

1911



EAST AFR. PROT.
UGANDA
41423

C O
41423
REC'D
29 DEC 11

508

Treasury

Date.

Currency.

28 Dec.

Last previous Paper.

Ms
40733

Submits further opinion, & will be prepared, if Co. Council be
pleased with the plan. (1) making the Sovereign the standard
Coin of the Foot. (2) authorizing issue of local rupee, which with
existing rupees would circulate on the same legal footing, at
fixed rate of 15 rupees to £1. (3) maintaining fixed rate of exchange
by means of gold reserve. Suggest repeal of previous orders & re-enactment
in order now to be prepared.

Sir G. Fiddes,

I presume that there is no question of our
giving way on the question of the rupee remaining legal
tender to an unlimited amount. I gather from the last
paragraph but one of this letter that the Treasury do not
really expect us to do so. With reference to the last
paragraph, it is clearly desirable that all the existing
Currency Orders should be repealed and re-enacted in any
new Order that may be made.

We have advanced to this point without consult-
ing the Governor, having hitherto relied for the expression
of local official opinion on the presence in this country
of the Chief Secretary and the Collector of Customs. I
do not think that we ought to go any further without
the concurrence of the Governor. I would send him the
whole correspondence (which is in print) including the

recent

Apr 976 + copy + copy + copy - 19 Jan -
both depts. a box to 7.0 -
Apr 976 + copy

recent correspondence with the Treasury, and ask him for any observations which he may have ^{to make} upon the proposals for making the sovereign the standard coin and for instituting a special East Africa rupee. He might with his reply submit a design for the new rupee.

As this will involve further considerable delay (though it is an essential step), we now send the India Office a copy of the correspondence for the confidential information of the Government of India.

2fab.

Jan. 6

alone

Ch. 10. 7

W. 7

41423

Recd
R: 29 DEC 11

41423

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

TREASURY CHAMBERS.

20706
11.



28th December 1911

509

Sir,

The Lords Commissioners of His Majesty's Treasury have had before Them Mr. Fiddes's letter of the 9th ultimo (34176/1911)⁺ with further reference to the currency of the British East Africa and Uganda Protectorates.

In reply, I am directed to request you to inform Mr. Secretary Harcourt that They learn with satisfaction that he concurs generally in the views expressed in the Treasury letter of the 25th August last,⁺ though They note that he is not satisfied as to the desirability of placing a limit to the legal tender of the rupee.

While appreciating the difficulty, and possibly even the undesirability, of bringing the sovereign into general circulation, it does not appear to This Board that the objections apply with anything like the same force to notes based on gold, and including denominations as low as one-third of a pound (5 rupees), and Their Lordships are still of opinion that the experiment might with advantage be tried, if not with a 30 rupee limit, at any rate with a limit of 60 or 75 rupees.

The limit of legal tender is not, however of the essence of Their Lordships' proposals, and They will not press for its immediate adoption, if Mr. Harcourt still raises objection. But They are of opinion that, subject

The Under Secretary of State,
Colonial Office.

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to the necessity of maintaining a sufficiency of rupees for internal circulation, the note issue reserve should, as far as possible be kept in gold, and that, with a view to familiarizing the community with the pound sterling as the money of account and to its ultimate adoption as the unit of exchange, the value of the notes should be shewn upon their faces in pounds as well as rupees, and that the denominations above 15 rupees (one pound) should be two pounds (30 rupees) five pounds (75 rupees), and multiples of five pounds.

On learning that Mr. Harcourt concurs My Lords will give the necessary instructions for a draft Order to be prepared for submission to His Majesty in Council with a view to (1) making the sovereign the standard coin of the Protectorates; (2) authorising the issue of a distinctive local rupee, which, with the rupees of British India and of the late Imperial British East Africa Company, would circulate without limit of legal tender at the fixed rate of fifteen rupees to one sovereign, (3) making the necessary provision with a view to maintaining the fixed rate of exchange, by means of a gold reserve.

As these proposals will involve a considerable amount of change, and as the East Africa and Uganda (Currency) Order in Council 1905 has already been amended by three subsequent Orders, My Lords are of opinion that it would be convenient to take the present opportunity to repeal the previous Orders and re-enact their substance so far as necessary in the Order now to be prepared.

I am,
 Sir,
 Your obedient servant,

John Lubbock

O.D.
L 18 JAN
19

Transmit 4/4/23 } East
Uganda

Ans d 20835
12 Feb



DRAFT. East Conf.
For Sir R. G. ...

19 Jan. 1912.

MINUTE.

- Mr. Parkinson 12/1
- Mr. Butler 12/1 f. 3
- Mr. Fiddes.
- Sir H. Just.
- Sir J. Anderson.
- Lord Emmott.
- Mr. Harcourt.

Sir,

In reply to your conf. dispatch of the 2nd of April last, I have the honor to transmit to you, for your records, a copy of correspondence which has taken place on the subject of the currency of the E. A. Uganda P^{ro}tectorate.

I should be glad to receive any observations which

~~African 976~~
~~20/2/12~~
~~20/2/12~~
~~20/2/12~~

Copy of ...
19 Jan

3/10

which you may have
to ~~submit~~ upon the
proposals put forward
for making the sovereign
the standard coin and
for instituting a special
East African paper.

~~I should be glad to
in replying to this Prop.
you will submit a
professional design for
the new paper.~~

a similar des. to
3. I am addressing the
Gov. of Uganda. ~~on this subject~~
~~at the same time.~~ I have
to request that you will
confer with him before
you replying to this dispatch, that
when you reply you will take the opportunity of
submitting a ^{superior} design for
the new paper. That

Treasury 45423 } Pab
Uganda 512
~~85~~



Supr. Uganda Conf.
Gov. Jackson

19 Jan. 1944.

12/1
12/12/43

I have the honor to transmit
to you, for your consideration, a copy
of correspondence which has
taken place on the subject
of the currency of the E. A.
Uganda Pts.

Acad. 22287

~~African 976~~
~~2/2/44~~
~~2/2/44~~
~~2/2/44~~
~~2/2/44~~
~~2/2/44~~

2. I should be glad to
receive any notes which
you may have to file on
the proposals put forward
for making the sovereign

Copy to India Office by Jan

the

the standard coin and
for instituting a special
East African rupee.

3. Enclose a copy
of a trip. to the Gov. of
the East African subject,
from which you will see
that I have requested him
to confer with you in
the matter.

[Handwritten scribble]

Meeting 4/11/23 } East
Upanda

513



DRAFT.

Dec 11 1923
J.O.

19 Jan. 1924

MINUTE.

- Mr. Parkinson 12/1
- Mr. Butler 12/3
- Mr. Fiddes.
- Sir H. Just.
- Sir J. Anderson.
- Lord Emmott.
- Mr. Harcourt.

Li.
with ref. to the letter from this Dept.
of the 15th of Dec. from the
Governor of East Africa, for the
confidential ref. of the Govt. of
India, three copies of
the correspondence relating
to currency questions in
the East African Provinces
2. It will be seen
that a final decision

*East African 976 Conf. in
3 Copies
2 copies of above (British)
32,176
copy (British) and frank - 24 Dec
120753
2 copies
to Govt. East Africa Conf.
with reference to
3/1/24 to Govt. Uganda Conf.
with reference to*

~~will~~
will

will ^{be} not ^{be} ^{taken} ~~yet~~ ~~been~~

~~reached~~ in the matter

pending the receipt of

the orders of the Govt

of the E.A. Uganda P^{ts} (A)

~~but~~ When a decision

is arrived at, the

Government will be glad

to supply copies of

~~further copies~~