with two having " for fulgant 5105 unnecessary to want the donny Estimates - 1911-12 the delivery of dies approves as submitted subject to obosio in Co. hans to stage of his nemorandam of remarks herein may " Const fant Settlement (1) Breened employee (method below of Breenen of be bornend) " fracting of Scroper all the present hopes and W Fred Files. he accordingly approved wellen. I persure hat we of the ader had blaces and wrongle with the Treating now over the outed our which they for her which she attache la meternan y ne Protectorate d a working blance of \$ 30 tu Sufferent more day eccentre in the third line of the 1 per 1 he later will be me

DE THE THE PARTY for Suf- our- Hames at an in Fastilia Wohney Beels Mr Hancount We had better not fight now but I don't like har 3 of Transury latter. Excessive may or may not be uneful to us l'expect the balance at the cul of the gear will be excessing? 10 Stephen

Sir.

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Fiddes' letter of the 27th ultimo (36960/1910) and the enclosed Estimates of Revenue and Expenditure of the East Africa Protectorate for the year 1911-12, accompanied by a memorandum prepared in your Department.

In reply I am to express Their Lordships appreciation of the evident regard to economy with which these Estimates have been prepared and to say that subject to the observations contained in the Golonial Office Memorandum and the remarks subjoined My Lords approve them as submitted.

- 1. As Mr. Secretary Harcourt is aware Their Lordships' final approval of the estimated expenditure on Coast Land settlement must be withheld pending the arrival of the Report for which They have asked on the yield etc., of the fees to be charged.
- My Lords observe that a large number of proposals for increases in personal remuneration are submitted with these Estimates. They would usually prefer that such recommendations should be made separately so that they may receive more adequate consideration, but They realise that

r Secretary of State, mial Office.

reorganisation which Sir P. Girouard Mas effected in several Departments has remered it necessary to raise the salaries of certain officers whose duties or responsibilities The administrative changes have been thereby increased. that have been made moreover tend in the direction of reductions of recurrent expenditure and of allowing further outlay on works etc. designed to promote the Protectorate's development, and My Lords feel therefore, less hemitation than They might otherwise have felt in assenting generally to the various proposals submitted. In so doing, however, They wish to safeguard Themselves from the view that any general rise in the scale of personal emoluments could be justified in this or the other East African Protectorates so long. as they remain in their present position of financial dependence and They will rely on Mr. Harcourt not to use the concessions that are now made as an argument for improving the position of officers in other Protectorates. The only remarks which it occurs to Their Lordships to make on the individual cases are the following: :-

Treasurer's Salary: My Lords can only agree to the proposed increase on the understanding that the new salary is shewn in the Estimates as personal to Mr. Bowring and as liable to revision on the appointment of a Colonial Secretary

Survey Department: Mr. Townsend's salary.

My pords have dealt with this proposal in Their reply/tothe separate communication which was addressed to Them on
the subject.

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Grading of European Clerks

CANAL CALL

This question has also formed the subject of separate correst ondence, and My Lords request that for the present no changes may be effected in existing emoluments.

Working balance

My Lords have carefully considered the arguments urged in the Colonial Office Memorandum in favour of keeping in hand a substantial portion of the Protectorate's balance with a view to meeting temporary requirements. They would point out that a working balance has been in existence for some time in this Protectorate in the form of the Stores Suspense Account and that either an increase of Revenue or deferment of expenditure appears in the past usually to have obviated the inconvenience which Mr. Harcourt apprehends. On the whole, however, My Lords are willing as an experimental measure to adopt his suggestion as regards the ensuing year and to leave the Protectorate a margin as proposed of £30,647 subject to the following conditions vizt :-

- That the balance will, when not required for temporary financing, be placed on deposit and the interest will accrue to the Protectorate.
 - That no part of this sum will be regarded as aveilable for final expenditure and that its expetence will not be used as an argument for advocating supplementary expenditure within the year.

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That if it should appear founds the cuose of the financial year that in consequence of a surplus of Revenue or savings on expenditure the balance has become excessive, the Secretary of State will agree to part of the imperial Grant in Aid being withheld or refunded, and that a reserve shall be furnished to Their Lordships shewing the state of the Protectorate's finances in this respect as early in the financial year as the information is definitely available.

If Mr. Harcourt is able to assent to these conditions My Lords for Their part will cause provision to be made in the Estimate for Colonial Services 1911-12 for a grant of £115,000 in aid of the Revenues of the East Africa Protectorate.

I am, fr

Your obedient Servant,

Marray

Treat Ear of how step have for a gout 12pm W. 18/2 /19 Gronaid DRAFT. Sele from In for m es himates be ner jear ack son Mande Mr. Buken Feb 17 approve d Mr. Read Mr. Read 17 sult on Ted Treasury Mr. Fuel ... F Mr. Cox. Seric, Lucus. slaking & ucharia 10 telle Col. Seely. Mr. Harcourt. 69 serving for constant copy of creation as kina h w facks his off 10 of know the sit form the commences we to she commences we to she commences we shall be supposed to the commences of the comme in charge of Powter desparity fellows by man



The Officer Administering

the Government of The East Africa Protectorate.

Mr. Butlet. 7017 Mr. Read

Mr. Fiddes. 14

Mr. Just.

Mr. Cox.

Sir C. Lucas Sir F. Hopwood.

Col. Seely.

Combon

Luming Street,

2/ February, 1911.

I have the Longue to transhit to

you, for your information and midance, with reference to my despatch No.69 of the 10th

of February, the accompanying copy of corres-+ pondence with the Treasury relating to the

Estimates of the East Africa Protectorate for

the year 1911.12.

I have already informed won in my

Rafimates are approved. It will be

on that commissions this property is given.

in Sir Percy Gircuard's despatch No. 683 of
the 12th of November last were as you are
aware mostly modified in the course of
completion in this country. A copy of the

Betimates as submitted to the Treasury and
the thirty of Mr Pu or the Treasury
for in Durison of was detained in this country
preparation addoctant matter, and he will be

in a position to explain any items the reason

for which me not be educative clear from

the correspondence which has been communi-

cated to you.

4. You will observe that the expendi
anchouse Land Settlement and on Grants
increase the Council polytry is on tanhanted

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sideration of reports which news to a marked

for in separate despatches on these subjects.

You will valso or sorter that the

salary brosed for the Freagurer is to be
shown in the Estimates as personal to reRewring and as liable to revision if at any
interpretation of constant of the hereafter a columnal Secretary is appointed
for the Protectorate. The salary of reTownshend and the scales of salary for the
European Clerks have fersed the subject of
separate correspondence, and despatches will be
addressed to ou on these subjects in due.

furnish me the angular explanation of the alternation proposed in the Estimates as prepared in the Protectorate in the Salary for the Conveyancer employed in the Land Office.

course.

7. The Lords Commissioners of the Treasury have agreed to the proposal that a line of 1000 should be left in the hands.

The reservoir (exemples after provision in the bands).

Le le not required

Morard tenemain from tire by time may be placed on deposit and may carn interest.

which will neered to the Protectorate.

here also to request that you will furnis me an appropriate time with a report upon the

state of the Protectorate's finances as con-

tamblated in the third condition attached by the Preasury to the retention of so large

consequence of a surplus of revenue or of

savings on extenditure the calance in hand

become so entereive that part of it imately he applied to reduction

I have to request

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MINUTE.

Mr. Butler, Feb. 1

Mrkeak

Mr. Fiddes. Mr. Just.

Mr. Cox. Sir C. Lucas.

Sir F. Howwood. Col. Seely.

Marcow for coust

A.G. 861

Sir,

I am directed he Mr Secretary Harcourt

to acknowledge " a caceipt of jour latter to

February/ and to inform

you that excepts the conditions on waich

prepared to approve of the Estimates of the

East Africa Protectorate for the year 1911-42, as submitted in the letter from the office

of the 27th of January, and befored copy of a despatch which has beer

addressed to the Officer Administering the

the Lord Commissioners of the Treasury are

is enclosed for their Lordships information