

EAST AFR. PROT.  
N<sup>o</sup>. 25943

25043  
Rec<sup>d</sup>  
18 JUL 08

Governor, No.  
Order 298

(Subject.)

1908

Allowances to relatives of deceased officers

22 June

Last previous Paper.  
4889

Minute to be sent

(Minutes.)

Mr. Ellis.

We have not yet got the Nyasaland reply, but I annex a precis of the replies of the E.A.P., Uganda, and Bechuanaland. They are in general agreement as to the desirability of requiring officers, <sup>to insure</sup> the Govt. paying part of the premium, but they differ as to details.

Uniformity is desirable in a matter of this kind, and I think that we shall have to fix the details here if the scheme is to be carried out, making some compromise among the various suggestions. Pending final consent of such a scheme, it might be well to invite the opinion of the C.A. on the proposal that arrangements should be made with a single Insurance Office for the insurance of all Govt. officers, who may be required to insure; i.e. all except officers on a purely temporary footing?

30 June 1908  
50 x 2 1/2 x 1 1/4

Next subsequent Paper.

McReed  
This seems to be a matter for the Gen. Staff  
General Staff  
18/7

Reply to S. of S.'s despatch.

6450

Uganda. Agree that officers on app. or promotion should be required to insure. Amount not stated. Govt. should pay not less than half premium. All insurances might be effected with one company. Amount of policy should not be intended solely for W. and O., but might be left by will.

9007

Somaliland. Consider Govt. aided insurance most practicable. Minimum sum should be £1000. Scheme should be obligatory on all officials as far as possible. Govt. should pay half premium, but proportion might decrease as salary increases. Govt. should not assist in payment of premium for insurances in excess of £1000, but minimum of £250 should be fixed. (The desp. does not seem quite consistent.)

2893

E.A. Prot. All new officers to insure for £500. Govt. to pay one quarter of premium. One Insurance Office for all insurances, it being arranged that the certificate of the Medical Adviser would be accepted by the Office. Premiums to be deducted from salary and paid by C.A. Officers already insured for £500 to deposit policies with C.A. Officers already in the service to be allowed to avail themselves of scheme, but amount payable by Govt. not to exceed that in the case of new officers. On officer leaving service, policy to be made over to him and liability of Govt. to cease. Policy should if possible be made free from claims for officer's estate.

Governor's Office,

Mombasa,

June 22nd 1908.

EAST AFRICA PROTECTORATE.

25943

13 JUL 08

No. 299

(Incl. G.)

My Lord,

On receipt of Lord Elgin's despatch No.

596 of the 4th November last I assembled a Board consisting of:-

Mis Honour Judge Hamilton

Mr. Gosling, Post Master General

Mr. Spencer, Assistant District Commissioner.

to ascertain the views of the service on the question of provision for the families of deceased officers, and to formulate proposals for my consideration.

2. A copy of the recommendations of the Board is enclosed together with subsequent minutes, including the Treasurer's minute of the 10th instant.

3. The whole question has been discussed in the Executive Council with the result that I submit the proposals made in Mr. Bowring's minute of the 10th instant for Your Lordship's approval.

4. We fully agree that failing a Widows and Orphans' Fund, which from Lord Elgin's despatch under reply is shown to be impracticable, the

best

Recommendations of  
the Board. Mar. 13, 08.

Minute by Mr. Espie  
April 4th 08.

Minute by Treasurer  
April 10, 08.

Minute by Board  
May 23rd 08.

Minute by  
Treasurer. June 10, 08.

Minute by Ag. Crown  
Advocate. June 20, 08.

H. S. Principal Secretary of State

for the Colonies,

Downing Street,

LONDON, S. W.

17

best plan will be to adopt proposal (c). If this principle is approved by Your Lordship the scheme would be worked on the following lines:-

- (a) Each officer, whether married or single, joining the permanent and pensionable service of the Protectorate after the introduction of the scheme will be required to take out a policy for £500 on his life in favour of the Crown Agents with whom it should be deposited, Government paying one quarter of the premium.
- (b) The Crown Agents should be asked to select one particular office for all such insurances, by which means it is hoped that more favourable terms may be obtained, than if each officer were to insure in any office he liked, and the payment of premiums will be facilitated.
- (c) The Crown Agents to pay all premiums, the amount due by each officer on his policy being deducted locally from his pay.
- (d) The insurance office should agree to accept the certificate of the Medical Advisers to the Colonial Office.
- (e) Officers joining the service already insured should be required to deposit their policies with the Crown Agents, endorsed in favour of the Crown Agents up to the limit of £500. If the policy is for less than £500 the value of the policy to be increased to that amount.
- (f) Officers at present in the service should be allowed to avail themselves of the scheme, the premium payable by Government not to exceed that payable in the case of newly joined officers. The cases

cases of the older officers now in the service who may not be able to avail themselves of the scheme, will have to be dealt with under the existing system of a gratuity to the widow.

(g) On an officer retiring from or otherwise leaving the service the policy should be made over to him under endorsement by the Crown Agents, all further liability of Government for the payment of premiums being determined.

5. The consideration may arise as to whether an officer who insures on joining, and passes through his service and retires as a bachelor should be called upon to make any refund on account of the proportion of his premium paid by the Government. I should be inclined to waive such a demand both because we are making the insurance obligatory and because I anticipate that this system of insurances will have a very good effect in encouraging thrift.

6. If it is possible I should like to see some provision made by which in the case of an officer who dies in debt, the policy is payable to the widow without being subject to claims on account of the deceased officers' death.

7. I attach a minute on the subject by the  
Acting Crown Advocate and should be glad if this  
point can be considered.

I have the honour to be,  
With the highest respect,

My Lord,

Your Lordship's most obedient,  
humble servant,

*W. J. Sullivan*

C O  
25043

Honourable Treasurer,

I do not know how the Committee arrived at the calculation that the Government pays about £800 a year as compassionate allowances to the relatives of deceased officials. The following are the figures:-

Annual Compassionate Allowances to relatives of deceased officials. (Vide Estimates - Pensions).	
	Per annum.
Widow and children of J. W. O'Hara	£31-0-0
Widow of Anrutras Bhosle	£ 2-0-0
Widow of Shabas Khan	£ 2-0-0
Widow of Mamul	£ 3-0-0
Moseeth Dhundli, widow of Biram Datt	£ 2-0-0
	<hr/>
	£40-0-0

Special Grants (non-recurrent).

To Mrs. Bradbridge - Widow of E. Bradbridge - Foreign Office despatch No. 31 of 18th January 1908	£400-0-0
To Mrs. Hall - Widow of F. G. Hall - Foreign Office letter to Crown Agents dated 24th April 1908	£200-0-0
To Mrs. de la Cherois - Widow of ... Colonial Office ... of 22nd November	£200-0-0
To Mrs. Remington - Widow of ... Colonial Office ... despatch No. 206 of 29th April 1908	£100-0-0

Sd/- H. P. Espie

Deputy Treasurer  
4-4-08.

25043

REC'D  
18 JUL 08

Minute with reference to Colonial Office No. 596/07.

Assuming it to be the desire of the Government to render material assistance to the officers in the service in East Africa towards making provision for their wives and families in the event of the officer's death, we beg to offer the following suggestions:-

2. We believe that the most satisfactory form of Government assistance would be to require every officer on joining the service to insure his life, if he has not already done so, and to secure for the insurer better terms in a good office than he would be able to secure as an individual, and also to contribute directly a proportion of his annual premiums and particularly of any increase of premium on his residence in East Africa from a person already insured.

3. The minimum sum for which an officer should be required to insure his life, we would place at £400 and the limit to the payment of the premiums on which the Government would contribute we would place at £1,000, provided that an officer might at any time as he becomes better able to afford it increase the amount for which he was insured up to £1,000 with



Government assistance towards the payment of the premiums.

4. If the Government made special terms with certain Insurance Offices to insure their officers, similar, say, to those made by the Post Office in England with the North British and Mercantile Company, it might further be arranged that one medical examination should answer both for insurance and engagement in the Government service which would save a further £1/1 to the insurer.

5. Taking the average age of a newly joined officer not already insured at 25, and assuming that in accordance with the suggestion of the foregoing paragraph the Government were able to arrange for an inclusive premium of 3% at that age, the annual payment to secure £400 would amount to £12. Of this sum the Government might be asked to contribute 25% for the first 5 years and thereafter 10%. In the case of officers already insured, the majority of whom are paying additional premiums at much higher rates than those mentioned above, we would suggest that the Government in addition to contributing the percentages abovementioned should also pay an extra percentage required from the person insured in respect of residence in East Africa. On this basis we do not consider that the premium as payable by the insurer would press too heavily upon him.

6. The Compassionate Allowances which are now made by the Government amount to a considerable sum yearly whereas the annual contribution of some £810 on premiums of insurance would, on the plan proposed assist not less than 300 officers; for instance

100 officers for £400 each - Government contribution @ 25%	£300
100 officers for £700 " " " contribution @ 10%	210
100 officers for £1000 " " " contribution @ 10%	300
	-----
Total contribution by Government	£810

It would thus appear that for a contribution of about the same sum as is now paid yearly in compassionate allowances to the relatives of one or two deceased officers of the Government would be conferring a great boon on the entire service of not highly paid officials.

7. These figures are only roughly taken but they are sufficiently accurate to indicate the comparatively small sum the Government would be called on to pay to secure a benefit to the whole staff which sum is often now exceeded in relieving the necessities of individuals.

8. There would be considerable difficulty in making any such scheme apply retrospectively to those officers already in the service but we think it should be permissive to them to take advantage of its benefits. There is no doubt but that a considerable number might be induced to do so and it would only be fair to allow the officer who has already providently insured his life to benefit by the receipt of a Government contribution of his annual premiums.

9. It is in conclusion throw out the suggestion whether in view of the large number of marriages among the junior officials it might not be desirable to introduce a rule that every married officer whose wife or children are living with him in East Africa, should, if he has benefited by the receipt of Government contributions towards his insurance premiums, be required to keep on deposit with the National Bank of India a sum of £50, sufficient in the case of emergency to pay for the passage of his widow to England. This sum would be earning interest @ 3½ % for the

benefit of the depositor and should be returnable to him on his taking his wife with him from the country on leave, transfer, or retirement.

13-3-08.

Sd. R. V. Hamilton.

13-3-08.

Sd. J. Gosling.

Sd. C. E. Spencer.

Copy.

INCLOSURE No. 2  
In Despatch No. 194 of 1904 dated 19.08.08

C.O.  
25943  
13 JUL 08

MINUTE.

- The Committee appears to have been misinformed as regards the sum paid annually for compassionate allowances.
2. The recurrent sum viz £40 of which only £30 is to the widow and children of a European officer.
  3. Further in 13 years a total of £300 has been paid as special compassionate grant of the nature referred to in paragraph 3 (d) of the Colonial Office despatch.
  4. Under these circumstances I do not consider the proposals of the Committee to be feasible.
  5. Apparently the widow and Orphans Fund system has not proved a success in the Colonies and the Colonial Office do not see their way to ensuring officers' lives themselves.
  6. State-aided insurance would be a heavy tax on the Government and there then remains the existing system viz: special grants in special cases.
  7. On the whole I consider that the last mentioned system is best suited to the conditions of service in East Africa.
  8. In view of the fact that the Government invariably provide quarters for an officer's wife and in many cases also for other members of his family, I consider the suggestion of the Committee that all married men should be required to deposit £50 for his widow's passage home an excellent one, and that it would be

no

no harshness on the Officer. I consider further that this system could fairly be extended so as to insure a sufficient deposit for all members of his family who may be living with him in Africa.

Sd/- C.C. Bowring

10.4.08.

Further Minute with reference to Colonial  
Office No. 596/QZ.

25943

Recd  
Per 18 JUL 08

Our figures are in excess of the amount of compassionate allowances paid in the past, but we beg to point out that the Treasury figures are based on a much smaller staff than now exists. We further point out that the Treasury returns in respect of past payments for compassionate allowances must in any case be a very unreliable indication as to what the future expenses will be. The statistics refer to the first 13 years of a new service in an undeveloped country, where the majority of the Officials entered as young unmarried men. With the improving standard of comfort, and the increasing age of the staff, the proportion of married Officials will doubtless become greater. Moreover, failing some alternative scheme, a more liberal policy in respect of compassionate allowances is obviously contemplated vide para 7 of the Colonial Office despatch.

In these circumstances, and having regard to the fact that our figures provide for an increased staff and that the full charge would not be incurred for several years, we do not think that our estimate is an extravagant one.

In any case, however, it seems to us that a comparison of the amounts which would be payable by Government under a system of State Aided Insurance with those granted under the past system of compassionate allowances has only

2.

a limited application to the present question. The Colonial Office has expressed its readiness to assist in an insurance scheme, vide the 6th paragraph of the Colonial Office despatch -- in fact this is the main suggestion of the despatch. We have made proposals with a view to the Colonial Office offer of assistance being accepted, and we venture to think that, in the circumstances, any financial objection might be left with the Home Authorities; we observe that the Honourable the Treasurer gives no reasons for stating that the scheme is not feasible.

4. We regard a system of compassionate allowances as demoralising in its effects and necessarily unfair in its operation. Whilst admitting that a fair proportion of deserving Officers have perforce to live and die in circumstances which do not permit of their making provision for their wives and families there are undoubtedly others, to whom the system is the reverse of an incentive to thrift. Further if, as we understand, the amount of the allowances is regulated inversely according to the deceased husband's provision for his widow (the widow who is left with a little receiving less than the widow who has nothing) it amounts, in theory at least, to an encouragement to leave ones dependants to the care of the State.

5. We consider that the ideal system for a service of this sort would be one under which the widow received a proportion of the pension earned by her husband annually. A somewhat similar system is adopted in the German Colony

near

near by where the widow receives two-fifths of the pension earned by her husband, with certain provision for children. But such a system would be far more costly and we therefore advocate State Aided Insurance as the next best thing. Under such a system the widow would at least receive something to which she was entitled. It is not conducive to self respect to have to beg, even though the appeal be made to a Government which has been saved pension charges by the early decease of the husband.

Sd. W.W. Hamilton

Sd. J. Gosling

23.5.08

Sd. C.L. Spencer

31.5.08.

I dissent from para 4 and from the last portion of para 5. To my mind there is nothing derogatory in an application to Government on the part of a deceased Official's dependants for assistance.

2. In the event of our proposals not meeting with approval or realisation, I would deprecate the abolition of the system of compassionate allowances, and would suggest rather that the system be regularised, thus transforming what is now more or less of a privilege into a right.

Shimoni

31st May 1908.)

Sd. C.L. Spencer



(15)

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In Despatch No. 29 of 22<sup>nd</sup> June 1908

C. O.  
25943  
Recd  
18 JUL 08

Your Excellency,

As requested by you verbally I have the honour to make a further note on the recommendations of the Board appointed by Your Excellency and the question of provision for the families of deceased officers generally.

2. The Colonial Office despatch No. 596 of 4th November last four alternative forms of such provision are quoted, viz:

- (a) A widow and orphans fund maintained in part by contributions from the officials.
- (b) Direct insurance with the Government.
- (c) Insurance by the officer aided by the Government.
- (d) Certain minor expedients such as special compassionate grants.

3. Alternatives (a) and (b) are fully discussed in the C.O. Despatch and the Secretary of State does not see his way to approve of them. We are, therefore left with alternatives (c) and (d) and the Board recommend the adoption of (c).

4. The scheme proposed by the Board would not be a very expensive one but though a contribution of 25% to the cost of the premia would be a very material assistance to the person insured, the 10% contribution suggested after the first five years would make but little difference to him.

5. If any scheme of insurance is to be introduced I think, the Government contribution should

should be uniform throughout the officer's service. Of course, the amount of the policy in each case for which the Government would pay the contribution would have to be limited to say £500/-.

6. Taking the staff at 300 and assuming all to be insured for £500/- each at a 3% rate of premium, the Government contribution would, on a 20% basis, amount to £1,125/- -- not a very heavy contribution, though of course considerably more than is paid at present. The Government would be paying £3-15-0 per annum for each officer or s.15/- per £100/- insured.

7. Certain precautions would have to be taken. The policies would have to be made in favour of the Government and the whole of the premia in the first instance paid by the Government,  $\frac{1}{2}$  of the amount being deducted from the officer's pay.

8. The system could be applied at once to newly appointed officers. In their case their ordinary compulsory medical examinations might be accepted by the insurance company.

9. In the case of those already in the service, they should be given the option of insuring themselves (unless already insured), the Government undertaking to contribute the same amount as if they had originally entered the service under the scheme, viz. on the figures quoted in para (6) at the rate of s.15/- per £100. Similarly with those already insured, the Government should take over the responsibility of a portion of the premia at s.15/- per £100/-.

10. Those already in the service who do not join the scheme would have to be dealt with under

alternative (d) for it would be manifestly unfair to insist on an officer who had spent many years in a tropical climate insuring his life at possibly a very high premium.

11. In stating that I did not consider the scheme propounded by the Board feasible, I was under the impression that they intended to convey in para 6 of their minute, that the scheme would cost the Government no more than is at present paid annually and that this condition was an essential part of their proposals. Of course, the scheme would be perfectly feasible provided the C.O. approves and the Treasury will vote the necessary funds.

(Sgd.) G. C. Bowring

Treasurer

10. 6. 06.

INCLOSURE No. 6....  
Despatch No. 299 of 18 June 1905

CO  
25043

Recd  
18 June 06

Minute.

As regards married people by Section 11 of the Married Woman's Property Act 1882 a trust would be created in favour of the wife and children to the exclusion of creditors.

As regards bachelors in the event of marriage a settlement of the policy could be made in favour of the wife and children which would exclude creditors. But in the event of a man not marrying he could assign I think his right in the policy to Government, but I think this latter point is for the consideration of the Colonial Office and the Insurance Company as the latter may have some form applicable to the case.

Sd/- H.A. YOUNG

20-6-06.