

EAST AFR. PROT.
 No. 37577

37577
 15 OCT 08

No. 475
 1908
 Sept 22
 previous Paper
 26952

(Subject.)

Proposal of local Govt. Balances.

In memo by Treas. re - I recommend adoption of suggestion that notes be arranged between the Cops of the Rail Board & India

(Minutes.)

Mr. Barclay
 This should be brought before the Finance Com. with the other questions regarding the Railway Provident Fund

Mr. Reid

I suggest that copies of the following papers should be circulated to the Committee

Desp on 25952, 37577 with enc. and note herewith re Railway Provident Fund balances.

CEO 30 08

at mee
 N.Y.R.
 31/8

Copy Com. C.A. 12. 11. 1908
 Copy Com. Treas. 15. 10. 1908
 25. 10. 1908
 344/09

~~Mr. Cox~~
Mr. Read

This matter comes before the Finance
Committee to-day

The Committee were of opinion that,
as a preliminary to the discussion of
the matter between the Crown Agent
and the Bank, returns of the Government
balances and of the number and aggregate
amount of the cheques drawn and the
paying in transactions should be asked for
for the month of month or week of week,
whichever may well best show the volume
of the business.

Edw. M. L.

J.B.

11/11

at once

H.J.

11/11

Governor's Office,

Nairobi,

EAST AFRICA PROTECTORATE

September 22nd 1906.

No. 475

(Incl. 1)

37577

15 OCT 08

My Lord,

In reply to Your Lordship's despatch No. 374 of August 10th, I have the honour to transmit herewith a Memorandum by the Treasurer with reference to the information called for.

Under the circumstances I have the honour to recommend the adoption of Mr. Bowring's suggestion that the matter be arranged between the Crown Agents and the National Bank of India.

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

My Lord,

Your Lordship's most obedient,
humble servant,



H.M. PRINCIPAL SECRETARY OF STATE

FOR THE COLONIES,

DOWNING STREET,

LONDON, S.W.

For
25952
Treasurer
Sept. 21st

In Despatch No. 418 of Sept 22 1906

MEMORANDUM.

37577

Recd

15 OCT 08

I have again been in communication with the Manager of the Mombasa Branch of the Bank and he informs me that the Bank's rate for the accommodation to the Public varies from 5% to 8% according to circumstances. He further informs me that it is quite impossible for him to make even a rough estimate of the amount which might be employed in affording accommodation in the Protectorate as every thing is more or less in an experimental stage and there are no settled industries in the country.

Our object of allowing certain balances to accrue in the Protectorate with the Bank without interest is to enable the Bank to keep a reserve of cash in hand which would be available in times of emergency though this necessity would be partially obviated if the Currency Commissioners were allowed to temporarily deplete their cash reserve. Further owing to the few Government drafts now-a-days negotiated by the Bank - which is essentially an exchange Bank - the Bank obtains but little profit from the Government account. The Manager considers that the adoption of some such proposal as suggested would be no more than adequate remuneration for keeping the Protectorate account.

As the local Bank Manager cannot enter into any agreement without the consent of the London Office and as the Colonial Office do not see their way to approve of your original recommendations conveyed in your despatch No. 419 of 4th October 1907, I would suggest that the whole matter be arranged in London through the medium of the Crown Agents who would draw up a fresh agreement with the Bank.

I

37577/07

26952
I do not consider the proposals in my letter No. 105/04
of 16th June 1908, paragraph 6, would commend themselves
to the Bank authorities but it was the only alternative
I would suggest to that contained in my previous letter
3763
No. 58/97 of 25th September 1907.

Mombasa,

Sd/- C.C. BOWRING.

Treasurer.

September 21st 1908.

37577 CAP

322

~~CAP~~

~~107~~
107

DRAFT

CAP no 576
Gen. Sadler

13 Nov 08

Sir,
I have the honor
to ack the recd of your
desp. no. 475 of the
22nd of Sept. with
reference to the disposal
of local bank balances
in the Port, and to
inform you that I
approve of the proposal
that the Crown Agents
for the Colonies should
negotiate with the head
office of the National
Bank of India in
regard to the terms on
which the balances
should be held by them
and the local accounts
kept by them.

MINUTE.

- Mr. Daulton
- Mr. Reed
- Mr. J. J. [unclear]
- Mr. Anstobus
- Mr. Eor
- Sir C. Lucas
- Sir F. Hopwood
- Col. Saely
- The Earl of Cowley

Approved

City CA. 12 Hill 7344
by Treas 15 Feb 10 25 34/10