

Walter

August 23rd 1920

Place to take up the frame of

the house on the 2nd floor

at the corner of

65th St & 2nd Ave

Walter

Stone

4. 20

25/12/20

Discussion between Colonel Amery, Sir William Mercer, Sir Edward Northey, Mr Hzechial and Mr. Bottomley on the 23rd of February.

Notes.

Sir William Mercer said that it was expected that about 200,000 one rupee notes would be shipped by the boat of the 9th of March, and that after that the manufacturers would be able to turn out 400,000 notes weekly, together with a certain number of 2 rupee notes. Possibly the output would eventually reach 1,000,000 notes per week.

Coins.

Sir William Mercer said the Royal Mint had estimated 12 weeks as the time required for them to make the dies. He was ascertaining whether another die sinker could not do it in a much shorter time, say a month.

Colonel Amery asked whether it would not be possible to obtain

(a) Some of the new debased United Kingdom silver coin. Sir W. Mercer said that the Government had no objection to the issue of such coin, but that the Treasury would agree, to be repaid when it had been withdrawn from circulation.

The report of a shortage of coin for buying Spanish cotton was mentioned. It was agreed that steps should be taken to release for this purpose the stock of silver in the hands of the Currency Commissioners, the existing note issue being

being at once made inconvertible. Coin should be released to the Bank on the express condition that it was issued to cover the local currency. The Bank would pay sterling to the Crown Agents at the rate of 8½ rupees to the £.

The Note Reserve Fund would be replenished from the stock of existing ^{silver} coin if permission to use it could be obtained from the Treasury. Sir W. Mercer undertook to make enquiries as to the possibility of obtaining the coin.

Sir Edward Northey pressed that the word rupee should be dropped entirely and that British names, i.e. florin or two shilling piece, and shilling, should be substituted. It was pointed out that if the word shilling were adopted and not the word florin the decimal notation of the present system of cents would be inappropriate.

Colonel Amery considered that it was not desirable at present to abolish the use of the word rupee altogether pending the possibility of gold and sterling values approximating to one another when it would be possible to bring the local rupee down to 1/4.

Ultimately it was decided to adhere to the terms rupee and half rupee (or rather 50 cents) for the present.

The question was discussed at some length and it was pointed out that as local revenue being paid in rupees was not affected by the change in the rate of exchange, it was possible for the Govt. to give as many rupees as hitherto to its officials to meet local payments of salary. Sir E. Northey pressed that this should be

done

Name of new

Maliland.

done on the ground that at least the official as many rupees for necessary expenses as in the past. The question whether it was necessary to give compensation to the full amount of the difference in the rates of exchange was raised, it being pointed out that those officers who were able to remit money home out of their salaries gained a great advantage through the higher rate of exchange. It was considered that the amount involved was so ^{small} ~~inconsiderable~~ as to make it unnecessary to ^{take up} consider this point.

It was decided that compensation to be given should be styled "special local allowance" and it should be at the rate of 50% of salary in the first instance, subject to modification subsequently. Sir E. Northey undertook to make out a scheme for the purpose.

The question of bringing Somaliland within the scope of the new arrangements was considered in view of the large increase in the grant-in-aid necessary solely in order to meet local expenses. It was pointed out that Indian trade and the importation of food stuffs for local purposes was almost entirely from India and that therefore no real advantage would be gained by lowering the rupee sterling exchange below the Indian rate.

No reply to the telegram asking the Resident to reconsider the position in view of the increase of the Indian rupee to 2/8 had been

received

received the further consideration of this case was deferred.

It was agreed that the position of the Indian community should, if possible, be improved by encouraging local production instead of importation from India, and that a telegram should be sent to the Acting Governor asking him to give consideration to this point, especially as to the cultivation of rice for which, if necessary, Indian Rice Agriculturists could be brought over. It was pointed out that the encouragement of local production would, of course, not relieve the grievances of the merchants engaged in the Indian trade.

Colonel Agery pointed out that it seemed clear that the Union of South Africa were intending to adopt a gold specie and that this would place Nyasaland and Rhodesia in the same position with regard to South Africa as East Africa has been in regard to India and from which we have now had to release it. It would be necessary to consider the legal aspects of this matter and the first instance we should see Sir E. Northey in order to ascertain the views of the Chartered Company in the matter, and that subject to this we should approach the two South African Banks in order to come to some arrangement with them.

Sir E. Northey said that he was drawing up a scheme for the establishment of a Land Bank. He gave particulars of present arrangements for advances: Rate; 10%. Security: mortgages on property up to

Indians in the F.A.P.

Freights.

315
3/31/20 value. Agreement. In call. Total amount, say 2400,000.

As a first step Sir E. Northey agreed to collect information and figures as to private freight and supply them to Sir W. Mercer, who was familiar with the question from the point of view of Govt. cargo but had no information beyond.

Nyasaland.

Land Bank.

Telegram from the Office, ... the Secretary of State for the Colonies. Dated 21st February, 1920.

(Received, Colonial Office, 12.47 p.m. 24th February 1920)

9843
REG 24 FEB 20

No. 92. Priority. February 21st. Currency.

Manager of (?) Bank of Africa has decided forthwith sell on London at 2s/- to 1 rupee and buy at 2/2. Steps are being taken approximate money orders rates accordingly. With regard to exchange with India Bank of Africa contemplate selling sterling drafts at 2/- payable current rates in India when drafts presented. I have deemed it desirable to suspend sale of money orders on India until Bank of Africa procedure definitely settled. Will do all I can ensure success scheme but fear that while not giving satisfaction British settlers it will be deeply resented by Indians who are very incensed already by rise in exchange with India and increased cost of food supplies caused by recent legislation. Also fear that confusion caused by great difference in local and Indian exchange value of existing currency may cause financial disturbance which will seriously react on currency board reserves and Government of Bank deposit account

FORWING

TELEGRAM

ISSUED FROM CHIEF CABLE STATION ELECTRA HOUSE, 100 BOND STREET, LONDON

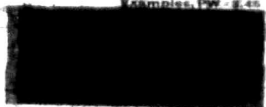
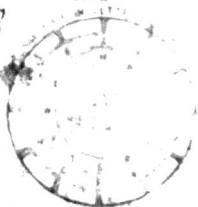
REPLIES SHOULD BE ORDERED

Via London

... we ... OFFICIALLY reported ... Rule Book ...
... should be attended to without prejudice ...

... London ...

Examples ...



near

PLA 123 N NAIROBI 123/120 FEB 21 GOVT

UNRECORDED ...

IN CURRENCY 'FALGONA' ...

RECEPTION ASSEMBLY ...

SELL ON LONDON AT ... TO ...

AND BUY AT ...

APPROXIMATE WORKING RATES ...

INFLUENCED ...

Vertical text on the left margin: This item is a ... telegram ...

38
FILIPINENSIS

CONTINUATION SHEET NO. 2

Chapter 2

^{Vault of U.S. Va}
~~ASSEMBLY~~ CONTEMPLATE ~~SELLING~~ ~~STERLING~~

~~DRAFTS~~ AT ^{2%} ~~SAXORDUM~~ PAYABLE ^{normal rate} ~~RAPEAR~~

^{in India}
~~INCORPORATE~~ WHEN ~~DRAFTS~~ PRESENTED ~~SPENVERGD~~

^{I have} ~~WEDGESTAKE~~ ~~DEENED~~ IT ^{de suitable to} ~~DEPLORER'S~~ ~~SUPERNO~~

^{sale of} ~~ROBINETS~~ ^{money orders} ~~MOORV SH~~ OR ~~INDIA~~ ~~UNTEL~~

^{Vault of U.S. Va}
~~ASSEMBLY~~ ~~PROCEDURE~~ ~~SANDRUXES~~ ~~SPENVERGD~~

^{in India}
~~RECORDED~~ ~~ALL~~ ~~CALANGAY~~ ~~ENSURE~~ ~~SUCCESS~~

~~SENDING~~ BUT ^{has that} ~~RECEIVED~~ ~~WHILE~~ ~~NOT~~ ^{present rate} ~~RELAXIT~~

^{it with the}
~~DRUG SH~~ ~~SETTLERS~~ ~~TOUCHPIECE~~ ~~DEEPLY~~ ~~RESENTED~~

^{we can use}
~~BY~~ ~~INDIANS~~ ~~INSTANNO~~ ~~INCORPORATED~~ ~~ALREADY~~

^{exchange with} ^{normal rate}
~~BY~~ ~~ANANTIA~~ ~~EPIDIOSIS~~ ~~INDIA~~ ~~AND~~ ~~CRISPULOR~~

^{and} FINEBORER ^{is} CARCERLOCK ^{is} RECENT ^{is} MANCHESTER ^{is} SILVERGOD

DESO ^{is} FALCIPHEROS ^{is} COMPULSAP ^{is} GREAT ^{is} DIEBINKER

LOCAL ^{is} AND ^{is} INDIAN ^{is} EXCHANGE ^{is} THIRSTY

EXISTING CURRENCY MAY CAUSE FINANCIAL

^{is} DUBLAND ^{is} TOTALSONS ^{is} SERIOUSLY ^{is} REACT ^{is} ON

CURRENCY BOARD RESERVES AND GOVERNMENT

^{is} ASSURED ^{is} ARGUMENT ^{is} - ^{is} POWRING ^{is}

