



C. 1.

TAXATION.

1. INDIA OFFICE (P. & J. 5263/36)..... 31.12.36.  
Fwd. copy of letter from Govt. of India, dated 10.12.36,  
with enclosures, and states that it will be seen  
therefrom that the Govt. of India have furnished the  
Govt. of Kenya with the names of two suitable persons  
for the appointment of an Indian Income-Tax adviser.

This is interesting. The Kenya Govt  
has been in direct communication  
with the Govt of India regarding  
the appc. of an Officer (of  
Indian birth) from the Indian  
Income Tax Dept to assist  
the Commissioner of Income Tax  
in Kenya, and the Govt of  
India has recommended two  
individuals. So presumably  
neither we nor the India  
Office need take any further  
steps about the appc.

The India Office has linked up  
the correspondence with No 7  
on 38258/36 correctly.

Now that the Budget has been  
passed and Income Tax accepted  
we should ~~begin~~ take  
steps to select a candidate  
for the post of Commissioner.

The Candidates are

Mr. Surfleet about whom we  
await a reply from Kenya  
(see No 9 on 38258/36)

The 3 Candidates named by  
the Board of Inland Revenue  
on No 13/38258/36

and

Adv. Mr. E.F. Thornton, Chairman  
of Income Tax, N. Rhodesia.  
(See No 1570250/36.)

W. G. Smith  
6/1/37

See a. P. recommended, & Kenya have  
suggested that an officer of the  
Dept. have also be selected for this  
Appt. Mr. Thornton was appointed  
as a clerk in the Secretariat, N. Rhodesia  
- '37 & became a clerk in the  
Income Tax Dept in 1921. Moreover  
while he is stated to be an officer  
of quite exceptional ability, Sir R. Stearns  
reported in 1934 that he would call  
him "a small calibre officer approaching  
to the clerical type". It is therefore clear  
that he is not the type of man  
required for the Kenya post.

Although Kenya have not replied  
to No. 90-36, it has been decided  
that it will be inadvisable to  
send Mr. Sinflet to Kenya again.

This leaves the 3 candidates of  
whom particulars were given in  
No. 13-36. Of these, the one  
placed first in order of choice  
was Mr. Hardy who is serving in  
Elgeyo. The other two are employed

in London. It will probably be desirable  
to see all three of them, & (if Mr. Flood  
agrees) it will probably be well  
convenient to see them at Somerset House  
? Has proposed - 1/37.

J. P. Cross  
1871

[P.S. Mr. Sinflet was in London about  
a fortnight ago & may be up to  
see if we had had a reply from  
Kenya. I had been told we had  
not, but I did not call him and  
it had been decided that it would be  
inadvisable for him to go to Kenya  
again. I had been told the arrangements  
for selecting a candidate for this post  
were in progress until the Dep. Com.  
had adopted the proposal to introduce  
Income Tax. He would not be invited  
to be informed - in due course of the  
result of his application.] ~~Mr. Sinflet~~  
~~Mr. Sinflet~~  
~~Mr. Sinflet~~

The S. ofs. thinks that Mr. Sinflet would not do in  
view of the past. There might be some force in trying a  
man from N. Rhodesia if Kenya is really modelling itself  
on that place. But I doubt that report in view of Kenya's  
companies & so on I rather think a man from here would be  
best. But before we decide

? Consult Kenya by conf. tel. reminding as to our  
enquiry about Mr. Sinflet.

J. P. Cross  
1871

(244 + 25909 E. U.)

Mr. Mackenzie Kennedy is a  
better judge than Sir R. Stearns  
I think.

I would like to see the telegram  
so as to know that Mr. Sinflet is  
out of it.

W.S.P.  
20.1.37 at home

I assume that the proposal is  
to consult Kenya about  
Mr. Thornton as well as about  
Mr. Sinflet. I assume - Iy which  
a mixed up.

J.P. Gorman  
21/1.  
4/2

2. Lolo. Kenya Tel. 14. Conf. comm. - 21st Jan. 37.

3 So I. O. (No. 1 Amst) - 27 JAN 1937

No reply received to (2)

J.P. Gorman  
R. 297  
4.2.37

4. 24 Jan. 1937 - cons. - 4.2.1937

DESTROYED UNDER STATUTE

5. G.A.G. TEL. NO. 29 CONF. 9.2.37. 4  
States that, although the unofficial view is that the  
appointment of an income tax expert is unnecessarily  
expensive, he considers that it is essential and  
requests that an appointment be made on the conditions  
stated. Does not recommend Thornton.

The request that the officer should be  
appointed for 1 term only, on a  
temporary and non-pensionable  
basis will make it more difficult  
to secure the services of an officer  
of the type required. In No 3 on  
38258/36 the Governor suggested  
that the salary should be £1350 -  
pensionable, with the usual  
privileges. We told the Bd of  
Island Revenue accordingly.

It is quite possible that the  
3 candidates whose names have  
been submitted by the Bd of  
Island Revenue would not be  
willing to risk the loss of  
pension rights for 3 years. And  
it is fairly certain that the highest  
would not <sup>accept</sup> the appointment "would be entirely  
unobjectionable" (to him). The nomination  
of N. Rhodesia is ruled out.

There seems nothing for it but to  
inform the Bd of Island Revenue of  
the new proposals, & ask whether  
the 3 candidates still wish to  
be

See No 13  
38258/36

be considered. This will not  
place the ~~the~~ <sup>the</sup> ~~of~~ <sup>of</sup> ~~Salad~~ <sup>Salad</sup> ~~Revenue~~ <sup>Revenue</sup>  
as the candidate in question  
are all due to change their  
stations in this country & the  
Board wishes to settle their  
positions quickly.

C. H. G. Smith  
11/27/37

It is practically certain that  
Kenya will not be able to get  
a man of the kind required  
on these terms. But we must  
consult the B. o. J. R. & I  
submit oft accordingly.

J. J. P. Smith  
11/2

This is particularly annoying. Some  
things are axiomatic, and one of them is that,  
bearing in mind past misadventures, we must go  
particularly slowly in regard to Kenya's Income  
Tax. In 1932-33 they made great capital  
of the appointment of Mr. Surfleet, and  
criticized furiously the "extravagant" terms  
offered to him. It follows then that we  
must not do anything to appoint an officer on  
conditions which would not commend themselves  
to the Unofficial community, and one of the  
things which they appear to insist upon is that  
the post shall be non-pensionable.

Now they cannot possibly get a  
man of the kind they want in Kenya for £1,350.

non

non-pensionable. In any event, Kenya would have to  
assume responsibility for payment of a death gratuity  
in the event of anything happening to the seconded  
officer, and further it is not fair to expect a man  
to drop his hopes of pension for even a couple of  
years, except in return for something quite  
substantial, and £1,350 a year won't supply that. -  
Mr. Surfleet got £1,800, but then he was definitely  
appointed as adviser to Kenya, Uganda, and Tanganyika.  
Kenya's suggestion that there should be a definite  
understanding that if a Commissioner for the whole of  
East Africa is created he would be appointed to the  
post on a permanent salary of £1,500 is not, I think,  
a sufficient attraction. The creation of such a  
post is very uncertain and of course it depends upon  
whether Uganda and Tanganyika follow suit.

This is a particular nuisance as the  
Inland Revenue have been very helpful and have tried  
to get us as good a selection as possible, but I  
think I can only write to Mr. Barrett as per draft  
herewith. The Secretary of State should, I think,  
see the papers in view of the great interest he  
takes in this question. It is impossible to over-  
rate the importance of getting a good man to help  
the Kenya Government on this point.

W.S.

W.S. 12.2

W.S. 12.2  
If we get the expected reply we shall  
have to try to get Kenya to pay a  
heavy contribution during the  
period of seconding

W.S.

W.S. 13.2

13.2

6 To F.A. Barrett - (info. 5) <sup>15/3</sup> cons. 15 FEB 1937  
( inland Res.)

7. M.P. CONOLLY..... 1.3.37.  
Enquires whether any officials will be required from U.K. in connexion with the introduction of Income Tax in Kenya and states that he is well qualified to undertake such work.

Transferred to M.P. Conolly.  
M.P. Conolly.

I understand there have been previous applications which were taken by appointments

? transfer to app't

Jan 2/3/37  
M.P. Conolly

8. F.A. BARRETT (S/O TO MR. FLOOD)..... 8.3.37.  
Encls. copies of letters received from Messrs. Mundy and Jeffery who are willing to accept the post of Adviser and states that Musgrave has withdrawn from the field.

Three candidates, in the order of the Board's choice, were

- Mr Mundy.
- Mr Musgrave
- Mr Jeffery.

See No 13  
352 5/3/36

Mr Musgrave has withdrawn his application.

Mr Mundy is prepared to accept the app't on the terms suggested in No 6, provided he can have leave about midway through the tour.

Mr Jeffery makes two conditions

- That if the post is made permanent, the initial salary <sup>term</sup> in Kenya should count in computing the Colonial pension ultimately payable.

2. That he should be granted the option of reverting to the Home Service at the end of 12 months.

As regards Mr Mundy's point. Except in the case of "leave on urgent private affairs", an Officer is not permitted to take vacation leave until he has completed the minimum tour. The Board might however be prepared at the expiration of 18 months of the tour, to grant Mr Mundy 90 days leave. But it would be necessary for Mr Mundy to pay his own passage on a proportion of it. He could not have 2 free passages in one tour.

Mr Jeffery's first point raises no difficulty. But I can't think that the Governor would agree to the second point.

? Discuss Mr Ward's views on the points raised.

A. R. Mundy  
10/3/37

all these points were raised when Mr Musgrave & Mr Jeffery called here. Mr. Stodd then indicated that Mr Jeffery's two points could be met. As regards Mr Mundy's point, it was explained that

his mother is old & infirm. His  
 coming home half way through  
 his tour wd. Musgrave be in  
 favour of "u.p.".  
 I think the next step is  
 clearly to get Mr. Mundy to come  
 here for a week, & to see what  
 he is like (He is also 1. on the  
 list - v. No. 13 on -/36).

? Reply as in 82.

J.P. Parnell  
 10/3

9 To Barrett (5.10.37) (4/0) + 1 MAR 1937  
 (Int. Rev) Cons.  
 13/4  
 MK

Mr. Mundy, the candidate from Glasgow,  
 called to-day to see Mr. Flood. I was also  
 present. We had previously seen the two  
 candidates who are stationed in London,  
 Mr. Musgrave and Mr. Jeffery. All three  
 candidates created an impression of competence;  
 and from this point of view any one of them  
 would probably be very suitable for Kenya.  
 From the point of view of personality, however,  
 both Mr. Flood and I would place Mr. Musgrave  
 first,

first, with Mr. Mundy as a good second. Mr. Jeffery  
 was not so impressive, but on the other hand not so  
 decidedly inferior as to rule him out.

Mr. Musgrave has now quite definitely withdrawn  
 his candidature so that the choice lies between  
 Mr. Mundy and Mr. Jeffery; and as Mr. Mundy was  
 placed first by Somerset House (see No. 13 on 38258/36);  
 and also seemed to Mr. Flood and me to be superior to  
 Mr. Jeffery on personal grounds; it is I think  
 clear that he should have the offer of the appointment.

In the course of the interview he reverted to the  
 question of his going on leave at the end of eighteen  
 months or so of his tour, and he made it quite clear  
 that he would regard this as an absolute condition of  
 his accepting the appointment. It was explained to  
 him that under the regulations for the grant of leave  
 on urgent private affairs he would only be eligible  
 for a proportionate part of the cost of his passage.  
 He was not, however, prepared to regard this as  
 adequate and said that he would wish to stipulate a  
 full, free, return passage at the end of eighteen  
 months or so of service. Having regard to the very  
 special conditions on which this appointment is being  
 made Mr. Flood told him that this request would be  
 met in the event of his being offered the appointment.  
 It was, however, made clear to him that if, in the  
 course of his tour the appointment were made permanent &  
 pensionable, he would in other respects have to  
 comply with the regulations, for example, he would  
 have to start a fresh tour of three years on his  
 return from leave, and would not be able to come home  
 at the end of <sup>another eighteen months,</sup> ~~another eighteen months,~~  
 if he were going  
 on to serve permanently in Kenya.

if he  
 agreed to stay  
 on.

The Kenya telegram of the 9th February (No. 5)

might

might perhaps be regarded as an agreement that we should now go ahead with this appointment; but in case some unforeseen snag should have arisen in Kenya in the meantime, Mr. Flood thought it would be safer to telegraph on the lines of the draft herewith.

I ought also to mention that Mr. Jeffery has rung up to say that he has a house on a three months tenancy and that unless he gives notice on the 24th of this month, he will be landed with another three months rent to pay. He would, therefore, like to know his fate as soon as possible. In the circumstances, perhaps we should also write to Mr. Barrett as in draft herewith.

J.P. Austin

18.3.37

Mr Mundy is a much better chap than Mr Jeffery. Mr Musgrave was, I think, the best, but he won't go to Kenya on the non-pensionable basis - quite right too. Mr Mundy is quite good: seems capable, has a good many interests. I've tried to find out as much as I can about Kenya, & is a nice chap to talk to.

I think we had better telegraph again, as we don't want to risk trouble.

J.S.W. Kent  
18.3.

W.S. 18.3.37

aw

10 To Gen. Tel. No. 62. Conf. 5 and - 18/3/37  
Cons

11 To F.A. Barrett ————— 19/3/37

12. O.A.G. KENYA..... TEL. No. 58 CONF..... 19.3.37.  
10 and. - Requests appointment be made forthwith and person selected to arrive in Kenya earliest possible date after he has had opportunity for any discussion with Attorney General who arrives in London by air on 2nd April.

I now submit a draft offer of app't to Mr Mundy.

~~Mr Mundy~~ Mr. Fairclough has drawn attention to the fact that, consequent on the enactment of the Superannuation Act 1935 Mr Mundy's post wd. be seriously prejudicial in the event of his having to return on medical grounds during the period of his employment in Kenya, in that he wd. not be granted the full pension for wd. he wd. be eligible if he retired on medical certificate while employed in the Home Service. He wd. either have to wait till he was 60 when draw his full pension, or ~~it~~ might be awarded a reduced pension to commence forthwith, but actuarially equivalent to the full pension starting at 60.

Similarly, if he were to die while employed in Kenya, his estate wd. not be eligible for a gratuity from Home funds.

While it is <sup>not</sup> unreasonable for him to take the risk of his Kenya app't not being made permanent, & of his consequently having to revert to the Home Service (the effect of wd. wd. be that the period of his employment in Kenya wd. not count for the purposes of his Home pension), it wd. clearly be unreasonable to ask him to take the risks mentioned



above. I feel it is quite certain  
that he will not be prepared to  
accept the offer on terms involving  
those risks.

It has therefore been decided  
that Kenya must be prepared to  
make up to him anything that  
he might stand to lose - either  
of the contingencies mentioned. Para 5(b) & (c)  
of the memo have accordingly been  
drafted, with Mr. Smith's  
assistance, to ~~deal~~ meet these  
points.

[When we send the thing out  
to Kenya we shall have to explain  
all this.]

In view of these difficulties I  
is also prepared to ask Kenya to  
reconsider the v. of making this  
part payable forthwith. I submit  
op. tel. accordingly, wh. has been expanded  
after discussion with  
Mr. Ashby & Mr. Flood.

J.P. Cassin  
25/3

See lft. to Treas. hereunder.

Mr. Parkin to see after the  
letter has gone: I assume  
action can be held up (indeed  
I think it must be) until Mr  
Phillips resolves our difficulty

J.P. Cassin  
27/3

Mr. Parkin has discussed this with  
me. We cannot telegraph to  
Kenya until Mr. Phillips agrees,  
but there would be no objection  
to getting off the offer contained  
in the other drafts. We have  
immediately amended para 5(c)  
of the memo.

J.P. Cassin

30.3.37

We can't very well make him repay his passage if he  
resigns. So I have deleted that. Also Kenya can pay  
for his medical exam. I doubt whether a passage agreement  
is necessary either. Sir C. Battersby agrees that the offer can go.

J.P. Cassin  
30.3.

14. To Barnett (B. 9.R.) - Co. — 30.3.37

15. Treasury (Sp.) — 30.3.37

~~(The employment is of a permanent nature)~~  
[If the employment is "appointed employment" the  
offer would be eligible for full pension from Home  
fund if retired for ill health].

In consequence of this letter Mr. Jeffries  
has deleted para 5(c) of the memo. If  
conditions of service, who added a sentence  
to the offer to the S. of S.R.

In the light of this letter we

Transferred to 15A  
P.F. 50961 B.R.

Yes. we can do  
say it is very awkward

oft. be. to Mundy is quite inappropriate  
& it will be sufficient to say so  
something under by Dep. when  
we inform Mundy of the conditions  
on wh. M. Mundy has been engaged  
(i.e. if he accepts).

J.J. Pagan  
30/3.

7000 3/4  
3/4 3/4

M. Mundy to see & bring to the  
notice of whom - or be concerned  
- then matter.

Transferred to  
P.F. 53961 EA.

- 16 To Mundy - (w/ enc. as in draft) - 26/4  
- bono: - 31 MAR 1937 u.f. in 17.
- 17 To B.S.R. - (w/ 16 u.f. and other  
enc. as in draft.) - 31 MAR 1937

18 To Mundy (10.) 1.4.37  
(Draft no 39054/1/37)

J.C. MUNDY APPTD. COMMISSIONER ON INCOME TAX

SEE 53961 EA.

R 80-15

14

Register Sent on:

38064/1/37. ←

J.C. Mundy, appld.  
Commr of Income Tax  
Sup 53961EA

18

1st April, 1937.

Dear Mundy,

An official letter offering you the appointment of Commissioner of Income Tax in Kenya is now on its way to you by way of Somerset House and you ought to receive it shortly.

In that letter we are sending to you, amongst other things, a copy of the Income Tax Bill as published in the Kenya Gazette for introduction into the Legislative Council, and we are asking you whether you could make it convenient to come to London to discuss the Bill with the Attorney-General of Kenya.

I now enclose a copy of a further despatch from Kenya enclosing for your consideration a set of draft Forms for use in connection with the administration of the Ordinance. Since that despatch was sent, we have had a telegram from Kenya saying that it is now proposed to debate the Bill in Council on the 19th of April.

J.C. MUNDY, ESQ.

address -  
H.D. Inspector of Taxes,  
Island Revenue  
250 St. Vincent St.  
Glasgow C. 2.

Harragin

Harragin, the Attorney-General, has now arrived and called here this morning. He told me that the report of the Select Committee had been completed before his departure and that we shall shortly receive an advance copy by air mail. In the meantime, he would very much like to have a talk with you some time before the 12th of April, which would give us a week in which any further amendments of the Bill which you and he thought desirable could be telegraphed out and circulated in Kenya in preparation for the debate. Harragin is staying in Norwich, so that it will take a day or two to arrange a meeting between you and him. It hardly seems possible to arrange a meeting during the early part of next week, particularly as you will no doubt wish to have a day or two to think over the Bill and the Forms. If, therefore, you can manage it the most suitable days would probably be Thursday and Friday, the 8th and 9th. I do not know whether the discussion would, in fact, be likely to take two days, but it would seem prudent at any rate to arrange provisionally to be available on two days if possible.

I am afraid this is all rather a rush for you but in view of the Legislative Council programme we should

be most grateful if you could make it convenient to come up on those days. If they would not be convenient, and if you could manage an earlier meeting, perhaps you will be good enough to let me know by telegram.

Yours sincerely,

J. J. Cassin  
—

be most grateful if you could make it convenient to come up on those days. If they would not be convenient, and if you could manage an earlier meeting, perhaps you will be good enough to let me know by telegram.

Yours sincerely,

*J. J. Cassin*  
—



Telephone No. : WHITEHALL, 1231.

In any reply  
please quote Regd. No.

P/2/51912.



TREASURY CHAMBERS,  
WHITEHALL, S.W.1.



30th March, 1937.

Dear Jeffries,

Your letter to Millar, who is on leave, of the 27th instant (38054/2/37) as to the proposed secondment of an officer to the service of the Government of Kenya on approved employment terms.

If the Treasury recognise the proposed employment as approved employment, and if the officer is subsequently retired from the approved employment for ill health, he will thereupon be eligible for such award in respect of his Home service as he might have received if at the date of transfer he had retired from the Home Civil Service for ill health.

This result follows from section 4 (1) of the Superannuation Act 1914. Section 8 (1) of the Superannuation Act 1935 does not apply. The latter section in terms, and with intention, only applies to retirement at an age lower than the Home Civil Service retiring age; the case of illness is not dealt with, and did not need to be, being already covered.

C. J. Jeffries, Esq., O.B.E.,  
Colonial Office.

14  
30th March, 1947.

Dear Barrett,

At last we are in a position to make a definite offer to Mundy and an official letter is coming along containing the same. I can only apologise for all the trouble that has been caused and express my very sincere appreciation of the help which we have had from you in the job of finding a suitable man. We had to telegraph backwards and forwards to Kenya and they have now agreed to the appointment being made forthwith. We are also arranging for Mundy to have a discussion with the Attorney-General of Kenya who is due to arrive in a few days. There has been a good deal of difficulty in fixing up the precise terms of the offer so as to get it within the four corners of the Superannuation Acts and Local Regulations, but we think we have done it with renewed thanks,

Yours sincerely,

F.A. BARRETT, ESQ., C.B.



38054/2/37 Kenya

15

C. O.

Mr. Fairclough 27/3/37 f.c.

Mr.

Mr.

Sir C. Parkinson.

Sir G. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

Obs. for Mr. Jefferies' sig

27 March, 1937

Dear Mr. Miller,

**DRAFT.**

J. W. H. Miller, Esq.

Treasury

The Gov. of Kenya are anxious that we should obtain an officer from the Inland Revenue for apppt. as Commissioner for Income Tax in that Colony, but the Legislative Council have stipulated that the apppt. should in the first place be temporary and non-pensionable. If at the end of the temporary engagement (from 2 to 8 years) the apppt. is

**FURTHER ACTION.**

(The post will be)  
is continued ~~and~~ made  
pensionable and the period  
of temporary service will  
count for pension.

For the time being the  
app't. will be in the "approved  
employment" category under  
Section 4(2) of the Superannuation  
Act, 1914, and the Board of Indian  
Revenue are being asked to  
obtain Treasury sanction for this.  
The question has arisen, however,  
whether during the Section 8(1)  
of the Superannuation Act, 1935, would  
apply as regards the same  
pension of the officer if he were  
to retire on grounds of ill-health  
before the Kenya app't. were  
made pensionable. On the  
face of it, that Section applies  
only where retirement from  
approved employment takes  
place.

C. O.

Mr.

Mr.

Mr.

Sir C. Parkinson.

Sir C. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Perma. U.S. of S.

Parly. U.S. of S.

Secretary of State.

DRAFT.

FURTHER ACTION.

16  
p'ce on the ground of  
age before attaining the  
age of 60 years, but I  
understand <sup>from Fairclough's</sup> that the your  
Superannuation Division  
are in some doubt whether  
it would not also apply  
in the case of ill-health  
retirement.

I should be grateful if  
you would let me have  
a ruling as soon as  
possible whether if the  
officer retired on ill-health  
from

from Kenya he would be eligible in respect of his home service for the superannuation which would have been granted if he had retired at the date of transfer, or whether he will be eligible for only such superannuation as the Treasury consider to be actuarially equivalent.

Yours sincerely

(s) E. J. Jeffries

RECEIVED  
FOR REGISTRATION  
E 19 MAR 1937  
C. O. REGY

12

38054/2/35

Telegram from the ~~British~~ Administering the Government  
of Kenya to the Secretary of State for the Colonies.

Dated 19th March, 1937. Received 3-18pm 19th March, 1937.

-----

No. 58. Confidential.

-10

Your telegram No. 62 confidential.

Income Tax Commissioner. I should be glad if appointment  
could be made forthwith and person selected arrive in  
the Colony earliest possible date after he has had  
opportunity for any necessary discussion with Attorney  
General who arrives in London by air 2nd April.

C. O.

38054/2/37.

10 11

Mr. Paskin. 18/3

Mr. Flood 18/3

Mr.

Sir C. Parkinson.

Sir G. Tomlinson

Sir C. Bottomley

Sir J. Shuckburgh.

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

For Mr. Flood's signature.

JS

Downing Street,  
19 March, 1937.

Dear Barrett,

I have now seen Mundy and I agree with your view that he is a stronger candidate than Jeffery. I have now telegraphed Kenya asking if they agree to our going ahead with the appointment ~~and~~ and we ought to have their reply in the course of a few days.

2. In the meantime Jeffery has rung up to say that he would very much like to know his fate before the 24th of this month because, if he were appointed, he would wish to give notice to terminate ~~the~~ tenancy of his house. I should, therefore, be glad if you would kindly let him know that it is probable that Mundy will have the first offer of the appointment.

DRAFT.

F.A. BARRETT, ESQ., C.B.,  
BOARD OF INLAND REVENUE.

FURTHER ACTION.

Rec'd to Mr Paskin

Sincerely

C. O.

38054/3/37.

*Coates & Seal*  
*9.0 pm*  
*18.3.37*  
10<sup>19</sup>

Mr. Paskin. 18/3

Mr. Flood 18

Mr.

Mr. Parkinson.

Mr. Tomlinson.

\* Sir C. Bottomley. 18.30 pm  
*62* (5)

Sir J. Shuckburgh.

Perm. U.S. of S.

Parly. U.S. of S.

Secretary of State.

*152* (12)  
*Ans* No. *62*

*(21)*  
19 MAR  
19 "

**DRAFT. TELEGRAM (Code).**

**KENYA.**

**CONFIDENTIAL**

*and most suitable  
applicant has withdrawn  
on that ground.*

Your telegram No. 29 Confidential  
have had some difficulty owing to  
stipulation that appointment should  
in the first place be temporary and  
non-pensionable. Suitable  
candidate, however now willing to  
accept appointment <sup>generally</sup> on terms  
indicated in telegraph as soon as  
possible whether you wish me to pro-  
ceed forthwith with the appointment

38054/2(3).

10

C. O.

Mr. ~~Passin~~ 10/3

Mr. Flood 10/3

Mr.

Sir C. Parkinson

Sir G. Tomlinson

Sir C. Bonamy

Sir J. Shuckburgh.

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

Co. for Mr. Flood's sig

4

Dear Barrett.

11 MAR 1937

Thank you for your letter of the 8<sup>th</sup> of March telling me that Mundy & Jefferys are still in the field for the Kenya appointment on the revised ~~conditions~~ terms.

as regards Jefferys' two points ~~points~~, I can undertake that they wd. both be met.

as regards Mundy's point, the answer is that if he wished to take leave, on grounds wh. wd. normally be accepted as justifying the grant of leave on "urgent private affairs", he wd. certainly be allowed to take it. But he wd. be subject to

MAR 11

DRAFT.

F.A. Barrett Esq. C.B.

B/ J.R.

midway through his tour,

FURTHER ACTION.

the usual rule as regards pay &  
passage allowances, as set out  
in para 26  
on p. 11 of an memorandum  
"Africa No. 973" of wh. a  
copy was sent to you with  
our official letter of the 13<sup>th</sup> 9 Oct.

(5 on -/36)

I see from your letter  
of the 4<sup>th</sup> of Dec. that Mundy was  
placed first in your order of choice,  
& that that <sup>is</sup> the next step in the  
proceedings if we ought to see him.  
I should therefore be grateful if  
you wd. be so good as to arrange  
for him to come here as soon  
as he can conveniently manage it.  
His travelling expenses & ~~costs~~ if  
necessary subsistence allowance for  
one night wd. be met from Kenya  
funds. I liked Musgrave very much and if Mundy  
is as good (you thought him better) he should do Kenya  
very well.

(13 on -/1)

Yours sincerely,

FLOOD



REC  
15 MAR 1937  
C. O. R. [unclear]

8

8th March, 1937.

Dear Flood,

6

The revised terms for Kenya explained in your letter of the 15th February (38054/2/37), have been notified to the candidates, with the result that of the three whose names I gave you on the 4th December, Musgrave has withdrawn. Mundy and Jeffery, however, are still in the field, and I enclose copies of letters received from them.

3) or 38255/3e

7

Yours sincerely,

[Handwritten signature]

J. E. W. Flood, Esq., C.M.G.

Copy

250, St. Vincent Street,  
Glasgow, C.2.  
2nd March, 1937.

A. M. Loach, Esq.,  
Principal Inspector of Taxes,  
East Wing,  
Somerset House,  
London, W.C.2.

Dear Mr. Loach,

In the light of the further information I have received regarding the Kenya appointment, I am now able to accept the new conditions, provided a period of home leave would be granted on request at a convenient time about midway through the term of the tour.

Yours sincerely,

(Sgd) J. C. Mundy.

23

Copy

Mr. Loach,

Kenya Appointment

I should be prepared to accept the Kenya appointment on the revised terms offered by the Government of Kenya, subject to a condition that, should the appointment become a permanent one at the end of the tour, as is anticipated, the initial service in Kenya should count in computing the colonial pension ultimately payable.

Furthermore, it is understood that as the tour is to be on a non-pensionable basis, there will be an option to the officer appointed to return to the United Kingdom and revert to the Home Service at the end of twelve months service in Kenya, should he desire to do so.

(Sgd) N. C. Jeffery.

1st March, 1937.

38004/2/57.

23rd February, 1957.

We have been engaged for some months in trying to find an Income Tax expert for Kenya, the original proposal being that the post should be permanent and pensionable and that an official from Somerset House should be transferred to it at the salary of £1,550. Now, however, the Unofficials have put their spoke in and are demanding that the appointment should be temporary in the first instance, but at the same salary.

Three candidates have been recommended by Somerset House and two of them, who happened to be stationed in London, came to see me about it yesterday. It comes to this, that they have to make up their minds whether it is worth their while to uproot themselves for a temporary appointment at this salary, and to take the chance of its being made permanent. This is not an easy choice for a pensionable official in the Home Service

to have to make, and one of the points on which they would like some information is how far £1,350 a year will go in Nairobi.

Of course, a lot depends on the individual but it also depends on the style in which the person holding the post would be expected to live. This is clearly advice which can only be given by someone who has actually lived in Nairobi, and I took it upon myself to say that I felt sure that you would be willing to let them have the benefit of your experience. This letter is therefore to let you know that you may shortly expect to be rung up by one of these candidates who will probably invite you to lunch, and I should be most grateful if you could assist them.

Their names are F.C. Musgrave and N.C. Jeffery, both of Somerset House.

C. O.

Mr. Paskin. 11/2

Mr. Flood. (12)

Mr.

Sir C. Parkinson.

Sir G. Tomlinson.

Sir C. Bottomley. (2.2.37)

Sir J. Shackburgh. (13/2/37)

Permt. U.S. of S.

Parly. U.S. of S.

x Secretary of State. WJ 13.2.

And (8)

s.o. for Mr. Flood's signature.

15 FEB 1937

Dear Barrett.

I am sorry that it has not yet been possible to go ahead with the arrangements for the selection of an Income Tax expert for Kenya, and I now enclose a copy of a telegram from Kenya which, I am afraid, will involve some more delay. The despatch of the 20th of September, 1932, which is referred to, dealt with the appointment of Surfleet.

What the new proposal comes to is that someone should now be selected to go out, in the first instance, as a temporary adviser on terms generally similar to those on which Surfleet was engaged, but at a salary of £1,350, which would be raised to £1,500 if Tanganyika and

Uganda

**DRAFT.**

F. A. BARRETT, ESQ., C. B.  
BOARD OF INLAND REVENUE.

Tel. 9/4

(No. 5)

(v. No. 13a on 27090/1/32)

**FURTHER ACTION.**

Uganda should also decide to introduce income tax  
*by no means*  
(which, I may mention, is ~~very far from~~ certain).

They do not apparently wish to commit themselves  
at this stage to making the post permanent. This is  
probably not intended as anything more than a  
*attempt to conciliate*  
temporary "act" to the Unofficial Members, because  
(even if Tanganyika and Uganda do not introduce  
Income Tax) I do not see how Kenya itself could get  
on without such a permanent appointment.

I do not know what they mean by the reference to  
a "new simplified measure". You have probably seen  
references in the press to a "compromise" with the  
European Elected Members of the Legislative Council,  
as a result of which the amount to be raised from  
Income Tax has been reduced from £83,500 to £43,500,  
but I should have thought that, even so, they would  
have required much the same kind of Ordinance. It is  
true that there have been vague references to an income  
tax on the lines of that levied in Northern Rhodesia,  
but we had understood these references to relate to the

rates

C. O.

Mr.

Mr.

Mr.

Sir C. Parkinson.

Sir G. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Perm. U.S. of S.

Parly. U.S. of S.

Secretary of State.

DRAFT.

27  
rates rather than the legislation.

Thornton, who is referred to at the  
end of the telegram is Commissioner of  
Income Tax in Northern Rhodesia, who had  
applied for the Kenya appointment.

The question now is whether any of  
*possible*  
your candidates would be prepared to accept  
a temporary appointment on the terms offered.

I assume that the answer will be in the  
negative, even though there are reasonably  
good prospects of the appointment being  
made permanent and pensionable in Kenya at  
£1,350, even if not as an "East African"  
appointment at £1,500.

*Yours sincerely,*

(Signed) J. E. W. FLOOD

FURTHER ACTION.

I hope great care will be taken  
to select some body who has  
had and would qualify

Telegram from the Officer Administering the Government of  
Kenya to the Secretary of State for the Colonies.

*was most difficult task you*  
Dated 9th February, 1937. Received 9.51.a.m. 9th February.

*Should be no bar, and present  
factor should not be taken into*  
No. 10. Confidential. *expensive with 92*

Your telegram No. 17 your telegram No. 28

Confidential. I regret unavoidable delay in reply.  
Unofficial view is that for a new simplified measure appointment  
of income tax expert from home unnecessarily expensive but I  
agree with my official adviser that it is essential to have an  
officer trained in Inland Revenue Department at home. General  
agreement will however be obtained if the officer can be  
appointed initially on agreement for tour of 24 to 36 months  
normal tour being 3 years on temporary and non-pensionable  
basis vide paragraph 2 of your despatch No. 694 of the  
20th September 1932. Salary of £1350 with free quarters  
or allowance in lieu and other usual privileges on definite  
understanding that if a commissioner is required for Eastern  
Africa during the first tour and appointment is offered to him  
at a salary of £1500 he will accept. If the appointment  
subsequently made permanent post would be pensionable.  
Surfleet would be entirely unobjectionable but salary whilst  
Kenya officer alone cannot exceed £1350. Do not recommend  
Thornton.



RECEIVED  
COPY FOR REGISTRATION  
F 9- FEB 1937  
C.O. R

Telegram from the Officer Administering the Government of Kenya to the Secretary of State for the Colonies.

Dated 9th February, 1937. Received 9.51 a.m. 9th February.

No. 39, Confidential.

No. 2

No. 4

Your telegram No. 17 your telegram No. 28

Confidential. I regret unavoidable delay in reply.

Unofficial view is that for a new simplified measure appointment of income tax expert from home unnecessarily expensive but I agree with my official adviser that it is essential to have an officer trained in Inland Revenue Department at home. General agreement will however be obtained if the officer can be appointed initially on agreement for tour of 24 to 36 months normal tour being 3 years on temporary and non-pensionable basis vide paragraph 2 of your despatch No. 694 of the 10th September 1937. Salary of £1350 with free quarters or allowance in lieu and other usual privileges on definite understanding that if a commissioner is required for Eastern Africa during the first tour and appointment is offered to him at a salary of £1500 he will accept. If the appointment subsequently made permanent post would be pensionable. Surfleet would be entirely unobjectionable but salary whilst Kenya officer alone cannot exceed £1350. Do not recommend Thornton.

No. 24 on  
27.9.37

Copy to Blank Les (6)  
R  
Auss (10)

38054/2/37.

CD

C. O.

27 JAN 1937  
CD  
26

Mr. Pann 18/1.

Mr. Flood 19/6

Mr.

Sir C. Parkinson.

Sir G. Tomlinson.

Sir C. Bottomley.

Sir J. Shackburgh.

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

Sir,  
I am in receipt of your letter  
No. P. & J. 5263/36 of the  
31<sup>st</sup> of Dec. regarding the  
appointment of an Indian  
Income-Tax Adviser to the  
Govt. of Kenya. As it is the  
~~opinion~~ <sup>opinion</sup> that arrangements  
for the selection of a  
candidate for this post are  
being made direct between  
the Govt. of India & the  
Govt. of Kenya, it does not  
seem necessary <sup>for</sup> ~~that~~ any  
further action ~~is to be~~  
(7 on -/36) taken on the letter from  
this Dept. of the 9<sup>th</sup> of Oct.

DRAFT.

The U.S. of S.

90.

FURTHER ACTION.

(Signed) J. E. W.

38252/37.

C. O.

Mr. Parnin 2/1  
Mr. ~~Alley~~ 2/1  
Mr. Ford 2/1 atone

And 5

collected sent  
8.0 pm  
21.1.37

22 JAN  
1937

Sir C. Parkinson.  
Sir G. Tomlinson.  
Sir C. Bottomley.  
Sir J. Shackleton.  
Permt. U.S. of S.  
Perly. U.S. of S.  
Secretary of State.

(90-786)

17 conf.

my conf. Tel. No. 269 of 16<sup>th</sup> Nov

I assume you would prefer  
person named not to be  
reappointed. Other well  
qualified candidates <sup>from this country are</sup> prepared  
to accept appointment on  
terms offered. I have also  
received application from  
THORNTON, Commissioner

of Income Tax Northern  
Rhodesia. Present salary  
£920 and understand  
would accept £400 on  
transfer. Very good reports  
but no experience <sup>outside</sup>  
Northern Rhodesia.  
Telegraph whether you  
consider Northern Rhodesian  
experience would be  
especially valuable in Kenya

DRAFT. Fee.

For  
Nairobi

and I think his reappointment  
would be a mistake in  
the first.

(v. 26 on  
25909 E.A.)

FURTHER ACTION.

or whether you would prefer  
me to proceed forthwith with  
selection of candidate for  
Board of Island Revenue. ©

INDIA OFFICE,

WHITEHALL,

LONDON, S.W. 1.

31<sup>st</sup> December, 1936.



RECEIVED  
- 1 JAN 1937  
C. O. REC'D

Any further communication on this subject should be addressed to—

The Under Secretary of State for India,  
Department,  
India Office,  
London, S.W. 1.

P. & J. 5263/aa.

Telephone:—  
Whitehall 8140 TO Ext. No.

Telegram:—  
Retaxandum, London.

Sir,

With reference to your letter No. 38173/2, dated the 9th October, 1936, regarding the appointment of an

Indian Income-tax adviser to the Government of Kenya, I am

From Government of India, dated 10th December, 1936, with enclosures. ) directed to forward for the information

of the Secretary of State for the Colonies copy of the marginally noted papers. It will be seen that the Government of India have furnished the Government of Kenya with the names of two suitable persons for this appointment.

I am, Sir,

Your obedient Servant,

*J. P. Lushall*

The Under Secretary of State,  
Colonial Office,  
S.W.1.

*Annex (3)*

BY AIR MAIL.

C. No. 826-I.T./36.

Government of India  
FINANCE DEPARTMENT (CENTRAL REVENUES)

-----

New Delhi, the 10th December 1936.

From

A.H. Lloyd, Esquire, C.S.I., C.I.E., I.C.S.,  
Joint Secretary to the Government of India,

To

His Majesty's Under Secretary of State for India,  
Public and Judicial Department,  
India Office, London.

Sir,

Foreign service - Income-tax Officer -  
Deputation to Kenya.

With reference to your letter No. P. and J. 4147/36,  
dated the 16th October, 1936, to the Secretary to the  
Government of India, Department of Education Health and  
Lands, I am directed to enclose for information a copy of  
this Department telegram C.No. 826-I.T./36, dated the  
2nd December 1936 to the Colonial Secretary, Kenya,  
together with a copy of his letter No. S/E 20/1/32/11/8,  
dated the 5th October 1936.

I have, etc., etc.,

(Sgd.)

10.12.36.

for Joint Secretary to the Government of India.

K.C.S.  
10/12

AIR MAIL.

C.NO.826-I.T./36.

Word Code

Government of India  
FINANCE DEPARTMENT (CENTRAL REVENUES).

New Delhi, the 2nd December 1936.

T E L E G R A M

From - The Secretary, Finance Department (Central  
revenues), New Delhi,

To - The Colonial Secretary,  
Kenya, Nairobi.

Your letter S/E.20/1/32/II/8, 5th October,  
Deputation of Indian Officers. Five names have been  
suggested, out of these Government of India recommend two  
officers, Mandviwala and Antia. Both have worked as  
Examiners of Accounts for sufficiently long. Know Gujrati  
being their mother tongue and a little Urdu. Mandviwala  
is an Incorporated Accountant London and Antia was deputed  
to Ceylon for 3 years when Income-tax was first introduced  
there. Both accept scale of pay and other terms offered  
in paragraph four of your letter under reply. In addition  
they want second class passages for their families also.  
Mandviwala wants two and Antia two and a half.  
Travelling allowance from Mombasa to Nairobi according  
to the rules of Kenya Government. Antia wants 3 months  
leave on full pay on termination of contract. Both have  
been informed that their leave will be governed by Kenya  
Government Leave Rules. Please see in this connection  
Fundamental Rule 123(a). Government of India leave  
selection to you.

-----

Copy of Air Mail letter No. S/E, 20/1/32/11/8,  
dated the 5th October 1936, from the Colonial Secretary, Kenya,  
to the Joint Secretary to the Government of India, Finance  
Department (Central Revenue) New Delhi.

-----

With reference to correspondence during 1933 on  
the subject of the secondment of an officer from the service  
of the Government of India to this Government for the purpose  
of assisting in the collection of Income Tax in Kenya, I have  
the honour to state that the question of the introduction  
of Income Tax has been reconsidered and that my Government  
proposes to introduce this system of taxation in the Colony  
in 1937.

In the circumstances my Government would be glad to  
receive any assistance which the Government of India may be  
able to accord in the matter of the provision of suitable  
staff for the purpose.

2. It will be remembered that in my telegram of the 13th  
December, 1932, the secondment of an officer was requested  
and that in your letter C.No. 1080-I.T./32 of the 18th  
January, 1933, you were good enough to supply the names and  
particulars of certain officers of the Income Tax Department,  
Bombay, who were willing to accept an offer of secondment.  
Although the matter terminated in my telegram No. 205 of the  
21st June, 1933, when the introduction of Income Tax in this  
Colony was postponed, I have referred to past correspondence  
because it is now desired to repeat the request originally  
made to your Government in my telegram of the 13th December  
1932.

3. It is intended that an experienced officer from  
Somerset House, London, should be appointed forthwith to  
take charge of the Inland Revenue Department in Nairobi.  
It is further desired that, as a subordinate to the Commissioner



of Inland Revenue, there shall be one officer of Indian birth to deal with the collection of Income Tax from Indians in the Colony. The subordinate officer would be required to read and write Gujerati, and preferably Urdu also, and to have had considerable experience of the collection of Income Tax in India. I shall be glad to learn whether such an officer could be selected from amongst the officers in the service of the Government of India for secondment to this Government for two or three years, subject to one year's probation, from early in January 1937.

4. It would seem from past correspondence that there may be suitable officers who would be willing to accept an offer of secondment to Kenya, if they could be spared by the Government of India, on a salary scale of £450 by £25 to £500, provided that any pension contributions were payable by my Government and that free medical treatment and free passages both ways were given to the officer as well as free quarters or a suitable allowance in lieu.

My Government is, however, prepared to be guided by the Government of India as regards the minimum salary and the terms of service which would be necessary to attract a suitable officer.

5. In view of the fact that it is desirable that the post should be filled early next year and that the selection of a suitable candidate may occupy some time, it would be appreciated if you would be so good as to advise me by telegram whether it will be possible for your Government to suggest a candidate for the post and, if so, the most reasonable terms of service which should be offered.

-----