

EAST AFRICA PROT.
UNION OF S. AFRICA

438

59456

CO
59456
By 16 Oct 19

War

Sabage Commission

1919

16 Oct

Last previous Paper.

States Nat Commission was instructed to sell at current market rates gives particulars re sale of condensed milk

WO
56465

W.B. Strenby

As regards the following —

(1) 3725719 was a letter from Col. protesting against action of the Sabage Commission

52815719 was a further reply from Col.

Disclaiming liability for any losses incurred by the Commission

4788619 was a reply from Sabage Commission protesting against its action (with reference to the Commission's purchase of commercial goods) & disclaiming liability for any losses the Commission may have incurred.

War Com: 7 Nov 19
To H. J. Sabage 7 Nov 19
East Africa Prot Union
Copy of above for 308 Conf 26 Mar to Trans 1355/1110

ext subsequent Paper.

M
8096
20

(2) has received from Mr. J. M. ... one reply (based on WO 56465) - 15
a reply to 3725719 - to the effect that

nothing could be done about the
 Prof. Galt must go in waiting
 for salvage stores at their present
 value. ~~the~~ ~~cost~~ ~~of~~ ~~any~~ ~~other~~
 arrangement was desired, (as in
 E. Northey's proposal that Prof. Galt
 take over at a price based on
 cost of material at time of collection
 less 10% p.a. depreciation or 20%
 p.a. according to circumstances)
 we must arrange it with the
 Treasury.

X be was
 - referring
 to
 bundles
 required
 P.C.S.
 etc.

(3) In short the position now is that
 the W.O. maintain that it is does
 not matter in the least how the
 Prof. Galt helped the Military
 Authorities or how much they
 expended their own resources to do so,
 the Salvage Commission must make
 all they can out of them to recoup
 the Treasury here for war expenditure.
 I am on this point - if E.A. is
 pleased of all other than in war exp^{re},
 it will be ungracious to press the
 other point of view, which is however
 equally clear & intelligible.

(4) As to the formation of the Salvage
 Comm. the W.O. note 3752-61-9
 U.S. of. (in U.S.A. bundle herewith)
 that a much more important paper
 is W.O. 63609/17 {Sal
 Mess} on which all
 referred to the Prof. about the

Comm. & its procedure. Fairly we must
consider that the Comm. has let them
down badly & that it has not seen of
the slightest benefit to them & they
now both urge that Prot. share in losses
in ~~the~~ states & should be destroyed
(see the bill of 8 Jan. in 6560917) 439
shall not be accepted.

(5) The last part of the wo. letter is
just so.

As regards last suggested, I do not see that
we can make any final decision
yet in view of X above (para 3) - but
we might now begin to enlighten
the Treasury about Prot. share of
war expenses & we must let the
Prot. Govts. know how things stand.

? (1) said receipt. express request that
wo. feel unable to give favourable
consent to representation of the Prot.
Govts. - & say that the whole ^{concern} ~~question~~
will be referred to the Treasury.

(2) said I enc. a copy of the Cd.
Alga. comm. with Mr. J. M. & W.O.
for comment - & say that I, J. M., consider
the decision of the wo. regrettable in
view of the service of the Prot.
during the war - draw attention
to the Government's recommendation
as to liability for losses through

stoves destroyed - but say that
S.G.S. is willing to allow the
point to remain in abeyance for
the present, if F.H. cannot see
their way to depart from the
W.O. decision, as he proposes
to take up in the course the whole
question of relieving the
Prot. of their share in war expenditure.

(3) send to Col. requests for inf.
confidentially copy of No. 2 and
the enclosures -

Sof. Sept. 6/1919
W.O.S. Africa

acct

23.10.19
I have taken a copy of para. 44
of the letter for action on the Unwar
H. which I will
fill in later.

M. Davis }
L. C. Head }
The only question is
whether we should, instead of
that the general question will be
taken up, that it is now. It will
require research and I had hoped
that we should have better figures
available as to amounts involved,
but it is some pressing owing to
general financial conditions.

I have followed up the letter of the
general question without waiting for
figures.

Sept. 23. 1919.

Pr. G. Fuller

as proposed by Mr. Bottomley?
H. J. R.
25/18

Lord Curzon

These papers contain striking 440
attacks (mostly justified) on the proceedings
of the Salvage Com^{tee} in Egypt. The
Ports of Legation & E.A.P. are the
Complainants & of course the
back to the Com^{tee}.

The point on which I trouble you is
the part of the minute on preceding page
in which I have I agree that if we
can get the 2 Protos. Evoked from a
share in the War Expenditure they can
afford to drop the annoying matter. But
I am sure that we shall succeed without
unless you take it up personally with
your colleagues, and I doubt the
wisdom of a preliminary notice to them
that you are going to take it up. The
best of 2nd of course get together, for
your info, that those figures are
available. P.S. 25.10.

The S.G.S. is in favour of taking up this
question ad hoc & I don't see why the
only we can deal with the total
of the expenditure in general in the
Protocols. The minutes & memorandum
prepared for the Salvage
Dept. please refer to

P.T. 0

My first that G.E.P.,
... should be allowed
... they should not also
... that as regards
... by the Post
... that cannot have
... it is clear from
... 16/10/1919 - quoting
... the Post to have
... as to whether
... as a preliminary
... that
... have not had any

Working in the
... their
... as the
... have not been
... but it is
... with
... of
... the C.C. Mc
... small

led. of pro.

at for fund

* 2

07/20

Atome P. 72

Any further communication on this
should be addressed to

The Secretary
War Office,
London, S.W.

the following number quoted
09/4003. (36...)

C O
59456

442

16 OCT 19
War Office,

London, S.W.

16th October, 1919

I am advised by the Army Council to refer to your letters
... as in regard, addressed to the Ministry of Munitions
... from the Government of India
... the last of the certificate regarding
... in London.

2. With regard to letter of 1st July, 1919, the
... to the Ministry of Munitions in
... in London.

3. The Commission of Enquiry into the
... in India which was appointed
... Office letter 079/4003 dated
... letter 2700 of the 21st July, and
... 03456 of 18th June. The
... would be the best
... in London.

4. The Commission of Enquiry into the
... in India which was appointed
... Office letter 079/4003 dated
... letter 2700 of the 21st July, and
... 03456 of 18th June. The
... would be the best
... in London.

It is suggested that the Government of India
be informed of these claims and
... Office
... 079/4003 dated 24th July 1919.
... 03456 of 18th June 1919.

The Secretary of State,
Colonial Office,
C.O.I.

5. It is to be added that the various matters brought to me
in letters under reply shall be borne in mind when the
subject of the British Empire's Dominions, which is now
being prepared, is considered by the Army Council.

I have the honour to be,

Sir,

Your obedient servant,

D. D. [Signature]

MINISTRY OF MUNITIONS OF WAR,

Whitehall Place,

444

S.W.1.

10th July, 1919.

I am directed by the Minister of Munitions to transmit
to the Colonial Office the information of the Army Council, copy of
which is enclosed, relating to the disposal of surplus
ammunition to the Post Office Protectorate. It will be observed
that the Post Office Protectorate, as a reason
for the shortness of the supply, is not that the
Post Office Protectorate assisted the military authorities when military
ammunition were short, and thereby crippled their own resources.
As this Department is concerned I am to say that the
views expressed to the view which is expressed in the letter
of the Colonial Office of the 24th May, but in view of the reasons
mentioned I am to ask whether the Army Council desire
to make any observations on the matter before a reply is sent
to the Colonial Office.

In connection with the above for convenience of
reference, copy of a telegram dated 21st July, 1918, headed "A"
sent to the War Office to their Salvage Commission.

COPY

445

THE UNDER SECRETARY OF STATE

COLONIAL OFFICE,

LONDON. S. W. 1.

Downing Street.
1st July 1919.

Sir,

With reference to your letter No. D.B.7/81 of the 9th May, I am directed by Viscount Milner to transmit to you, to be laid before the Minister of Munitions, the accompanying copy of a despatch from the Governor of the East Africa Protectorate the subject of the purchase of material by the Protectorate Government for Salvage.

2. This matter is one to which His Lordship attaches much importance and he trusts that the Governor's representations will receive full and sympathetic consideration. But in addition to what Sir Edward Northey states in his despatch His Lordship would observe that the original intention was that the sale of material from Salvage should be conducted primarily for the benefit of the Governments of the East Africa and Uganda Protectorates; and further that as the Protectorate Governments did all that was possible to assist the Military Authorities when military supplies were short, and thereby crippled their own resources, it does not appear equitable that these Governments should now be required to pay high prices (described by the Governor as exorbitantly high) for the replacement of material which they supplied to the Military Authorities in the first instance.

3. A copy of the Governor's telegram of the 5th April is enclosed for reference.

I am, Sir,

Your most obedient servant,

(Sgd) G. GRINDLEY.

To the Secretary,
Ministry of Munitions.

MEMORANDUM concerning THE EAST AFRICA SALVAGE COMMISSION.

1. On the 28th of December 1917 the War Office informed the Colonial Office that it had been decided to set up a Salvage Board in East Africa to deal with the disposal of all surplus and unserviceable stores etc. already available and as they accumulate in that theatre of war.
2. It had been agreed that the value of these stores etc. should be divided between the Imperial and Protectorate Governments in the proportion in which the Common Charges Account should ultimately be divided; hence the Protectorate Governments in East Africa ^{are} financially interested in the disposal of the stores, etc. both as part-owners and as possible purchasers.
3. The War Office suggested that each of the Protectorates concerned should appoint a representative with power to act on its behalf generally in all matters relating to the disposal of stores, etc., including the selection of the stores which the Protectorate Governments were prepared to take and the acceptance of the prices fixed by the Salvage Board.
4. Further it was suggested that should the Board consider it necessary or desirable to destroy any of the stores, etc., the Protectorate Governments should share the resulting loss with the Imperial Government.
5. These suggestions were accepted by the Colonial Office, and the Protectorate Governments in East Africa were informed of the arrangements arrived at. The Protectorate Governments were informed at the same time that the War Office urged that they should purchase the largest possible quantity of surplus stores, etc. having regard to shipping difficulties, and that the War Office would be prepared in the circumstances to agree

to payment being extended over a period of years.

6. Strong protests have ^{recently} been received from the ^{Governor} Governments of the East Africa and Uganda Protectorates in connection with the disposal of stores by the Salvage Commission. Copies of the following communications are attached to this memorandum:-

- From Gov. E.A.P. telegram 5th April, 1919. (21703)
- From Gov. E.A.P. despatch No. 438, 10 May, 1919. (37255)
- From Gov. Uganda. despatch No. 252, 27 June, 1919. (47886)
- From Gov. E.A.P. despatch No. 659, 11 July, 1919. (52815)

Both Governors maintain that the prices asked by the Salvage Commission for stores purchased by the Protectorate Governments are exorbitant; and ^{and it is maintained that} Sir E. Northey ^{in many instances the stores disposed of to the Government are unserviceable} goes so far as to describe them as "profiteer" prices. They consider that the Salvage Commission so far from assisting Protectorate Governments, has been of no material service to them whatever, and they represent that the Protectorate Governments should be relieved of any liability for a share in the losses which the Commission may have incurred.

7. Copies of this correspondence have been forwarded to the Ministry of Munitions, and to the War Office. The War Office maintain that the price to be paid by the Prot. Govts. for salvage stores must be what the stores are now worth without reference to the price at which they were originally acquired; and they have been unable to depart from this view, irrespective of the fact that the Prot. Govts. did all that was possible to assist the Military Authorities in E.A. when military stores were short and thereby crippled their own limited resources.

8. It is submitted that it is not equitable that the Prot. Govts. ^{which} ~~who have no surplus funds at their disposal~~ should be required to pay high prices for the replacement

replacement of material ^{and}
which was supplied by the
Protestants in the first
instance; and that, in any
event, the Protestant
Girls are entitled to replace
through the Salvage Commission
stores ^{etc.} supplied to the
Military Authorities by
these Girls, at a price

DRAFT.

MINUTE.

~~not~~ corresponding to what
their value ~~at the time~~
when they were supplied
to the authorities, ~~at the time~~
The principle of that this
change for finding the
purchased by the
Protestant Girls from the
Salvage Commission
is both fair &
reasonable.

- Mr.
- Mr.
- Mr.
- Mr. Grindie.
- Mr. H. Lambert.
- Mr. H. Road.
- Mr. G. Pidgeon.
- Mr. J. D. ...
- Mr. ...

the present attitude taken
up by the W.S. is
not compatible with the
just demands of the
Port of Call.

Woods & Co
Messrs

Quarta
for payment by the office of the
Secretary of the Treasury

DRAFT.

The enclosed is for the
Secretary of the Treasury

Woods & Co

MINUTE.

- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. Grindle
- Sir H. Lombard
- Sir H. [unclear]
- Sir G. [unclear]
- Col. [unclear]
- Lord [unclear]

3/10/18
P. [unclear]

An official letter is being
sent to the Secretary from
the [unclear] about the
[unclear] Salvage Commission
I should be glad if you
could give it your
personal attention.

The [unclear] of the
La [unclear] Port
has, I consider, a
perfectly legitimate
ground for complaint.

but the War Office will not
or cannot depart from
their present attitude,
unless the Admiralty
~~tell~~ them that they
must

(22) Milner

W of 59456 East
USAJ

21. Aired 135/20

DP FT.

Mr Lee to Mr Treasury

7 Nov 19

MINUTE.

Mr. ~~aced 3/11/8~~

Mr. ~~Bottomley 3.11.19~~

Mr.

Mr. Grindle.

Sir H. Lambert.

Mr. H. Read.

Mr. G. Fields.

Col. Amery.

Lord Milner.

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I have etc. to the Admiralty
to be laid before the
Cm, of the Admiralty
after 2 C. of the Treasury,
the enclosed copy of a
memorandum which he
has had drawn up
on the subject of the
Explosive Salvage
Commission.

Trans 135/20
Copy for East
Conf 25 Mar 20

2/3
means underneath

2. Lord Milner
trusts that the 2 C
will be careful

concern to the matter,
which he regards as
one of much importance
to the Govt of the U.S.
regarding the

2
H.P.R.

21st January, 1930

Dear Bawley,

Lord Milner wrote to the Chancellor of the Exchequer on 7th November last on the subject of the East African Salvage Commission. I enclose a copy of his letter for convenience of reference. Lord Milner would be very glad if he could now have an answer to this letter.

Yours sincerely,

Bawley, Esq.

Handwritten signature/initials

Downing Street,

12 February, 1920.

DRAFT.

A. MILLAR, ESQ.
Treasury Chambers.

MINUTE.

- Mr. Brearley 10.2.
- Mr. Parkinson, 10/1/20
- Mr. Bottley, 10.2.20
- Mr. ...
- Mr. H. Lambert
- + Mr. H. Read, 10.2.
- Mr. G. ...
- Mr. ...
- Mr. ...

Handwritten note: "See Nil Salvage Commission"

Handwritten note: "Treasury off below (in original)"

Handwritten note: "Mr. Pinsent called on you, it is about you. W.O. (63609/17)"

Dear Mr. Millar,

Mr. Pinsent called here recently and left the enclosed draft of a Treas. letter regarding the Salvage Commission in East Africa. I understand that Mr. Pinsent has gone sick, and so I am writing to you on the subject. The matter has been discussed with the Govs. of Uganda and the F.A.P., both on leave in England, and we are ready to accept those proposals for a discount of 10% on the purchases made by them. We think, however, that Tanganyika, Zanzibar and Nyasaland should be allowed to say whether they should not also get a discount.

As regards the question of losses in the working of the Commission being borne by the Prot. Govts (through the Common Charges Account), the following occurs in the W.O. letter to us of the 28th of December 1917 containing proposals for setting up the Commission - "As it has been agreed that the value of these stores etc.

should

26th January, 1920.

Dear Thornton,

I have looked up Lord Milner's letter to the Chancellor of the 7th November on the subject of the East African Salvage Commission. I am very sorry for the delay which has occurred owing to the fact that the back papers were mislaid. I am taking steps to get the matter put before the Chancellor at the earliest possible moment.

Yours sincerely,

R. P. L. Gore

Major H. C. Thornton.