

UNYA

62839

DATE

RE
Feb 19 1921

1921 FEBRUARY 19 1921

SUBJECT

FINANCIAL POSITION

Summarized and concise explanation of.

- Mr. [illegible]
- Mr. [illegible]
- Sir H. Lambert
- Sir H. Read
- Sir [illegible] Smith
- Mr. Wood
- Mr. Churchill

Previous Paper

MINUTES

60330
for 5/2/21

for 5/2/21

Ans 24

(initials)

Mr. [illegible]

This despatch has arrived since my memo on 5/2/21. I have given the first part of this to that memo. My statement of the financial position did not accompany the Report. I do not know the status of course have been forwarded at the time that the status of the [illegible] to him then [illegible]

Subsequent Paper

[illegible]

11th November, 1921

62889
19 21

Sir,

*Yours
5/11/21*

In continuation of my despatch No. 1545 of the 7th instant regarding the Appropriation Bill for 1922, I have the honour to send you the following statement which, I trust you will find, puts the facts and figures touching the Kenya finances for next year more concisely and clearly than my despatch above mentioned which went very fully into details.

2. The year is expected to open with a deficit, after taking into account contingent liabilities, of £600,000. This is due partly to overexpenditure in the year 1919-20 on account of War Bonus, and partly to deficiency of Revenue in the current nine months of 1921. The deficiency of £600,000 is however reduceable by £394,195 payable out of the £5,000,000 to cover Military Expenditure due to the War. The deficiency in Revenue for the current year is, to a large extent, due to overestimation of Income Tax, of which it is doubtful if £100,000 will be realised out of £328,000 estimated. Owing to shortage of rains and lack of employment Native Hut and Poll Tax is likely to be £100,000 short.

3. Though the balancing of the budget for 1922 appeared, at first, to be beyond the bounds of possibility,

THE RIGHT HONOURABLE
WINSTON CHURCHILL, P.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES.

possibility, if the functions of the Government were to be maintained, the achievement was made practicable by the removal of restrictions upon increasing the Customs Duties, enabling the estimated revenue therefrom to be raised by £241,200; by the decision that the local allowance of European Officials should be reduced by half on April 1st 1922, enabling expenditure thereon to be curtailed by £79,700; and by the transferring £22,400 of estimated interest charges to the account of Loan Funds approved by the Government due to the large balance of the account by means of these adjustments and by the reduction of expenditure the estimated revenue and expenditure have been made to coincide.

4. The total estimated Revenue for 1922 is £1,946,376, which is 21% more than the actual collection of the previous year. The increase is to be due chiefly to Customs Duties. The reduction in the estimate of the Revenue is mainly under the heads of Stamp Duties, Estate Duty, Income Tax, Market and Fairs, and Railway Contribution. The revenue of the Colony, which it is hoped that a decrease in unemployment to be brought about by prosecution of Loan Works, and better rainfall, will produce.

b. Of the total estimated expenditure for 1922 £1,899,944

£246,432 is recurrent, and £46,432 is special. Of the special expenditure £7,032 is for payment of instalments due to the Military Salvage for stores and buildings already taken over, and £23,100 is to meet emergent demands, which may arise during the year, for buildings or new roads and bridges. £7,000 is provided for a new School at Kitale, the Headquarters of the Trans-Nzoia, where there are 62 European children with no educational facilities. The necessity for this School has been previously admitted by the Government, and the intention to provide for this out of Loan Funds has been expressed, but such funds are not now available. £22,000 is for Roads in the Northern Frontier District which are necessary for the distribution of food to garrisons. £4,900 is for Telegraph and Telephone extensions and improvements.

6. The estimated recurrent expenditure is £82,778 more than the actual recurrent expenditure for the year 1920-21. The increase is accounted for by the fact that 3 months of the 1920-21 King's African Rifles expenditure, representing some £40,000, was not charged off in the accounts of that year owing to delay in receipt of debits; Pensions have increased by £10,000; medical and Educational recurrent votes were increased in 1921 for work in Native Reserves upon which the increase in Native Hut and Poll Tax was conditional; the Defence Force has added £4,675; the Postal Services were improved and extended by the addition of £84,836 to the Post Office vote in 1921; and £12,000 more is required for Interest.

Compared

Compared with the estimates for 1922, the estimates for 1923 show a decrease in recurrent expenditure of £264,350. Sixty one European appointments have been suspended. It has not been found possible to effect economy by suspending more, as other appointments are either absolutely indispensable, or are at present occupied. The discharge of the holders of occupied posts means, in many cases, payment of leave pay for the greater part of 1922; and additional expenditure, in the way of passages and gratuities on retirement, would therefore be the result of such a course. It is probable that in the course of the year vacancies will occur enabling further economies to be effected in this manner. Other reductions effected cover all the economies which can be immediately foreseen, and are to some extent dependent upon Heads of Departments not being too rigidly bound down by the exact amounts allowed under each subhead of their votes, but it is hoped in the course of the year to discover other means of retrenchment.

7. New appointments and services, not already sanctioned, are confined to the following meagre list:-

- Head VI. Item 14. Typist £150 for the Resident Commissioner's Office, Kisumu.
 - 97a. Muganda Chef for Nairobi £158.
 - 198) Four Non-European clerks for
 - 199) Native Registration £510.
 - 216. 3 Filers for Finger Print Bureau £750.
- These items are balanced by reductions in other grades.
- Head VII. Item 1. Kisumu Newspaper £300.
- Head VII.

Head VII. Item 28.	1 Assistant Treasurer	£500
	• 30) 4 Clerks for Island	
	and 34) Revenue Division.	£786
Head XI. Item 15.	2 Clerks for Judicial	
	Department	£180
Head XIX. Item 22.	Assistant Telegraph	
	Engineer	£500
	• 32. 3 Telegraph Inspectors	£900
Head XXIV. Item 43.	2 clerks for Public Works	
	Department accounts.	£288.

I have the honour to be,

Sir,

Your humble, obedient servant,

Edward Mithoy

GOVERNOR.

10

URGENT.

39/07

EASTERN TELEGRAPH COMPANY, LIMITED.

CENTRAL CABLE STATION.

110, MARK LANE, FINCHBURY PAVEMENT

LONDON

10th Nov 1921

GOVERNMENT

26

hypotheses

be 104 p

macrobe 16th 3 usp

187 nudiped

he est 110 words

URGENT.

THE EASTERN TELEGRAPH COMPANY. (LIMITED)

CENTRAL TELEGRAPH STATION

ELEPHANT HOUSE, FINSBURY SQUARE,

LONDON, E.C.

root 2

GOVERNMENT

Correction

LONDON.

Chapetries

Dason P

Naurobi

dated *16th PW*

487 Rudipes

read *35 down*

consequently
Condouyon *crispated*
upkeep *silwood etc*

W SILWOOD

London Stations.

Telegram from the Governor of Kenya to the Secretary
of State for the Colonies.

12

Dated 16th November

(Received Colonial Office 7.15 a.m. 17th November 1921)

AP7 16th November

Your telegram 9th November no longer with
motor cars have been proved suitable for the country
and consider improbable that one can be found which
will in any way approximate to cheapness, low cost
and upkeep or efficiency of American car. Placing
order resulting in worn out cars in the
in commission consequently increased cost of
new cars if not available early heavy charges for
hire will be incurred. Mechanical transport officer
due for leave could proceed to England to meet
but earnestly request you will approve purchase
of Hodges from local agent who is prepared to supply
without agency charges and at same rate as
can be purchased through Crown Agents of London
purchase and ship 21 Fordas which I understand
in England. former alternative preferable. I
fully importance of encouraging British makers but
I hope you will realise that in this case particular
would mean most certainly waste of money and loss of
efficiency

10/11/21

Message from the Governor of Kenya to the Secretary
of State for the Colonies.

Dated 16th November

(Received Colonial Office 7.10 a.m. 17th November)

57382

13

487 16th November

Your telegram 9th November no British built motor cars have been proved suitable for this country and consider improbable that one can be produced which will in any way approximate to cheapness initial cost and upkeep or efficiency of American cars. Delay in placing order resulting in worn out cars being kept in commission consequently increased cost of upkeep. New cars if not available early heavy charges for hire will be incurred. Mechanical transport officer due for leave could proceed to England by next steamer but earnestly request you will approve either purchase of Dodge from local agent who is prepared to supply without agency charges and at same net price as cars can be purchased through Crown Agents or immediately purchase and ship 21 Fords which I understand assembled in England. Former alternative preferable. Appreciate fully importance of encouraging British builders but I hope you will realise that in this case particularly would mean most certainly waste of money and loss of efficiency

NORTHEY.

TELEGRAM

SEND FROM CHIEF CABLE STATION, ELECTRA HOUSE, VINCENNY PASSAGE
REPLIES SHOULD BE ORDERED



Judicious words should be OFFICIALLY
checked by repeating the program on the
back of form for list of complete stations



7392
11-2.45 p.m.
11-2.55 p.m.

TO: Name: _____

THE NUMBER OF WORDS IN
THIS MESSAGE DIFFERS FROM
THE NUMBER SIGNALLED.
A CORRECTION WILL FOLLOW

DA 104 P NAIROBI 109 16 PW 6VT

CHAPLINS LN -

607 HUBBOP UNTRUSS NO BRITISH BUILT

motor cars have been proved suitable on the road
MORTONATOR PROSELITO YUKRONA AND CONSIDER

improbable that ONE POSTHADYR TOTALISSONS TOLDBAR
UNAGNARIO

approximate initial cost
AMUSRAGE CHEAPNESS CRISPULUS AND UPKEEP OR

The first line of this Telegram contains the following particulars: In the order named: Name of message, time, day, month, year, and number of words.

LIMIT

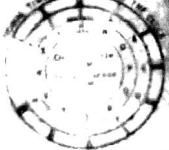
SETTLING

SIGNALLY AVE.

TELEGRAM

POSTED FROM CHIEF CABLE STATION NUMBER SHOULD BE MADE PAYMENT
REPLIES SHOULD BE ORDERED

Via Eastern



Registration No. 243 p.m.
M.L. 10 20 1917

Domestic - This should be OFFICIALLY RECORDED - see this book
No inquiry regarding this Telegram to be accepted in absence of this copy
- in the case of company's Network in London and Copenhagen News

15

15

Chase

BERLEST

AMERICAN

CARS

SILVERGOD

DECUMBENT

PLACING ORDER REVEALABLE TOMTOM CARS

KABASSENDÉ COMMISSION CONDONJON CRISP ALBOR

UPKEEP SILVERGOD NEW CARS ARCHVINE EARLY HEAT

BATORÉM HIRE

SILVERGOD TALLOWDROP

OFFICER

DAY

JE PORDIGIT

*Copy to
Aund 2/20/52*

July

*Sent 7/5/52
M/T*

DRAFT TELEGRAM.

PRIORITY A.

Governor,

NAIROBI.

*regulate.
21st November
contribution*

MINUTE.

Your telegram of 16 November ^{unversed} ~~referred~~ ^{concerned} ~~concerned~~ ^{in respect} ~~in respect~~ ^{concerns} ~~concerns~~ ^{must} ~~must~~ ^{be met} ~~be met~~ ^{as regards} ~~as regards~~ ^{the} ~~the ^{instructions} ~~instructions ^{already} ~~already ^{sent.} ~~sent.~~ ^{It is} ~~It is~~ ^{impossible} ~~impossible ^{for me} ~~for me ^{to} ~~to ^{reply} ~~reply~~ ^{at this} ~~at this ^{stage.} ~~stage.~~~~~~~~~~~~~~~~

Mr. Batterbee.

Mr. *18.11.52*

Mr. *Stromley 18/11*

Mr. Grindle

Sir H. Lambert.

British capital in Kenya is ^{not} ~~is~~ ^{of} ~~of~~ ^{Colonial} ~~Colonial ^{Government} ~~Government ^{interest.} ~~interest.~~~~~~

^{do not} ~~do not~~ ^{give} ~~give~~ ^{all} ~~all ^{orders} ~~orders~~ ^{possible} ~~possible~~ ^{to} ~~to ^{British} ~~British ^{manufacturers.} ~~manufacturers.~~ ^{It is} ~~It is~~ ^{impossible} ~~impossible ^{for me} ~~for me ^{to} ~~to ^{reply} ~~reply~~ ^{at this} ~~at this ^{stage.} ~~stage.~~~~~~~~~~~~~~~~

special Colonial model superior in every way ^{to} ~~to~~ ^{any} ~~any ^{other} ~~other ^{model} ~~model ^{available} ~~available~~ ^{at} ~~at~~ ^{present.} ~~present.~~~~~~~~

to ^{provide} ~~provide~~ ^a ~~a ^{year} ~~year ^{car} ~~car ^{which} ~~which ^{is} ~~is~~ ^{superior} ~~superior ^{to} ~~to~~ ^{any} ~~any ^{other} ~~other ^{model} ~~model ^{available} ~~available ^{at} ~~at~~ ^{present.} ~~present.~~~~~~~~~~~~~~~~~~~~

people supplied ^{with} ~~with~~ ^{the} ~~the ^{order} ~~order ^{you} ~~you ^{have} ~~have ^{placed} ~~placed ^{with} ~~with ^{us} ~~us ^{and} ~~and ^{we} ~~we ^{are} ~~are ^{sure} ~~sure ^{that} ~~that ^{it} ~~it ^{will} ~~will ^{meet} ~~meet ^{your} ~~your ^{requirements.} ~~requirements.~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~

can be guaranteed ^{if} ~~if~~ ^{however} ~~however ^{you} ~~you ^{are} ~~are ^{able} ~~able ^{to} ~~to ^{provide} ~~provide ^{the} ~~the ^{same} ~~same ^{service.} ~~service.~~~~~~~~~~~~~~~~~~

prepared to leave the matter to ^{your} ~~your ^{discretion.} ~~discretion.~~~~

+ Sir H. Kead.
* Mr. Wood
* Mr. Churchill

21.11.52
22.11.52
23.11.52

Concluded deplorably allowing that Mechanical Trans-