

EST. SER. PROJ.
No. 19307

19307
REC REG 30 JUN 06

No. 225

(Subject.)

1906

Estimates 1906-7

May

at previous Paper

709 1/2

has reduced, as instructed, Public Works Sale
proposed to effect the reduction and its result on various
works, with observations thereon and on difficulty of meeting
necessary requirements as to limits of expenditure
to put matters straight Acts to be allowed to proceed
home to explain on that CO and Treasury Official should
agree to questions

(Minutes)

McRead
The immediate proposal of
the Commr is that, in view
of the fact that the grant in aid
mentioned (£164,000) will
begin to increase of the balance
on hand on 31st March 1906, as
compared with the original estimate,
and to the reductions on Public
Works on which we have insisted,
to make them sufficient, by
£27092, to defray the expenditure
of the Public Works for the

only to be used for 2 years
No. 462 5th Sept 06
And tel 25 Aug 06
No. 539 20 Aug 06

at previous Paper
2300
135 249 (9th Dec)
1315
30870

current year, he should be
allowed to expend the £17,849
which he has been directed to
cut out of the Public Works
Estimates for administrative
the requirements of the Treasury),
and also a further sum of
£3600 on housing, medical
of the staff appointed to deal
the estimates were framed.
His further proposal is that
a loan shd. be raised (amount
not stated) in order to meet the
pressing needs of the Protectorate
in the matter of sanitation,
house accommodation, offices
& roads: and he wishes that
either an officer of this Dept. or of
the Treasury shd. go out to satisfy
himself ^{as to} what is needed, or that
he himself shd. be allowed to come
home in a few months to confer

personally with the Treasurer
& the C.O. on the matter. 130

A number of special objects
of paper are referred to in the
docs. but as they will be the
subject of separate reports it is
not necessary to dwell on
them here.

My view is that we should
let the Treasury to allow the
expenditure of the £21,000
additional on Public Works - but
I do not see that a loan is needed
out for a loan, a special grant
All parts of the empire cannot be
developed all at once, & I cannot
see why the E.C.P. should not be
entirely to go slowly, as Canada
went for several years

1871 4/6

to the Treasury. I don't mind taking
the Treasury's view, but a view of what
Canada says about loans to the health of
the Empire for want of proper accumulation.
I think that we must proceed in person.

loan is
very serious.
I stay as
Treasurer's
grant in
aid of revenue

personally with the Treasurer
& the C.O. on the matter 130

A number of special agents
of course are referred to in the
desp. but as they will be the
subject of separate reports it is
not necessary to dwell on
them here.

My own view is that we should
get the Treasury to allow the
expenditure of the £20,000
additional on Public Works - but
I do not see that a loan is needed
out for a loan, a special grant
All parts of the empire cannot be
developed all at once, & I cannot
see why the E.C.P. should not be
entirely to go slowly, as Canada
went for scores of years

1884 4/6

loan is
by a means
to delay as
Treasurer's
grant for
aid of revenue

to do this. I don't much like going to
the Treasury again, but a view of what the
Comm^{rs} says about danger to the health of
the Empire from want of proper accommodation
I think that we must. Revenue is important
by

to be settled, and get down the
agreed upon under the
separate arrangements

I should be inclined to ask the Treasury
to sanction the expenditure of an
additional £20,000, the sum of it
being that we do not want to
form a precedent. It will enable
the local authorities to lower their
prices properly, which is I think
the main thing at present

H. J. R.

22/6

If we go to the Treasury
at all, I think that we
should ask for authority to
draw the whole of the
£17,849 by which we reduced
the local estimate for public
works. This wd meet the
immediate requirements, and
then I wd propose to the
Treasury that representatives
of the CO and Treasury shd
be sent out as Col. Sallee
suggested to go into the ques-
tion of expenditure on the
spot before the estimates for
next year are prepared. But

I agree with Col. Sallee that
these protestant estimates should
cannot say they are sound
for content to go steady.

101

Wed. June 23

I agree but the Treasury will
circumvent any Treasury responsibility
if we allow the existing state of
things to continue as regards the
treasury of the officials & the
sanctification of Leavie.

7/10
8/16

101

~~undepreciated~~
~~undepreciated~~
~~undepreciated~~

To proceed I agree that we cannot
expect too rapid progress in a new
Protestant. I have said so on another
paper. But we must see and possibly
accommodation for the week European Staff
which we can afford in the best of
all countries.

Personally I think it would be very satisfactory
that Col. Sallee should come down & explain his
views here. Then that we should send representatives
out

22/6

102
19507
Commissioner's Office,
REC 30 4 06
Nairobi,

May 7th 1906.

EAST AFRICA PROTECTORATE.

No. 226.

(Incl. 1.)

My Lord,

I have the honour to acknowledge the receipt of
Your Lordship's despatches Nos. 164 and 173 of the 26th
and 30th March respectively, communicating, with certain
additions and reductions, Your sanction to the Estimates
for 1906-'07.

In accordance with Your Lordship's directions, I have,
after consultation with the Treasurer and the Director of
Public Works, reduced the Public Works Estimate by the sum
of seventeen thousand, eight hundred and forty nine pounds,
and I have now the honour to submit copy of a letter from
the Treasurer showing how it is proposed to effect this
reduction, and the result it will have on the working and
development

H. M. Principal Secretary of State

for the Colonies,

Downing Street,

LONDON, S. W.

19507
MAY 30 1906

Commissioner's Office,
Nairobi,

May 7th 1906.

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development

Treasurer
5.63

7,849

H. M. Principal Secretary of State

for the Colonies,

Downing Street,

LONDON, S. W.

development of the Protectorate during the current year.

With regard to the item of eight hundred pounds for overseers for the Public Works Department, I should explain that I have arranged to charge the pay of the overseers against the works on which they are employed.

3. Your Lordship may not be aware that the Public

estimate, as originally submitted by the Director,

was reduced by Mr. Jackson by the large sum of some
 70,000 seventy thousand pounds before being submitted to the
 Colonial Office, and with one or two minor exceptions
 nothing but what was truly necessary allowed to remain.

It has consequently been a very difficult matter to
 7,849 select the works upon which this further reduction of
 seventeen thousand, eight hundred and forty-nine pounds
 could be effected, and if, after considering what I am
 about to say, the Treasury insist on this reduction
 being made, I must ask that the list of items selected
 for retrenchment may only be considered tentative, and
 subject to such readjustment with the rest of the Public
 Works vote as further experience of the needs of the
 country may render necessary during the year.

4. The rule that the expenditure of East Africa should

not exceed that of the previous year by more than one half of the estimated increase in revenue is admirable in principle, and I would certainly urge its adoption when we are in a position to safely do so. But what I would maintain is that we are not yet in that position. I trust I may be permitted to recall attention to the fact that we are not doing so well as the older colonies whose needs have already been largely met, and whose revenue and expenditure have more or less reached a stage of equilibrium; what we are engaged in doing is administering and practically making a new country which started with nothing but a few years ago. This country has to be furnished with the ordinary appliances and requirements of civilisation, and its revenue, satisfactory as the increase has been of late, must necessarily depend for its expansion on these requirements being met.

8. We are some years behindhand with our buildings. The remarks in this connection in my despatch No. 250, covering cover to the estimates, show the importance I attach in Equatorial Africa to the proper housing of our officials, more especially in view of the high death rate there has been among Europeans in this Pro-Viceroyalty. Adequate provision had been made in the Estimates for housing the officials.

officials, no account was taken of the fact of new appointments which were made subsequently, such as those of the Land Commissioner, the Conservator of Forests, the officers of the Survey Department and several others. Houses would also be required, and the reduction I have mentioned necessitates some of the houses already

proposed for being struck out. This question of house accommodation is nothing new; we have been faced with it since the Protectorate started. I had the same difficulty in Uganda, and I was only able to cope with it there owing to the plentiful supply of hut tax labour, non-existent here, which was available in 1902 and 1903, and with the help of a special grant of, I think, a sum of four thousand pounds, which was made by the Foreign Office on my earnest representations.

6. Our office accommodation is absolutely deficient. At Mombasa the offices of His Majesty's Commissioner are in a confined Arab house, next door to and over the shop of an Indian dealer in general stores; whilst at Nairobi, had I not taken the precaution of having a temporary office built, the cost of which had to be met out of general savings, there would have actually been not a room available

Parliamentary Commissioner, the Deputy Commissioner, three Secretaries, and five Clerks to work in and to transact business with persons who call to see them. The new Government House at Nairobi cannot be completed within the Estimate. The reception rooms provided in the sanctioned plan are far too small for entertainment in a town where the European population now numbers over three hundred, and generally the plan is unworkable. I have suspended further work on the building

pending submission to Your Lordship of a plan and estimate for the alterations which are necessary. The extra cost involved will probably be about two thousand pounds and I am now addressing Your Lordship on the subject, as soon as the amended plans are ready.

7. Road communication requires to be extended, especially in those parts of the country which have been opened up to white settlement. My attention was particularly drawn to this during a tour I lately made amongst the settlers of the Kikuyu district. We do not require metalled roads, but fair-weather surface tracks, properly bridged, which will allow of the easy cartage of produce and trade goods. A good deal can be done in this direction during the present year with the funds at our disposal. I cannot lay much stress on this

point because last year road construction was delayed for so long by the Public Works Department that we were unable to utilize the vote before the completion of the year.

8. Education is another matter that calls for early attention. A white population is growing up whose needs in this respect will have to be met, and there are besides a number from Uganda as to schools in the uplands of this Protectorate. It will be a matter for consideration how far educational facilities should be supplied by the State and how far they should be left to private enterprise, but whatever the decision may be some help will have to be given from Protectorate funds. The five hundred pounds available this year will not be sufficient for the extension of the Railway School at Nairobi, let alone any other project. It was originally intended to allot two thousand, five hundred pounds for educational purposes, but to keep the budget within the required limits this sum was reduced to five hundred pounds.

9. The question of the drainage and sanitation of Nairobi, which is in a very backward and unsatisfactory, if not dangerous, state, is a most important matter upon which I am addressing your Lordship in a separate despatch. The part

of Nairobi in question is the plain (as distinct from the residential quarters on the hill), where are located the Railway offices and quarters, our present temporary public offices, the mercantile quarters, and the Indian bazaar. In 1908 there was an outbreak of plague in this part of the town, and plague has been endemic since then. Within the last six months there have been twenty five cases with three deaths. It is absolutely necessary that the drainage and sanitation of this portion of Nairobi, which is now practically a water-logged plain, be taken up, on modern and scientific principles and I shall probably have to ask for the services of an expert Sanitary Engineer to consider the conditions and formulate a scheme.

10. Then there is the question of the concentration of the Headquarter offices of the Protectorate. The Headquarters of the troops and the Railway are at Nairobi, where are also located the Land and Survey offices, and the offices of the Principal Medical Officer and of the Forestry, Agricultural, and Veterinary Departments. The Treasuries, the Director of Public Works, the Crown Advocate, and the Law Courts, are at Mombasa. This division

of offices is most inconvenient, necessitating constant references by telegram and letter between the Commissioner and the Heads of Departments on matters which could be easily disposed of by personal interviews. Whether the

Commissioner is at Nairobi or Mombasa the result is the

He is separated from important branches of the Protectorate service with which he ought to be in constant

touch. I am anxious to arrange as early as possible for

Nairobi to be the permanent Headquarters of the Protectorate.

It is situated half way between the Lake and the Coast, and

therefore most suitable for Administrative purposes, and it

is a convenient centre for dealing with all questions connected

with European settlement and Native Affairs. In point of

climate it has a decided advantage over Mombasa, and I am

sure that better work can be done here than in the hot and

relaxing climate of the Coast. Moreover, the time must

soon come when a Council will be formed to assist His

Majesty's Commissioner in the Administration of the Protect-

orate, and for this there must be a central permanent

Headquarters. Everything points to Nairobi and the

adjoining uplands being the European capital of the Protect-

orate, and I am decidedly of opinion that, with the exception

perhaps of the Law Courts about which there is no
 hurry, the sooner we can move the Headquarter offices from
 Mombasa to Nairobi the better. For this purpose office
 accommodation will be required at Nairobi. The first and
 most important offices to concentrate at Nairobi are those
 of the Assessor, the Director of Public Works, and the Crown
 Agents, with all of whom direct and personal communication
 is essential. Until the concentration is effected we
 are losing the best part of the services of one Secretary
 for half the year, who under present arrangements has to
 remain at Mombasa in charge of that portion of the office.
 This question of concentration will probably necessitate a
 readjustment of the sums allotted for house accommodation
 at Nairobi and Mombasa. This year a tardy start has been
 made towards the formation of a Trigonometrical and
 Cadastral Survey Department. The staff is obviously
 insufficient, and I shall in the next estimates have to
 make provision for the Department to be placed on a
 stronger footing. Your Lordship is aware how important
 it is that there should be a proper survey of the country
 and that the greater part of the difficulties with which
 the Land Office has been confronted for the last three

the years in connection with the Spanish settlement has been directly due to the want of a survey. The Protectorate is badly supplied with prisons, and the erection of a large Central Jail at Nairobi is a matter, among others, which we cannot much longer delay. In Foreign Office despatch No. 245 of the 13th June 1904 the question was raised as to whether from a Protectorate point of view it would be necessary to retain the Prison Island Quarantine Station at Zanzibar, towards the maintenance of which the Railway and East Africa Protectorate contribute three fourths of the cost. During the last three years we have spent five thousand, three hundred and forty six pounds towards the upkeep of this station. There is a strong feeling that we should do better to have a Quarantine Station of our own at Mombasa, where it would be under our control and be better adapted to the needs of the Protectorate.

11. Closely connected with this question - in view of shipping interests - is that of supplying Mombasa with pure drinking water. In 1899 Colonel Boyle made investigations in connection with bringing in water to Mombasa from the Pemba river, and the reports show that a sufficient supply could be obtained from this source at

a capital outlay of ~~from ninety thousand pounds to one~~
 hundred thousand pounds. I would solicit a reference to
 Mr. Chadwick's report and connected papers, which were
 submitted to the Foreign Office by the Crown Agents with
 their letter of the 11th April 1900. The port of ~~Aden~~
 is hampered by the difficulty which now exists of supplying
 the shipping with water, the importance of the port is beyond
 question, and in the interests of its natural development a
 further consideration of the water scheme will be necessary.
 The above is one of three schemes which have been proposed.

12. There is a scheme under preparation for introducing a
 limited number of Indian families from the cotton growing
 districts of India to give an impetus to cotton production
 by the natives of East Africa. If this is sanctioned, the
 necessary steps will have to be taken this year, so as to
 allow of the families being on their allotments in time
 for next year's rains in April.

13. As an instance where funds are required in order to
 decrease expenditure I may mention the case of the houses
 rented from Mr. Jevanji on the purchase system and reported
 on in this office despatch No. 406 of the 9th Sept 1900. Sanction
 has been accorded to the inclusion of a sum of
 seven thousand, four hundred and eighty pounds in next

year's estimates for their purchase, but had we been able to purchase them this year, which we are bound to do in the end, we should have saved a rental of seven hundred and forty eight pounds.

Brief allusion has been made to various matters which are all important and which call for attention before the Programme can be said to be fairly started; on all these matters separate reports will be submitted. The list is by no means exhausted. I have for instance made no mention of possible railway extension, nor of increase to the executive staff, which my experience in Uganda leads me to anticipate would be immediately followed by increase of revenue: I have indeed not before me a special request for two more officers in the Kisumu Province purely with the object of enhancing the revenue. I have no desire that it should be thought that I consider the claims of East Africa paramount, or that I unduly press our needs on the Treasury, who, I am well aware, are unable to succede to all the urgent calls made upon them from all parts of the Empire, and I know well the necessity there is for proceeding cautious in the matter of expenditure.

15. But there are several of the matters to which I have

...without further delay,
and I am the more emboldened to invite Your Lordship's
earnest consideration thereto by the fact that our
revenue both from the railway and other sources is
showing a most satisfactory and remarkable increase, and
the numerous applications which have been lately made
for land for industrial purposes point to development.
What we now need is a capital sum which will set us
straight as regards immediate requirements, particularly
as regards sanitation, house accommodation, offices,
communications, and other productive improvements; and I
would ask either that I be allowed to proceed home within
the next few months, by which time I shall have made myself
conversant with the principal subjects for discussion, and
personally explain the position to the Colonial Office and
the Treasury; or else that an official of the Colonial
Office, accompanied by an official of the Treasury may
visit East Africa and discuss these questions with me on
the spot. The point at issue is really this - should
we not meet present requirements, some of which are very
urgent, by capital expenditure at once and then be in a
position to gradually reduce our annual expenditure on
works, rather than go on as we have been doing from year

to year, always behindhand, and always being obliged to sacrifice important interests, essential for the progress or well being of the Protectorate, in order to keep the Budget within required limits? In either case the cost will have to be faced. Government can obtain money at ¹² ~~10~~ and a half per cent, the amount required for our purposes could be either advanced from public funds, or else a loan at ~~10~~ and a half to four per cent raised on the general revenues of the Protectorate, a portion of the revenue be set aside for the payment of interest and gradual redemption of the loan.

Na 3/4
20/1

16. If my views are fortunate enough to meet with Your Lordship's favourable consideration I will address you again when I am better able to judge of the sum that will be required, but of this I can give every assurance that ^{and} ~~nothing~~ will be proposed that I do not think urgently called for in the best interests of the Protectorate.

17. In the meanwhile I would earnestly ask that our Public Works estimate may be allowed to stand at the sum of one hundred and nine thousand, four hundred and eighty three pounds, as originally estimated, subject to reallocation as to certain items in connection with which

labor

later experience and certain proposals which I shall
make may render readjustment necessary, and that the
excess of the grant-in-aid over the sanctioned expenditure,
which has accrued owing to the improved financial aspect
of the Protectorate, may be held available for the more
urgent matters referred to in this despatch, on which I
shall report in detail as soon as I am able to do so.

I have the honour to be,

With the highest respect,

My Lord,

Your Lordship's most obedient,

humble servant,

A. J. S. Muller

IN REPLY TO
225 of May 1906

C O
1907
Recd
30 MAY 06

Duplicates.

The Treasury,
Mombasa April 19th. 1906.

Commissioner No. 105/63

Sir,

I have the honour to report as follows on the approved estimates of the East Africa Protectorate for the year 1906-07.

The draft Estimates, as submitted to the Colonial Office in your despatch No.660 of December 23rd. 1905 showed the following figures:-

| | |
|-------------|---------------|
| Revenue | £395828 |
| Expenditure | <u>635268</u> |
| Deficit | £239440 |

The approved Estimates, after including the East African Protectorate share of the Inspecting Officer of the Abyssinian Boundary, as directed in Colonial Office Despatch No.164 of 26th ultimo, now appear as:-

| | |
|-------------|---------------|
| Revenue | £395828 |
| Expenditure | <u>622176</u> |
| Deficit | £226348 |

There is therefore a net reduction of £13092 in the Expenditure, which has been effected as follows:-

Additions

H. M's Deputy Commissioner,
Nairobi.

570 181335

2.

Additions to Estimates as originally submitted:-

| | |
|---|---------------|
| Schedule 8, Salary and Expenses of Travelling Inspector of Abyssinian Boundary | £ 300 |
| Schedule 21, Increased working expenses of Railway | 1087 |
| Schedule 23, Salary of Conservator of Forests | 800 |
| Schedule 24, Salary of Veterinary Practitioner Inspector | 500 |
| Schedule 27, Salary of Commissioner for Lands | 1500 |
| Schedule 30, East Africa Share of Lunatic Asylum | 500 |
| Total | <u>£.4987</u> |

Deductions:-

| | |
|--|---------------|
| Schedule 17, Allowance to Mess 3rd King's African Rifles | £200 |
| Schedules 28-30, Deductions from Public Works Schedules made by order of the Treasury | <u>£17849</u> |
| Total | <u>£18049</u> |

Net Reduction £13092.

The items in which you have decided to effect the reduction of £17849 on the Public Works Schedules are the following:-

| | |
|---|-------|
| Schedule 28, 4 Overseers @ £200 per annum each | £ 800 |
| Schedule 30, Office for Commissioner &c. at Mombasa | 2500 |
| Housing junior officials at Mombasa | 700 |
| 1 Secretariat Bungalows at Mombasa House for Storekeeper, Public | 700 |

carried forward

£ 4700

8.

| | |
|--|--------|
| Brought forward | 2 4700 |
| Public Works Department | 500 |
| Steel, fencing, Public Works Department | |
| iron | 375 |
| New Hospital, Nairobi | 3000 |
| Transport Stage and yard, Nairobi | 250 |
| Fencing Principal Medical Officer's | |
| Bungalow | 60 |
| Water supply, Kiambu | 300 |
| Police inspectors' quarters, Kitui | 150 |
| Continuation of seawall, Kisumu | 1500 |
| Customs Assistant's house | 375 |
| Public Works Department headquarters, | |
| Naivasha | 125 |
| Medical Officers' quarters, Nakuru | 600 |
| Upper story on Chief of Customs bungalow | 280 |
| Upper story on Deputy Treasurer's " | 250 |
| Additions to Fort | 100 |
| Wood panelling and Judges chairs in | |
| High Court | 75 |
| New Roads and bridges, Province of Kenya | 2150 |
| Purchase of Town Hall and site, Nairobi | 1000 |
| Relaying and extending tramway, Kisumu | 25 |
| Explosives | 200 |
| Furnishing new Government House | 500 |
| Sea passages | 334 |
| Railway freight | 3000 |
| Total | 21,245 |

I have in accordance with your instructions made the necessary alterations in the draft estimates and have handed them to the printing Department.

I will in due course submit the General Warrant for your signature and issue copies of the estimates.

estimates, or extracts therefrom, to the Heads of Departments in accordance with the distribution list approved by you together with the circular letter to Heads of Departments and circular to subaccountants which have also received your approval.

With regard to the grant in aid sanctioned for the current year I have the honour to report as follows:

The deficit in the Estimates originally submitted to the Colonial Office amounted to £239440. At the time the estimates were compiled it was estimated there would be a surplus on hand on March 31st 1906 of £22593 and a grant-in-aid of £176847 was accordingly asked for.

At the end of February, however, it was seen from the more recent accounts then available for reference that the surplus on March 31st would be very much greater than previously estimated and that the grant-in-aid could be reduced to £150000.

The surplus on 31st March 1906 was thus, on revision, estimated at £22593 + £26847 or £29440.

The deficit on the approved Estimates, owing to the reduction of Expenditure by £13092 already referred to, is £226348.

Deducting from this figure the amount of the surplus on 31st March 1906, viz £29440, a net total of £136908 is shown.

The grant-in-aid sanctioned for the current year is, however, £136,000, or £27092 more than is actually required.

This, it appears from paragraph 1 of Colonial Office confidential letter of 12th March 1906,

8.

is due to your telegram of 3rd March 1906, reporting that the financial condition of the Protectorate justified a reduction of £26847 in the grant-in-aid as originally asked for having been received at the Colonial Office too late to be taken into account by that Office in its negotiations with the Treasury.

I have the honour to suggest that the Treasury be approached with the Colonial Office with a view to obtaining authority to spend a portion of this surplus grant-in-aid, viz: the £17849 by which the Public Works Estimates have had to be reduced and £3600 for housing the staff appointed since the estimates were submitted and for which no provision was made, either for the erection of new buildings, or the appropriation of a portion of the Rents Vote.

This additional staff consists of the Land Commissioner, the Conservator of Forests, the Veterinary Bacteriologist, the Surveyor General, two Officers of the Survey Department, and ~~one~~ non-commissioned officers.

With regard to the reduction of £17849 on the Public Works Expenditure which has been insisted upon, I have the honour to submit the following remarks:-

It is, I would most respectfully submit a matter of the greatest regret that our Public Works programme, which is most carefully scrutinized each year before being included in the draft estimates, is almost invariably still further reduced before being finally sanctioned.

The result of this practice is that we have had a sufficiency of either house or office accommodation. It frequently happens that new appointments are made, or new Departments created, without any provision for either houses or offices. The health and consequently the efficiency, of the staff depends in a tropical country to a very great extent on adequate house and office accommodation and yet at the present moment a number of officers, even those with the longest service, are most inadequately housed and many of the offices are overcrowded and insanitary.

The Public Works programme as submitted for the current year by no means completed the accommodation for the existing staff. The Estimate was cut down very considerably by the Acting Commissioner in order to bring the deficit below the figure of the previous year. In order to effect the further reduction of £17849 desired by the Treasury we have had to strike out no less than 7 houses, to ignore certain improvements recommended by the Principal Medical Officer and to postpone to next year other Public Works the execution of which is essential to the development of the country.

In many places it is impossible to rent buildings and officers have to live in tents ^{or} other makeshifts, while where rented buildings are available

an exorbitant rental is charged, 10% on the cost of the building being the customary annual rent.

The construction of the Uganda Railway has assisted enormously in the development of the country and a very handsome profit on working has been made during the year 1906-07, but, unless capital is invested in other directions, it appears likely that the future development of the country will be retarded.

Already most of the land in the vicinity of the Railway line has been taken up and roads are now required to link it up with more distant parts of the Protectorate.

If the principle laid down by the Treasury for the current year and proposed for future years, whereby our expenditure may only be increased each year by half the amount of the additional estimated Revenue, is rigidly adhered to, it appears inevitable that we shall always be behindhand both as regards staff accommodation and Public Works generally.

If, at the present moment, we were in the position of possessing a fully equipped administration and also good permanent roads from the Railway to those parts of the Protectorate remote from the Railway, such as Kikuyu and Kenya, which have already attracted large numbers of colonists, and other public works essential for the development of trade, it would doubtless be possible to continue to administer the country in an annually decreasing grant-in-aid manner proposed by the Treasury. But, I would most respectfully submit, that the application of a fixed principle limiting our annual expenditure is, for the present, premature.

8.

If, however, this principle is to be insisted on, I would suggest for your consideration the advisability of applying for a loan to be expended on a carefully prepared programme the completion of which would place us on a proper footing as a "going concern".

The amount which would be required could be ascertained by reports and Estimates called for from the Sub-Commissioners and Heads of Departments and until these reports are considered it is difficult to estimate the amount necessary.

The interest on the loan could form an annual charge on the Revenues of the Protectorate the annual grants-in-aid being increased to meet it, or it could be ^{secured} ~~secured~~, in the same manner as the Uganda Railway loan, by annuities, chargeable either on the funds of the East Africa Protectorate or, as in the case of the Railway, the British taxpayer.

A loan of £200,000 would be repaid after 30 years by annuities of about £10,000.

In conclusion I would suggest that it would be very much in the interests of the Protectorate and would also materially assist the Colonial Office in questions of finance between that office and the Treasury if an Officer of the former Department could visit East Africa, inspect the various Departments of the Protectorate, the means of communication, the houses and office accommodations and other Public Works at present available, and personally inquire into the wants and requirements of the local

Administration

Administration and the suggestions for the future
development of the country.

I have the honour to be,

Sir,

Your most obedient
humble Servant,

Sd/- C. C. Bowring.

Treasurer.

*In reply to the letter of the 2nd August
to July 1906*

DRAFT

The Secretary to the Treasury

308 P

Sir,

In reply to the letter from this Department of the 2nd of April 1906, I am directed by the Earl of Elgin to

MINUTE

- Mr. B. H. ... 1907*
- Mr. Ellis 30*
- Mr. Astor.
- Mr. Cox.
- Mr. Lucas.
- Mr. Graham.
- X* Sir M. Ommanney. *31/5*
- Mr. Churchill.
- The Earl of Elgin.

transmit to you, to be laid before the Lords Commrs. of the Treasury, the accompanying copy of a desp., with enclosure, which has been received from the Commr. of the East Africa Protectorate on the subject of the reductions which their Lordships required to be made in the estimate of expenditure for the Public Works Dept. of the Protectorate for the year 1906-7.

Copy Com. 462. 9 Aug 17

2. *While he*
 has ~~been~~ *considered it very*
is of opinion that very
 rapid progress
 cannot
 be expected in ~~making up a~~
 new ~~territories~~ *Patentable* which is ~~still~~ dependent
 on the Imperial Govt., ~~and other~~ *and*

*no. 225 7 117
(1930)*

Copy to Com. 47

1937. 8.17
126

Incl. 1st
2 August
July 2006

DRAFT.

No. Secretary to the
[Signature]

Sir,

With ref. to the letter from this Dept. of the 2nd of April inst., I am directed by the Earl of Elgin to transmit to you, to be laid before the Lords Commr. of the Treasury, the accompanying copy of a desp., with enclosure, which has been received from the Comr. of the East Africa Protectorate on the subject of the reductions which their Lordships required to be made in the estimate of expenditure for the Public Works Dept. of the Protectorate for the year 1906-7.

Q 3087

MINUTE.

- Mr. [Name] 19/7
- Mr. [Name] 30
- Mr. Antrobus.
- Mr. Cox.
- Mr. Lucas.
- Mr. Graham.
- X Sir M. Ommanney. 31/5
- Mr. Churchill.
- The Earl of Elgin.

Copy Com. 462. 8 Aug 17

White L
2. His Lordship considers it very
in a sense that way
rapid progress
cannot
not be expected in consequence a
[Signature]
New [Signature] which is still dependent
on the Imperial Govt., but [Signature]

no. 2237/117
(1930)

Copy to Comr: 1.7

Sadler's Commission...
 that it is still too early to lay
 any rule for the gradual reduction
 of the staff...
 In particular, he
 that, in the matter of the account
 of the proposals...
 especially, the... such
 to be done before... Govt. can
 considered to have discharged their
 responsibility for placing the small
 of European officers in a
 position for the discharge of their
 and that the restriction of
 in these directions would be
 the economy.
 there are... Sadler in
 that their... will not
 on their stipulation that the
 of expenditure in any year shall
 exceed one-half the increase of revenue...
 the...
 set...
 The... will observe that

it appears to him
 that insufficient
 and...
 accommodation for
 the best...
 Staff which the
 can afford
 the want of all
 economies, & that
 H. Mr. Govt. will
 incur a very heavy
 responsibility if they
 allow the existing
 state of things to
 continue as regards
 the housing of the
 Officers & the
 sanitation of
 the... other
 pressing matters
 which the Comr.
 refers

owing to an increase in the surplus at
 the 31st. of March last which was not
 anticipated when the amount of the
 grant in aid was fixed, the Proviso-
 torate Govt. has on hand a sufficient
 funds, but not quite to cover the sum of
 £17,849 which was originally included
 in the estimate for the Public Works
 Dept. but also to provide for further
 officers' quarters, estimated to cost
 £3,500, which are also urgently required.
 Lord Elgin is reluctant to ask their
 Lordships to sanction the latter
 works which were not submitted to them
 with the annual Estimates, but he

trusts that in view of the Comr's
 representations they will sanction
 the expenditure of the whole of the
 £17,849 by which the local estimate for
 public works was reduced.

For Comr

It is to be seen, with ref. to
 the... para. of the Comr's
 despatch, that Lord Elgin proposes to
 approve of Col. Sadler's returning