1/07

(Remarks)

Don't know what Mr. Baring means  
 by saying that he understood  
 that there would be a loan forth-  
 coming for Railway construction.  
 But we need not go into this  
 point now and it will be  
 sufficient to send simply an  
 extract from the Treasurer's  
 letter as marked & ask the  
 Treasury to say how they  
 would visit such copies  
 to be obtained.

Received 14 Oct 3 58 AM

at subsequent Paper

35742

11/18/07 et al

33091

131

Governor's Office,  
Re 16 SEP 07  
Nairobi,

August 19th 1907.

EAST AFRICA PROTECTORATE.

No. 750

(Incl. 1)

My Lord,

In submitting a copy of a letter from the Treasurer, I have the honour to request Your Lordship's ruling on the question raised in the first part, namely the method that should be adopted in dealing with next year's estimate as regards the special expenditure referred to.

On the second point, namely the deposit of the accumulated balances, I propose to address Your Lordship later after discussing the matter with the Right Honourable the Under Secretary of State during his approaching visit.

When writing this letter the Treasurer had not seen Your Lordship's ruling contained in a late despatch

regarding

H. V. PRINCIPAL SECRETARY OF STATE

FOR THE COLONIES,

DOWNING STREET,

LONDON, S.W.

regarding the Mombasa water supply.

I have the honour to be,

With the highest respect,

My Lord,

Your Lordship's most obedient,

humble servant,

*Henry Williams*

ENCLOSURE

File No 356 of Aug 19 1907

DUPLICATE. 136

33091

RE The Treasury,

REC 16 SEP 07

Mombasa. 10th August 1907.

GOVT. NO. 105a/80

Sir,

In connection with the estimates for the year 1908-09, I have the honour to bring the following points to your notice, with the request that the necessary instructions may be obtained from the Colonial Office.

A sum of £81177 from balances on hand was sanctioned for expenditure during the current year in addition to the amount calculated on the "half and half" basis, i.e. the expenditure of the previous year plus one half of the estimated increase of Revenue.

The total sanctioned on the Estimates was £781569 and the expenditure for 1908-09 on the "half and half" basis will therefore be £781569 less £81177 plus one half the estimated increase in Revenue. To this may be added any sums revoted, funds for the same being found from balances on hand without the grant-in-aid being affected in any way.

In

HIS EXCELLENCY THE GOVERNOR,

NAIROBI.

In addition to the Expenditure appearing in the estimates there are several items specially sanctioned from balances on hand. These are shown in Appendix C part B to the Estimates.

It is already certain that it will be impossible to spend the full amount thus sanctioned by 31st March 1908, e.g. the new Treasury Offices, which, the Director of Public Works informs me, cannot be completed within less than 20 months from the date of the commencement of the work.

I am uncertain as to how such special "residual expenditure" should be treated in connection with the preparation of next year's Estimates.

There are two alternative courses:-

(1) To estimate how much will be spent by 31st March 1908 and to include the balance as reverted in a similar statement to Appendix C part B.

(2) To append to the estimates a similar statement to Appendix C part B, but treating the specially sanctioned expenditure as a liability, i.e. commencing the statement with the total shown as "balance to be placed at interest" which is shown as £270054, but which actually amounted to £275764, (vide my annual report.)

The first alternative would undoubtedly be the correct one if the special expenditure appeared

in the Estimates, but the Treasury made a special ruling to the effect that it was not to be so included, and I have accordingly the honour to request that the necessary instructions may be given.

The second point to be dealt with is the disposal of the balance of £75764 at present shown as "to be placed at interest".

The original intention appears to have been to keep this sum as the nucleus of a fund for future railway extension. But there is the very practical difficulty of adding to such a fund. The sum originally accrued mainly through unestimated Hut Tax and Railway Revenue and savings on Railway Expenditure, but it does not appear likely that any such contingencies will recur to any appreciable extent. Further, from recent correspondence between the Treasury and the Colonial Office, it appears possible that the requisite capital for future railway construction will be forthcoming, presumably by a special grant or loan.

On the other hand it will not be possible for the ordinary Protectorate Revenues to find funds for the completion of the Nairobi sanitation scheme prepared by Mr. G. B. Williams, which scheme, apart from the expropriation of the Indian banjar, is estimated to cost £115000 of which £12000 only has been sanctioned to date.

Secondly

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Secondly, the completion of the housing of officials cannot be effected for some years to come from general revenues, owing to the fact, which has already been reported home, that we are a long way in arrears as regards providing house and office accommodation.

Thirdly, the Mombasa water supply, which was included in the list of expenditure to be incurred from a loan, is too large an item to include in our Public Works Extraordinary Schedule unless special funds are allowed.

I have accordingly the honour to suggest that you should make some recommendation, well in advance of the Estimates, as to how the £75764 can be expended to the best advantage.

I have the honour to be,

Sir,

Your most obedient Servant,

(SD) G. C. BOWRING.

Treasurer.



Gov. Cap  
33091

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Ans'd 25502

*[Handwritten signature]*

DRAFT

19 September 1907

*The Treasury  
to the Treasury*

MINUTE.

Mr. Scottam 18/9

Mr. Ellis 17/9 18/9/1

Mr. Judd

Mr. Astorbus

Mr. Cox

Mr. Isaacs

Sir F. Hopwood

Mr. Churchill

The Earl of Elyon

I am to be transmitted  
to you to be read before  
the Lord Commissioners of the  
Treasury, the accompanying  
copy of an extract from a  
letter from the Treasurer of  
the East Africa Protectorate  
on the subject of the  
treatment of special indirect  
expenditure in connection  
with the estimate of the East  
Africa Protectorate for 1908-9

Lord Elyon will be glad  
if your Lordships will state  
how

*sent for and stop as usual*

*Copy for Mr. & Mr. [unclear]*