

1922-23

KENYA



1779  
RE 9 JAN 23

DATE

COMP 389

18TH DECEMBER 1922

ORIGINATOR

SUBJECT

ESTIMATES 1923

480

Submits with copies of Treasury Budget Statement and Appropriation Bill to which he has withheld his assent. Is fully aware of necessity for further economies but points out difficult to devise without risk to efficiency.

Mr. H. Lambert  
Mr. H. Read 15/12/23  
Mr. J. Masterton Smith

3 copies of Est. Statement  
2 copies of Appropriation Bill  
1 copy of Budget

Previous Paper

MINUTES

*Mr. H. Lambert*

The Budget has required evening on various points & finally come on to be today.

The Estimates have been discussed jointly by Mr. Lambert & Mr. H. Lambert he is willing, with reference to an occasion where the House will be held. As to the draft, it is well receiving, first for information & secondly for approval or otherwise.

As to the draft, it is well receiving, first for information & secondly for approval or otherwise. As to the draft, it is well receiving, first for information & secondly for approval or otherwise.

Subsequent Paper

14/12/23  
16/12/23  
18/12/23  
20/12/23

See 9777  
25  
(copy)

*And comp 1 of 1923*  
*And comp 2 of 1923*

the former by the first two  
the estimate has approved finally  
Subject to above. Contains  
no dispute - getting out  
briefly in the letter the same  
in patent of them

481

Grant herewith for concern

WMS

19. 2. 23

WMS 19. 2. 23

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MEMORANDUM ON KILYA DRAFT ESTIMATES FOR 1923.

REVENUE.

Head I. Customs.

The Estimate seems a conservative one and it may be hoped that with improved trade the anticipated yield may be realised. It is noted that the contribution to Uganda on the statistical basis recommended at the recent Customs Conference and approved by the Secretary of State is estimated to work out at 35% of the total revenue, an increase of 2% over the estimate for 1922 and of 1% over the actual proportion payable in respect of that year.

Head III. Item 15. Native Hut and Poll Tax.

It is noted that the estimated revenue from this source shows a decrease of £155,705 due to the general reduction of the tax from 16/- to 12/-.

Item 16. Non-Native Poll Tax.

The decrease in this item seems to point to a considerable reduction in the non-native population.

Head IV. Item 3. Survey Fees.

A large decrease is noted, due to the abolition of the Government field staff.

Item 17. Grading Fees.

It is observed that receipts under this head, estimated in 1922 at £12,400, have disappeared owing to the discontinuance of Government grading.

Item 20.



The current rates of a budget for distribution on 34%.

explained in paragraph 5 of the Governor's covering despatch, a part of the receipts from the two items under this head have in the past been credited to Customs Export Duties.

Head XI. Interest.

Item 3 The Secretary of State has not yet decided that the Uganda Railway can properly be charged interest on account of the Railway's Unallocated Stores, and has asked for a memorandum giving detailed arguments in reply to those adduced in the General Manager's memorandum enclosed with Sir C. ... despatch No. 1616 of 24th November 1922.

(62634/22)

... the estimate of £12,000 on account must be reduced to ... regional.

Head XII. Land.

Item 2 It is noted that the increase of £17,500 ... and ... etc. is ... as ... omitted from ... what was the estimate ... this account in 1922.

EXPENDITURE.

(1) General.

The estimates of expenditure, based as they are on the recommendations of the Economic and Financial Committee, show large reductions under most heads.

(The following table showing the net increase or decreases under certain heads, may be of interest:-

... notes not supplied for Governor.

Administration .....	-253,486	Prisons.....	-£3,604
Police .....	-£31,906	Legal.....	- 2775
Medical.....	-251,193	Port & .....	- 2569
Education .....	-116,327	Marine..	
Posts & Telegraphs .....	-244,010	Printing .....	+ £169
Agricultural.....	-£39,030	Publicity.....	+ 2000
Land .....	-52,717		
Public Works Dept.....	-244,607		
Public Works Recurrent..	-£74,903		

It is observed from the concluding paragraphs of the Governor's covering despatch that pressure has been brought to bear on the Government to effect further economies; but that the Governor, while convinced that further reduction in expenditure is necessary, has decided not to commit himself to any further changes until he has had the opportunity of studying the conditions of the Colony.

Provision has been made throughout the Estimates for a reduction by ... of the salaries of Asiatic officials. This question is still under the consideration of the Secretary of State, who has decided that in any event no change should be made before the end of March. Pending a decision, any savings due to this proposed deduction must be discounted.

In paragraph 12 of his covering despatch, the Governor calls attention to the steps taken to foster native development and production. These efforts are warmly

warmly to be welcomed and should be developed as funds permit.

It is noted, however, that the expenditure on medical and educational services for natives has suffered curtailment.

(X) The Gov. says little as possible W.C. 447/22

In paragraph 13 of his despatch the Governor explains the appearance under most heads of provision for telephone services. The principle of accounting for these services rendered to Government departments appears to be sound; but it is not clear why officials should be charged with half only of the cost of telephone installations at their residences particularly when, as in Nairobi and Mombasa, their private houses are separate from their Offices.

As regards the form of the Estimates, it is noted that Extraordinary expenditure has been shown under separate heads. It is of course desirable that the extraordinary expenditure should be distinguished from the ordinary recurrent expenditure but it would appear that the object could be more conveniently attained by showing the extraordinary and recurrent expenditure as a sub-head at the end of the ordinary expenditure under the head to which it refers, as is done in other Colonies. It is desirable that this procedure should be followed in future.

and the Gov. says little as possible W.C. 447/22

(2) Details.

Head V. Secretariat.

Item 7. The Secretary of State has suggested in his despatch No.1649 of 13th November, 1922, that the Junior Assistant Secretary might properly be called upon to carry out the duties of Clerk of Councils without additional remuneration. The item may therefore be provisionally deleted.

-250

Head VI. Official Gazette and Printing.

Items 2 and 3. The amalgamation of the post of Government Printer and Assistant Government Printer into one post, called Superintendent of Press, was approved in the Secretary of State's despatch No.1365 of 26th September, 1922.

6454/22

It is noted from paragraph 12 of the Governor's despatch that steps are being taken to train native apprentices in the Printing Department. This movement is reflected in Items 19, 26 and 27.

Head VII. Administration.

It is noted from Sir C. Bowring's despatch of the 24th of November, to which the Governor refers, that the establishment provided for under this Head is the result of discussion between the Senior Commissioners and the Economic and Financial Committee. It is observed that the latter have proposed further reductions in the administrative staff, but that the Governor has not felt himself able to accept their recommendations until he has had further experience of the requirements of the Colony.

Items 7, 8 and 9.



...the ... a contradiction ... still ... the other ... which are dependent upon it. In the cir- ... it is considered essential that the provision ... and ... insert ...

Item 24. It is noted that the provision for ... of European hospital ... been reduced by £1,700, ... of Native hospital ... by £500.

Item 211. It is observed that the provision for ... work in Native hospitals has been increased by ... whereas the grants made to Medical Mission units ... have been discontinued for the reason explained in the Governor's Confidential despatch of 8th August, 1923, ... the proposals in which were approved by the Secretary of State's telegram of 20th September, 1923.

(4353)

(4626)

Head XVII - Sub-section

Item 201. It is presumed that the explanation should read "Asst. Stationmasters at Elidret and Kauru" etc.

Item 202 and 203. Further information is desired as to the ... salary and grading of Indian teachers,

Item 27-72. The reductions proposed in expenditure on Native Education are noted with considerable misgiving. The question of native education is one of vital importance, and, while it is recognized that in certain departments a greater effort than before is being made in the direction of training natives for Government employment, it will be impossible to carry out to any useful extent the scheme for training Africans for the Civil Service if the educational facilities are not only not increased but curtailed. In the circumstances further consideration should be given to the matter.

Head XVIII.

Please make copy of ... about ... Supply & Transport Services, and a copy of Item 238 on the next page.

SRAA 11/5

2 SR.1

12

As the Inspector-General is visiting during the year, ... will contribute in lieu of 1/8th to the pay of the Inspector- his Staff Officer.

In view of the fact that the post of Officer ... is to be abolished on the occurrence of ... it is possible that the full provision ... will not be required.

Item 113 and 114. The duty allowance for the ... could be deleted, as the present holder draws ... duty allowance, in accordance with the ...

Item 115. The post of Major, Senior Company Commander in the 5th Battalion is being abolished, and a Captain, Company Commander at £600 is being substituted.

Supply and Transport Services.

It is requested that the Governor will furnish a separate statement showing the present establishment, and by whom each post is filled. The establishment given in the draft estimates differs from that last approved by the Secretary of State by the reduction of the ... of the ... from 5 to 4, and of the ... from 3 to 2. The note to item 207 ... implying that financial provision has been made for one Regimental Quartermaster Sergeant in excess of establishment is not clear, and an explanation should be furnished as to why it is considered necessary to make special provision for leave pay in the case of these appointments.

Item 208

Item 238. The pay of the Captain in the King's  
of Air Force, Rifle Supply and Transport Department is  
fixed at £500, and it is not understood why £600 is  
provided.

Head XII. Posts and Telegraphs

It is noted that the net decrease under this Head  
is to £11,010. It is understood that the Reduc-  
tions in Staff which have been effected are to some  
extent due to the success of the efforts of the  
White Postmaster General.

The following is a list of the posts which are to be  
abolished under this Head:

- 5 Assistant
- 1 1st Class
- 1 2nd
- 1 3rd
- 10 4th
- 2 5th
- 29 6th
- 1 7th
- 1 8th
- 1 9th
- 1 10th
- 1 11th
- 1 12th
- 1 13th
- 1 14th
- 1 15th
- 1 16th
- 1 17th
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- 1 41st
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- 1 45th
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- 1 47th
- 1 48th
- 1 49th
- 1 50th

It is noted that the net decrease under this Head  
is to £11,010. It is understood that the Reduc-  
tions in Staff which have been effected are to some  
extent due to the success of the efforts of the  
White Postmaster General.

Item 58.

Item 56. It is noted that post of Botanist is  
shown as suspended; but in paragraph 2 of the Governor's  
confidential despatch of 23rd November, 1922, it is  
stated that a Botanist is being retained.

Veterinary.

In view of the great importance of conserving  
native cattle, it is satisfactory to note that a strong  
staff of veterinary officers is definitely allocated to  
work in the Native Reserves.

(Item 157. It will be seen that provision for 1/3rd  
of the salary of the Veterinary Adviser has been in-  
serted, although Press Reports show that this applica-  
tion was strongly opposed by elected members in the  
Legislative Council.)

Head XIII. Revenue

Item 3. With reference to the application of the  
Secretary of State for the Colonies, it is pointed out that the Secretary of  
State has not approved the proposal of any Associa-  
tion of Veterinary Officers of the Colonies (see Secretary of State's despatch of 23rd  
November, 1922). The proposal of the Secretary of State for the Colonies was a  
proposal that their application should be considered.

Item 12. It is noted that, after consideration of  
the Secretary of State's despatch referred to by the  
Governor, provision has been made for raising the scale  
of salary of the Seedsman to £250-15-350. In the cir-  
cumstances the increase is approved.

Item 14. In this connexion reference is invited to  
the note on Head VIII Item 3 of Revenue.

Head XVIII

Note only,  
page copied  
for Govt.

(23)

(2385)



## KENYA DRAFT ESTIMATES 1923.

## HEAD XVIII - MILITARY.

HEADQUARTERS.

Item 1. As the Inspector General is visiting Somaliland this year, Somaliland will contribute, in the proportion of  $\frac{11}{8}$  to the pay of the Inspector General and his <sup>Staff</sup> Senior Officer.

Item 2. The post of Officer Commanding troops is to be abolished when the present <sup>is</sup> vacated, and it may be that provision for it <sup>is</sup> not be required for the whole

KING'S AFRICAN RIFLES.

The comments: The European establishments are correctly given.

5th BATTALION KING'S AFRICAN RIFLES.

The post of Major Senior Company Commanding the 5th Battalion is being abolished and a Captain Coleman, C. of rank of £600 is being suggested. Similar action will be taken in the 6th Battalion when the present Major Senior Company Commander leaves. This involves an alteration in Item 115.

Item 113 and 114. The duty allowance for the Adjutant should be deleted. The present holder, Captain Dibben, draws £550 with no duty allowance in accordance with the general rule.

KING'S

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KING'S AFRICAN RIFLES SUPPLY AND TRANSPORT DEPARTMENT

As regards the King's African Rifles Supply and Transport Department, the Governor should be asked for a separate statement showing the present establishment and by whom each post is filled. The establishment given in the Draft Estimates <sup>differs that</sup> from Estimates last approved by the Secretary of State by the reduction of the Regimental Quartermasters from 7 to 6 and of the Company Quartermasters from 3 to 2. The side note to Item 240 implying that financial provision has been made for one Regimental Quartermaster Sergeant in excess of establishment is not clear, and an explanation should be furnished as to why it is considered necessary to make special provision for leave pay in the case of these appointments.

Item 238. The pay of the Captain in the King's African Rifles Supply and Transport Department is fixed at £550 and it is not understood why £600 is provided.

*Gen 1/2/23*

9.

Mr. Jeffries

I understand that Kenya has cut out its contribution to the T.D.R.F for the financial year 1923/4.

attach this minute to Kenya D.S. [unclear]

The Tanganyika, Uganda, Burundi and Nyasaland grants are dependent on the Kenya contribution and would presumably be withdrawn if the Kenya contribution is not made.

CG 11/3

The T.D.R.F could not afford this loan which would amount to 25% of total revenue for the year.

Contributors from the fund for this purpose have already been made. It is not possible that all contributors will contribute as hitherto and even if all other contributors were not contingent upon Kenya, one it would be very inconvenient.

The Fund could not afford the small loss of the Kenya contribution itself.

A.B.

2/2/23

KENYA.



GOVERNMENT HOUSE,  
NAIROBI,  
KENYA.

12th December, 1922.

1779  
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494

has the honour to forward for Your  
consideration 10 copies of the Colony's  
for the ensuing year as prepared by the  
Council, together with 6 copies of the  
Budget Statement.

Estimates and expected revenue

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public given.

KING'S AFFAIRS

118,247  
5,773  
20,988  
7,880  
8,500  
6,278

459,290.

expressed on the following heads

I.	Ports, Harbours and Light dues	£ 1,000
V.	Subsidies	222,157
X.	Miscellaneous	8,000
XI.	Interest	112
XII.	Land ties	112

291,078

Net decrease £ 169,214

Grace  
The Duke of Devonshire, K.G., P.C., G.C.V.O.,  
Secretary of State for the Colonies,  
Downing Street, London, S.W.

4. Explanations of decreases may be summarized as under:-

Head I. "Customs"

The effect of the world-wide trade depression must be taken into account. Under the new tariff higher duties have been imposed than last year in the case of most commodities, but these are not anticipated to produce an equivalent of the expected receipts for 1922 which were largely over-estimated. It is hoped that owing to the introduction of specific duties for most of the commoner imports the preparation of accurate revenue estimates will be facilitated in future years. The contribution to Uganda is to be calculated on the statistical basis recommended by the Customs Committee and approved by Mr. Churchill in his despatch No. 1128 of 31st July. For the coming year assessment has been budgeted for at 35% an increase of 22 over the estimate for 1922 and of one per cent over the actual proportion to be paid for the past twelve months. It will be observed that Export Duties are omitted as they are now abolished; the classification of Import duties follows the lines laid down in Ordinance No. 13 of 1922.

no. 34991  
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Head III. "Licences, Duties, Taxes, etc."

The only new item of revenue is the Petrol Tax - Item 20 - but as its introduction coincided with a decrease in the fees for licensing motor cars the proceeds therefrom are almost counterbalanced by the decrease under Item 11. The introduction of the Tax was approved in Mr. Churchill's despatch No. 459 of the 22nd March.

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The main items affected are:-

- Native Hut and Poll Tax which shows a decrease of £135,705
- and Income Tax which shows a decrease of £141,442.

The

course taken in connection with "Timber Sales and Royalties". The increase of £8,000 under Item 4 of this Head, "Magadi Soda Royalties" is in anticipation of an increased output in 1923 as it is understood that the Magadi Soda Company has secured large contracts with Japan.

Head IX. "Sale of Government Property". The decrease of £5,300 in item 1. "Farm Produce and Stock" is due to the closing down of the Government Farms at Naivasha, Kabete and Mazeras in accordance with the scheme of retrenchment.

5. Increases occur in the following Heads:-

Head II. "Port, Harbour and Light Dues." (£1,000). Additional revenue is anticipated owing to increased shipping.

Head V. "Reimbursements" (£222,137). The increase occurs mainly in item 10 "Uganda Railway on account of £5,000,000 Loan" (£37,231) and item 12 "Appropriation under item No. 5 of £5,000,000 Loan" (£157,545). The new item 10 represents the interest payable to the Colony by the Railway on that portion of the amount repaid to the Imperial Treasury from Loan Funds for which the Railway is liable, plus the proportion of the estimated cost of raising the Loan which has been allocated to this Railway debt. The amount under item 12 is that portion of the interest on the £5,000,000 Loan payable in 1923 which it is estimated will be charged in 1923 against Loan Funds. The Treasurer has explained the principles governing this allocation in paragraphs 14 and 15 of his Budget Statement and particulars were reported to Your Grace in Sir Charles Bowring's despatch No. 1617 of the 24th November. As the whole of the interest on the Loan payable in 1923 is included in the expenditure estimates of the year, it follows that that part of the interests which will be charged to Loan Funds and not against the 1923 Revenue, must be included in the Revenue estimates of the year as a Reimbursement.

Head X.



the Reserve Fund which it is desired to accumulate for the purpose of steadying the Colony's finances.

10. The Local Allowance for European Officers is re-inserted at 25%. The instructions in Your Grace's telegram of the 29th November were received after the Draft Estimates were printed. The savings which will accrue as the result of Your Grace's decision are estimated at £25,195/-. This saving will be additional to the surplus of £27,634 quoted in paragraph 2 above.

11. General reductions have been effected in the subordinate and menial establishments, as also in the provision for travelling and transport and the purchase of stores. These decreases have been effected after due consideration in the interests of economy and will not receive special mention when the several Votes are under review.

12. I consider it pertinent also to comment upon the efforts now directed to foster native development and production. This is reflected under various heads of expenditure. A special staff for supervising agricultural activities in the Reserves and encouraging the cultivation of bulk exports is provided for under the Division of the Agricultural Department. The policy adopted in this respect was reported in Sir Edward Northey's Confidential despatch No. 150 of the 10th July. Funds are not available for any expansion of educational facilities. In fact retrenchment of staff has proved imperative. The grants to Missions and the Normal Training Schools, however, have been maintained at the same rates as for 1922. Native apprentices are being trained at the Government Press as

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well as in other technical Departments with a view to the early establishment of a Native Civil Service. A Committee recently sat in this connection and a copy of their Report will be forwarded to Your Grace in due course with my covering observations. The advantages of such a Native Service are obvious; increasing use of native talents will react to the benefit of all sections of the community; it will tend to a reduction of overhead charges for staff, and whilst inducing new ambitions in the native will demonstrate that Government intends to carry out its professions and to admit him to such share in administration as he is able to fit himself for. The decrease in the rates of native taxation have been indicated in paragraph 4 above. Medical facilities in the Reserves have been interfered with as little as practicable but certain reductions have proved inevitable.

13. Provision has been included in departmental estimates for telephone services. Sir Edward Northey, after consultation with his Executive Council, decided that it was preferable to account for these services than to afford them free of charge at the expense of the Postal Vote. Except in certain approved cases officials have been instructed, as from the 1st January next that they will be required to defray half the cost of telephone installations at their residences. The remaining charges will be paid by their several Departments.

14. My observations on the several Heads of the Expenditure Schedule are as follows:

Head I. "Public Post Funded". The reasons for the insertion of this new Head have been explained by the Secretary in

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Appendix

Appendix B  
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the High Commissioner for Zanzibar will proceed on leave next year and no provision is therefore required.

Head V. "Secretariat". The re-organization contemplated in the Colonial Secretary's Office has been dealt with fully in my predecessor's despatch No. 1091 of the 9th August as modified in my despatch No. 1324 of the 16th September last.

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Sec 2 22  
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Head VI. "Official Gazette and Printing". Items 2 and 3. The amalgamation of the posts of Government and Assistant Printer was reported in the correspondence terminating in Sir Edward Northey's despatch No. 1141 of the 16th August.

Sec 2  
46454  
122

Considerable economies have been effected in the subordinate personnel of the Press, and Items 19 and 26-28 reflect the new policy of encouraging the training of native apprentices to replace Asiatic Staff.

Item 39. It has been decided to move the Stationery Store from Mombasa to Nairobi, where it will be placed under the control of the Superintendent of the Press. It has been ascertained that certain Stationery and Books can be manufactured by the Press at a cheaper rate than that imported from England or India. It will also be of considerable advantage if stationery stocks are in the charge of the Superintendent who possesses technical knowledge in this subject, whilst distribution from a headquarters at Nairobi will prove more economical.

The item last-mentioned has caused a small increase on the total printing vote, but the new system will enable a reduction to be made in the vote for Stationery and Books - Item 1 - Head XXV - Miscellaneous Services - to which £7500 was allocated in 1922.

Head VII.

Head VII. "Administration". The reestablishment of Administrative Officers will be curtailed in accordance with the terms of Sir Charles Bowring's despatch, Confidential No. 318/ of the 24th November. The new complement in the various grades is comprised as under:-

	No. of Posts	Allocation in Draft Estimates.			
Senior Grade	5	5 posts under Item 1 of Head VII.			
First Grade	57	5 " " " " " " " "	5 " " " " " " " "	6 " " " " " " " "	V. VII. VII. VII.
		1 post " " " " " " " "	160 " " " " " " " "	172 " " " " " " " "	VII. VII. VII.
		(The post of Senior Inspector of Labour has been abolished. Item 181 of Head VII.)			
Second Grade	75	1 post under Item 8 of Head V.			
		74 posts " " " " " " " "	10 " " " " " " " "	168 " " " " " " " "	VII. VII. VII.

(The increased provision is due to the confirmation of Cadets in their appointments).

Item 11. The services of 2 clerks at Nairobi, 1 at Nyeri and 1 at Eldoret have been dispensed with.

Items 16-21 show the retrenchments which it has been possible to effect in the Non-European staff.

Items 22-25. The reduction under these items has been made in pursuance of the instructions conveyed in Mr. Churchill's despatch No. 1074 of the 20th July last.

Item 28. A general vote has been opened to cover expenses incurred in the transport of Officers and their effects when they are transferred from one area to another in the interests of the service. The "Local transport" votes of the different districts have been reduced in consonance.

Items 35-53 and Items 235-248 reflect the results of a reorganization of Coastal Arab and Native Administration adopted on the recommendation of the Chief Native Commissioner.

Retrenchments

Retrenchments are... essential services are... and Travellers... in the interests of efficiency. Expenditure for... is incorporated in the Contingencies Votes... Items 10 and 12 of Revenue Head V.

Item 119. Revenue Head XI: Interest Tax

the... Department... contemplated in... Head XI. It has been arranged that the... and maintenance... supply... Head XI... and... to cover... with... and the... the rate to... 1928 is... will benefit revenue and... (2600) are... (260) were budgeted for... and VII.

Item 150. The amalgamation of the... superintendent in the Native Affairs... Examinations has been referred to... of predecessor... No. 108

Assignment Reg... of... Assistant... being... corresponding increase... during as far as possible... economical as the men will...

will be employed in the Station when not otherwise required.

Items 591-593. Provision for the whole year has been made for administrative purposes in Jubaland owing to the prevailing uncertainty with regard to the cession. Reductions have been made in the Jubaland Constabulary.

Item 596. The "Frontier Agent" is the man whose admission to the pensionable establishment was approved in Mr. Churchill's despatch No. 1172 of the 27th July, 1921. Before 1922 his salary was met from the Vote for Interpreters. This vote was reduced when the Military took over the Northern Frontier District, and it was necessary therefore to cover the expenditure during the current year from "Contingencies". This irregularity is now adjusted.

See  
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Head VIII. "Treasury Department".

Items 8 and 9. Two Treasury Assistants have been retrenched but no special report was forwarded to Your Grace as the vacancies were in existence and none of the present personnel was affected. The Revenue Section is abolished as a consequence of the suspension of the Income Tax.

Item 10. In explanation of this increase it is to be observed that the cost of advertising for the Central Tender Board was previously met from the Printing Vote. These charges will now be accounted for departmentally.

Head IX. "Customs Department".

Items 1 and 2. The proposal to reduce the salary of the Commissioner of Customs on Mr. Major's retirement was approved in Mr. Churchill's telegram of the 27th July, which also sanctioned the substitution of the post of Senior Assistant for that of Deputy Commissioner.

After reviewing the representations of the

Commissioner

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Commissioner of Customs I have decided on the advice of my Executive Council to re-invest the post of Deputy Commissioner on the scale of £600 to £225 to £700 per annum.

Low  
25430

Item 5. As foreshadowed in paragraph 2 of Colonel Bealey's despatch No. 261 of the 14th April, 1921, it has been necessary to replace Mr. Ardesir by an European Accountant. This is more particularly necessary in view of the more detailed statistics to be kept in connection with Uganda trade.

11

5 new clerical appointments were advocated by the Committee on the allocation of Customs duties. This recommendation was contained in paragraph 11 of the Committee's report and was approved in Mr. Bealey's despatch No. 123 of the 21st July. The additional posts are embodied under items 12 and 13.

Treas.

34591  
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Head X. "Port and Marine".

Item 74. Provision is for six months only for the reasons given in the explanation against items 59-69.

Head XII. "Legal Departments".

Item 4. This redistribution has been included on the authority of Mr. Churchill's Confidential despatch of the 20th April last. The scale of salaries was modified in accordance with the terms of paragraph 5 of my Confidential despatch of the 11th September.

9100

12149

505

5307

Items 11-26, are merely a rearrangement of former items now appearing as 27-42.

Items 65 and 66. The Attorney General has presented the inadequacy of the present scale of fees for legal services.

... official ...  
... Edward Northey ...  
... in the Contingencies ...

... the ...  
... the ...

... control and maintenance ...  
... head XIII ...  
... been ...  
... staff in the District ...  
... Commission of Police ...  
... 1850 in place of ...

... will assist if necessary ...  
... return from ...  
... mechanical repairs ...  
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Items 14, 15 and 21. The Officials affected by these curtailments were named in my predecessor's telegram No. 275 of the 11th August and approved in Colonial Office telegram of 19th Idem.

Item 27. The allowance granted to the Officer acting as Immigration Officer has been reinserted at £.40, as provision for a Second Assistant Superintendent of Police has not materialized and the Assistant Superintendent is required to combine police and immigration duties, an arduous task necessitating work for very long hours.

Head XV. "Medical Department". The net decrease under this head is £.51,193. The arrangements contemplated were reported fully in Sir Edward Northey's Confidential despatch No. 195 of the 10th August and were approved in Colonial Office telegram of the 20th September. Economies in upkeep of Hospitals and the issue of medicines have also been introduced.

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Item 8. It has been necessary to provide a Stenographer to assist in dealing with correspondence in the Headquarter Office but a saving has been effected under Item 65 by the abolition of the clerical post in the Sanitation Division.

Items 30 and 38. The establishment of Dispensers has been reduced by two and the post of Nursing Orderly is being abolished.

Items 110 and 111. The economies under the head of "Native"

"Native"

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"Native Reserves" were reported in Sir Edward Northey's Confidential despatch No. 188 of the 5th August and approved in Colonial Office telegram of 20th September.

Head XV. "Chemical Research Department". The reductions of establishment have been given effect to. Field work has been dispensed with and two Chemical officers, two Field Assistants and the Clerk Storekeeper have been restructured. The laboratory Staff has also been curtailed as well as the provision for Stores, apparatus and Library.

Head XVII. "Education". A net decrease of £1,327 has been introduced under this Department after consultation with the Director and Board of Education. Economies have been effected in the equipment and maintenance of all schools.

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Item 2. The suspension of the post of Senior Inspector of Schools was approved in Colonial Office telegram of the 18th August.

Item 10. In view of the reductions of staff it has become necessary to provide funds for the relief of teachers at any schools which cannot be adequately run owing to the exigencies of leave or sickness.

Item 16. It is considered that in the present financial stress the services of the Board of Education must be dispensed with.

Item 18. This vote has been transferred from the division for European education as it is to be extended to cases of destitution amongst the Indian and Arab communities.

Head XVIII. "Military".

Item 3. This arrangement was approved in Mr. Churchill's despatch, King's African Rifles No. 715 of the 14th December, 1921.

Items 10, 25-32, 36. The reductions under these items are due to the revised organization communicated in Mr. Churchill's despatch King's African Rifles No. 715, Confidential, of the 30th September, 1921.

Items 45-52, 67, 74. 1 Mounted Infantry Platoon has been transferred from the 5th to the 3rd Battalion in accordance with the recommendations contained in paragraph 8 of the Inspector General's report, which was forwarded under cover of Sir Edward Northey's despatch, King's African Rifles No. 101 of the 24th May, 1921. This entails increased provision under the 3rd Battalion's Vote; corresponding reductions occur under items 152, 174 and 188.

Items 85-90. Pending the cession of Jubaland to Italy the upkeep of a detachment at Gobwen is required. The relative amount for 1922 was met by Special Warrant.

Item 127. The increase for transport of stores for Jubaland during the whole 12 months has been provided for. In 1922 this service was met by Special Warrant for Shs. 281,000 from General Savings, Your Grace's approval to its issue being conveyed in your despatch Confidential of the 7th November last.

Item 171. It has been the practice to supply furniture to the Officers' quarters in Nairobi. I understand that a similar concession is given in

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Tanganyika Territory and Uganda and provision for the new Headquarters of the 5th Battalion at Meru has therefore been included.

Items 192-193. Local Travelling was met during 1922 by a Special Warrant for £150. The new arrangement will thus secure an economy.

Items 238-256 correspond to the provision previously made under items 222-237 and item 257.

Head XIX. "Post and Telegraphs". The net decrease in this Department's expenditure is £44,010.

Rigorous cutting down has been resorted to, but it is not anticipated that efficiency in existing services will be affected owing to the reduced volume of business which it is expected will be dealt with. Little margin, however, remains to meet any expansion of business or departmental activities, and a revival of trade will necessitate the replacement of some of the retrenched posts. As far as European personnel is concerned, Your Grace has been kept advised of any officials on the permanent and pensionable staff whose services have been dispensed with. Apart from Mr. J. Killingback, whose case is referred to in the correspondence terminating with Colonial Office telegram of the 1st September, I understand that the reduction of staff will not involve serious hardship on any officer who has a claim to permanent employment. The grade chiefly affected is that of Male Postal Clerks and Telegraphists. The establishment on that grade can be reduced to the required degree by arranging for the least acceptable

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**Head XX. "Agricultural Department".** The re-organization of this Department was discussed fully in my Confidential despatches No. 254 of the 9th September and No. 310 of the 23rd November. The encouragement of Native Agriculture, for which special staff is being provided under "B" Division, was dealt with by Sir Edward Northey in his Confidential despatch No. 150 of the 10th July. The restricted policy with regard to Flax Grading by Government was reported in my despatch No. 1257 of the 1st September last.

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**Head XXI. "Forest Department".** The temporary retrenchment of staff under Items 3, 5, and 9 has formed the subject of telegraphic correspondence terminating with Sir Edward Northey's telegram No. 252 of the 20th July. Mr. Churchill's despatch No. 1477 of the 11th October regarding the appointment of Mr. C. W. Elliott, M.C., as an Assistant Conservator of Forests on probation was received subsequent to the printing of the Estimates, and the provision for his post under item 3 will require to be included when they are finally revised. The subordinate establishments have also been reduced in view of the drastic need for economy. The net decrease in expenditure is £5,015.

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**Item 3.** The improved scale of salary for the feedman is inserted under authority of Mr. Churchill's despatch No. 1514 of the 19th October last.

**Item 14.** The increase of £1000 under this item is occasioned by the new arrangement under which the Uganda Railway will pay a royalty on wood fuel instead of contributing

contributing to the cost of replanting areas cleared for fuel. The revenue estimated to accrue as a result of this change of policy is £3000, so that the additional expenditure is more than covered.

Item 58. The extra expenditure of £160 will be necessary as planting is to be carried out in localities distant from Machakos. This will entail the establishment of temporary nurseries as near as possible to the planting sites and will increase the cost of planting.

Head XIII. "Game Department". A net decrease of £1,199 has been effected. Two posts of Assistant have been abolished. The position with regard to personnel in this grade has been explained in Sir Charles Bowring's despatch, Confidential No. 306, of the 22nd November.

Head XIII. "Land Department". The correspondence terminating with my despatch, Confidential No. 237, of the 9th September explained in detail the reorganization of the Land Department, the main principles of which were accorded approval in Mr. Churchill's Confidential despatch of the 1st May last.

The total saving of £22,000 estimated in Mr. Martin's Scheme was based on the vote of £22,435 allowed for the Land Department in the draft Estimates for 1922. This was reduced in the final revision to £20,587 or a decrease of £1,848.

Mr. Martin further made no provision for Local Allowance, which accounts for a further £4,853, nor for the leave pay due in 1921 for the Chief Draftsman and one Registrar of Titles (Items 78 and 49), approximately some £270.

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recurrent and extraordinary expenditure detailed under these Heads has been notified in Sir Charles Bowring's despatch No. 1592 of the 18th November.

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Head XVI. "Miscellaneous Services".

Item 1. My comments in this connection will be found under Head VI - Item 39.

Item 11. Recent experience shows that some larger provision for repatriation of distressed persons is required.

Item 13. This matter has been dealt with in the correspondence terminating with my telegram No. 420 of the 6th December.

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Head XVII. "Public Works Department".

The general plan for curtailment of the Public Works Department staff and activities was traversed in Sir Edward Northey's Confidential despatch No. 177 of the 22nd July the measures to which showed the details of personnel reorganization which it was intended to introduce. It has been found advisable to include certain alterations to the original proposals, particulars of which will be found in Appendix H.

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The staff charges have thus increased to £29,402 chiefly for the following reasons:-

Item 1. Provision for an additional Assistant Engineer has been allowed to allow of replacement in an acting capacity of Executive Engineers on leave and at other times for affording assistance to the Director at Headquarters. A sum of £3,900 has been allowed to cover the leave pay of retrenched Officers during

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1923, and a sum of £600 for the passages of Officers who will not sail before the 31st of December. These items will be found at the close of Appendix H.

Item 12. An establishment of Foremen has been re-inserted on reduced lines, i.e. 7 vice 13, as it has been shown that the intention of allocating all charges in this connection to the works on which the men were engaged would not prove feasible in practice. A corresponding reduction has been made in the Schedules of this Department's Recurrent and Extraordinary Expenditure.

Item 21. This post will take the place of the Quantity Surveyor. In view of the responsibilities attached to the duties of Contracts Officer, who will supervise all work given out as well as the Specifications and other preliminaries to the negotiation of contracts, it is considered equitable to place the post on the same grade as an Executive Engineer. I will submit my recommendations for the filling of this post in a separate despatch.

Provision for the Mombasa Water Supply, the Government Coast Agency, the Government Transport, and the African Training Dept. has been shown separately as originally described in the correspondence under reference.

Head XXVIII. "Public Works Recurrent". General reductions have

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Item 5. This expenditure is in pursuance of the ...

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I have now received Your Grace's reply, Confidential, of the 7th November, and await the submission of the report required from the Director of Public Works in answer to your inquiries. No further progress beyond the Rs. 6,000 authorized by Special Warrant for this year will be embarked upon until Your Grace has been consulted.

Item A. The building of a Store is required in connection with the scheme contemplated under Expenditure Head 12 - Item 39.

Item B. This item shows a reduction of some Rs. 2,700 on the corresponding vote for 1924.

Head 13. Administration Extraordinary.

Item A. Provision has been reduced as far as is practicable in the interests of efficiency.

Item B. Town planning is an essential preliminary to the introduction of rating at Mumbai. A question referred to in my telegram of the 26th November. The importance of an early institution of rates is unquestionable as it is the only method by which funds commensurate with the needs of the Town can be obtained. A far more generous contribution was solicited by the local District Committee but they have been notified that the Rs. 6,000 provided under this Head is all that can be conceded as a first instalment during 1925. The money will be expended on the payment of compensation for land acquired or houses to be demolished as well as for the construction of roads including Wobley Road.

Head XXXI.

Head XXXI. "Port and Marine Departments - Extraordinary".

It will be necessary to renew one of the existing buoys in Gilindini Harbour as it has become much corroded from long exposure.

Head XXXII. "Medical Department - Extraordinary".

Item 1. The Government contribution varies with the amount of public subscriptions and donations, which are expected to be larger in 1923.

Head XXXIV. "Post and Telegraphs - Extraordinary".

Item 6. It is essential to erect these huts if the supply of native artisans now coming forward is to be maintained and encouraged. They cannot be treated and housed as menials.

Head XXXVI. "Publicity Department - Extraordinary".

A new service already commented upon under Expenditure Head XXIV.

18. I have agreed to an alteration in the form of Appendix B to the 1923 Estimates. The Treasurer has pointed out that the object of the Appendix is to show approximately what the financial position of the Colony will be at the close of the year under review. This can only be reflected by the balance of the surplus and deficit account, which balance will be identical with the excess of assets over liabilities or of liabilities over assets as the case may be. It follows therefore that the Return should be in the form now submitted, and subject to Your Grace's approval it is proposed

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... proposed to adopt the new model for future years that only essential maintenance work will

16. I consider that the new plant is provided for.

... military liability in ... The expenditure on property of work

will ... over the amount of the ...

... And Mombasa Water ...

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Under Head XXVII. It has been

Item 14. It has been procedure is defective.

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Expenditure now ... appropriate Departments:

XXIX. Public Works

Item 14. ...

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Statement that but for the fact of there being surplus loan funds available the Colony would have had an overdraft of £878,059-17-26 as at the 31st December, 1921. It is therefore evident that when the surplus loan funds have been expended an overdraft will again be necessary, unless in the meantime the Colony's revenue exceeds the expenditure very considerably, or some of the Colony's assets are realized.

The decrease from £1,400,000 to £878,059 shown above is approximately accounted for by the appropriation of £522,000 under item 4 of the Loan Schedule, which was paid into the Colony's General account by the Crown agents and credited to Revenue.

An impression appears to have gained ground that this amount of £522,000 was to be used for liquidating the Colony's overdraft, but as Your Grace is aware, it was intended to cover the estimated deficit of £522,000 i.e. excess of liabilities over assets, as at 31st December, 1921, set out in Appendix A of the 1922 Estimates. It will be observed from the Balance Sheet as at 31st December, 1921, that there is a surplus of £450,521, whereas if the figures set out in the Appendix B had materialized there should have only been a surplus of £20,895. The difference is accounted for by the fact that certain contingent liabilities shown in the Appendix B had not been met as at 31st December, 1921.

18. I take this opportunity of transmitting 10 copies of the Appropriation Bill for the period in question which has passed its 3rd reading in

Legislative

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Legislative Council but to which in the meantime I have withheld my assent.

Before closing this despatch I should state that during the debate on the Estimates in Legislative Council, the elected members pressed strongly for further economies, generally on the lines of the resolutions of the Economic and Financial Committee as quoted in the periodical. I resisted this pressure on three grounds: first, that the Estimates were already in the printer's hands when I took over the Government, and I did not wish to recast the whole document; second, because I had not had time to decide whether the economic specifications were wise, or whether alternative economies could be introduced; and lastly because you had not yet expressed your views as to certain important recommendations of the Committee.

I assured Council that I was thoroughly aware of the need for economy, and intended to pursue the policy in this direction which was inaugurated by my predecessor; and I reminded members that it did not follow that the whole of the money voted would be spent. I added that the Estimates would therefore go through as printed, and I would, when I knew local conditions better, do all I could to effect further savings as the year proceeded.

Paragraph 98 of Economic & Financial Committee's First Interim Report forwarded under cover of Governor's despatch of the 27th October, 1922, No. 1496.

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Colony and Protectorate of Kenya.

IN THE THIRTEENTH YEAR OF THE REIGN OF  
HIS MAJESTY KING GEORGE V.  
SIR ROBERT THORNTON, G. C. B., G. C. M. G.,  
Governor.

Assented to  
this day  
1922.

Governor

Kenya Ordinance No. 1922  
1922. 31st day December

Enacted by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof:—

1. This Ordinance may be cited as "The Appropriation Ordinance, 1922."

2. The Public Revenue for the year 1922, and certain Funds of the Colony and Protectorate of Kenya, are hereby charged towards the service of the year ending the thirty-first day of December one thousand nine hundred and twenty-three, with a sum of one million, seven hundred and fifty-seven thousand, and twenty-eight pounds.

Amount Available for Discharge

3. The money granted by this Ordinance shall be applied to the purposes and services expressed in the Schedule annexed hereto.

Application of Money granted

4. The Treasurer of the Colony and Protectorate of Kenya is hereby authorised and required from time to time, upon the warrant or order of the Governor, to pay out of the Revenue and other funds of the Colony and Protectorate of Kenya, for the several services specified in the Schedule, the said sum of one million, seven hundred, and fifty-seven thousand, and twenty-eight pounds which will come in course of payment during the year ending on the thirty-first day of December, one thousand nine hundred and twenty-three.

Treasurer's Authority for Payment

2  
SCHEDULE.

DIVISION.	AMOUNT.
HEAD.	£
I. Public Debt Funded	300,000
II. Rent and Interest to H. H. the Sultan of Zanzibar	17,900
III. Pensions and Gratuities	81,570
IV. His Excellency the Governor	12,816
V. Secretariat	13,901
VI. "Official Gazette" and Printing	17,597
VII. Administration	247,647
VIII. Treasury	18,199
IX. Customs Department	38,448
X. Port and Marine	14,894
XI. Audit Department	8,283
XII. Legal Departments	38,879
XIII. Police	110,274
XIV. Prisons	49,684
XV. Medical Departments	126,243
XVI. Chemical Research Department	4,694
XVII. Education	52,993
XVIII. Military	180,772
XIX. Post Office and Telegraphs	136,711
XX. Agricultural Department	84,528
XXI. Forest Department	38,220
XXII. Game Department	3,890
XXIII. Land Department	33,270
XXIV. Publicity Department	7,070
XXV. Miscellaneous Services	8,800
XXVI. Interest	
XXVII. Public Works Department	41,261
XXVIII. Public Works Recurrent	60,183
EXTRAORDINARY	
XXIX. Public Works	18,420
XXX. Administration	7,000
XXXI. Port and Marine	210
XXXII. Medical Department	3,994
XXXIII. Education	
XXXIV. Military	909
XXXV. Post Office and Telegraphs	4,373
XXXVI. Publicity Department	1,000
Total	1,787,728

Passed in the Legislative Council the ninth day of November in the year of Our Lord one thousand nine hundred and twenty-two.

528

This printed impression has been carefully compared by me with the Bill which has passed the Legislative Council and found by me to be a true and correct printed copy of the said Bill.

*Clerk of the Legislative Council.*

Presented for authentication and assent as a correctly and faithfully printed copy of the Bill as passed by the Legislative Council.

*Colonial Secretary*

*Attorney General*

COLONY AND PROTECTORATE OF KENYA.

Statement of the Colony's Financial Position.

530

October 23rd, 1922.

The accounts of the Colony for the financial period 1st April to 31st December, 1921, have been published and circulated to Members, and it will be unnecessary, therefore, for me to refer at any length to them. The Balance Sheet of the period shows a surplus as at 31st December, 1921, of £130,521 9 52. This means that the accumulated revenue of the past exceeded the accumulated expenditure of the past by this amount. Included in the 9 months' revenue is a sum of £600,000 taken from the proceeds of the recently floated £2,000,000 loan, to reorganise the Colony's General Account for amounts previously spent out of revenue for Military purposes in connection with the war, and for purchase of reserve stores for the Railway and Steamer Services. (See item 4 of the Schedule to the Loan Ordinance No. 30 of 1921.)

2. Turning to the current year of account, it will be seen from the Abstracts at pages 2 and 6 of the draft 1922 estimates, which are in the hands of Members, that the approved estimate of revenue and of expenditure for 1922, was, on each case, £1,652,876. It will also be seen, however, from Appendix "B" at page 236 of the draft that the 1922 revenue is expected to fall short of the original estimate by £381,800, and that Savings to the extent of £85,900 are expected to be made on the expenditure side of the account. Accepting these figures as approximately correct we get a revised estimate of expenditure for 1922 of £1,809,276 and a revised estimate of revenue of £1,427,476 leaving an anticipated deficit on the year's accounts of £208,200.

It follows, therefore, that the surplus of £130,521 which existed at the commencement of 1922, is expected to have been reduced at 31st December next to £132,921. This figure does not correspond with that shown in Appendix "B" of the draft estimates because account has been taken in the appendix of certain anticipated liabilities. To the extent to which these liabilities may materialize before the close of the year, to that extent will the expenditure of 1922 be increased and the estimated surplus of £132,921 be reduced.

3. The expected drop of £381,800 in the current year's revenue as compared with the approved estimate is made up as follows:

Item of Revenue	Expected Shortage.	Explanation of expected shortage.
Customs	115,717	Trade depression
Dut and Poll Tax	60,974	Reduction in the rate of the tax. Would have been greater if 1921 arrears were not being collected in 1922.
Income Tax	161,222	Abolition of the tax
Timber Sales & Royalties	30,800	Depression in the timber trade.
Fuel Sales & Royalties	15,372	Trade depression, resulting in a large increase in the sale of stamps and telegraph coupons.
Post Office	3,000	Outbreaks of disease restricting the movement of cattle, and general depression in the cattle trade.
Testing Dipping Fees, &c.	9,400	Fewer demands from other Governments.
Sale of Sera, Vaccines, &c.	18,301	General trade depression.
Licences, Excise, &c.	10,000	
Fees of Court, &c.	600	
Earnings of Govt. Dept.	16,000	Cancellation of auction sales of farms and town plots and Soldier Settlers not taking up their farms to the extent anticipated.
Rent of Lands	390,566	
Loss Excess Revenue		
Sale of Stock, &c. £8,000		Sale of Government Stock at the Ngavasha and Kabete farms, due to the closing down of those two farms.
Port, Harbour and Light dues £744	8874	Improved pilot service
Net Result	381,792	

(Round figure, £381,800)





25. Under the powers of appointment conferred upon the Government under Section 8 of the Loan Ordinance the Schedule has been reallocated as follows:

1. Kilindini Harbour Works	£ 1,140,000
2. Usini Gishu Railway	1,224,000
3. Repayment to His Majesty's Treasury of loans already made for development purposes	1,103,912
4. Repayment to revenue of advances from revenue for Military expenditure in connection with the War and for purchase of reserve stores for Railway and Steamer Services	600,000
5. Payment of Interest	477,688
6. Expenses of Issue and Deduction for Discount	454,400
	<u>£5,000,000</u>

There will be a saving of approximately £30,692 on item 6 (Expenses of Issue and Deduction for Discount) available for reallocation, the expenditure under the item having worked out at £428,708 against the provision of £454,400, arrived at as follows:

Expenses of Issue	
Vide para. 25	£173,708
Discount	
5% on £3,000,000	250,000
	<u>£423,708</u>

26. In order to arrive at the Interest attaching to each item of the Schedule, item 6 has been divided proportionately among items 1 to 5—the result being as follows:

1. Kilindini Harbour Works	£ 1,258,900
2. Usini Gishu Railway	1,346,837
3. Repayment to His Majesty's Treasury of loans already made for development purposes	1,274,264
4. Repayment to revenue of advances from revenue for Military expenditure in connection with the War and for purchase of reserve stores for Railway and Steamer Services	659,979
5. Payment of Interest	525,440
	<u>£5,000,000</u>

27. The Colony's Balance Sheet as at 31st December last, which is in the hands of Members, does not exactly separate the figures relating respectively to the Colony's General Account and to its Loan Account. It is not possible to see from it, therefore, to what uses the Loan Funds had been put at that date. I append a Loan Account Balance Sheet as at 31st December, 1921, which shows that the amount received from the Bondholders at that date, viz. £4,096,510 had been applied as follows:

Receipts		Disbursements	
£	Sh. cts.	£	Sh. cts.
Received from Bondholders	4,096,510 00	(1) Kilindini Harbour Works	4,507 16 00
		(2) Usini Gishu Railway	48,854 17 42
		(3) Repayment to His Majesty's Treasury of loans already made for development purposes	1,103,912 00 26
		(4) Repayment to revenue of advances from revenue for Military expenditure etc.	600,000 00 00
		(6) Expenses of Issue and Deduction for Discount	410,477 16 44
		Investments	1,349,697 10 62
		Advances to the Colony's General Account	874,458 17 26
<u>£4,096,510</u>		<u>£4,096,510</u>	<u>00 00</u>

28. It may be asked why, with the Colony's Surplus and Deficit Account showing a credit balance of £400,521-9-52, or in other words, with the Colony's assets exceeding its liabilities by the amount stated, it should have been necessary to borrow on General account from Loan Funds a large sum as £879,059. The explanation is that the Colony's Assets were not all cash assets, as in some systems of Governmental accounting, but included unallocated stores valued at £820,695-8-45. There was also a balance of cash on hand amounting to £507,491-12-13.

CLIFTON GRANNUM,

Treasurer.

Nairobi,

23rd October, 1922.







Kenya 1779

Downing Street,

17 February, 1923

535

15th  
2464-12

Sir,

I have the honour to acknowledge the receipt of your Confidential despatch No. 329 of the 12th December, submitting copies of the Estimates for the year 1923 as passed by the Legislative

Council, and to convey to you my general approval of these Estimates, subject to the observations contained in the accompanying Memorandum and the remarks following.

2. The only item of importance in the Estimates to which I feel considerable misgiving is the provision proposed for the Publicity Department.

I informed you of my preliminary views with regard to this proposal in my despatch No. 30 of 9th January, and the

hesitation which I then felt in approving has not lessened as a result of the study of the Estimates. In the present state of the Colony's finances

DRAFT.

CONFIDENTIAL

GOV. CORYNDON.  
MINUTE.

- Mr. J. J. Lees
- Mr. Battersby
- Mr. Attorney
- Mr. Davis
- Mr. G. Grindle
- Mr. H. G. G. G.
- Mr. J. H. H. H.
- Mr. O. K. K. K.
- Duke of Devonshire

*Amack generally by 40103 1723*

*Review of... (6/2/23)*

(draft herewith)

(6513/20)

*Review of...*

*La...*

observe that it is only a limited class  
to whom settlement in Kenya ( <sup>536</sup> as opposed

to the self-governing Dominions) would  
appeal and who would possess the neces-  
sary personal and financial qualifi-  
cations for success, and it seems

doubtful whether an office of this kind  
would have any appreciable value in  
attracting settlers of this type.

Moreover I am doubtful whether, having  
regard to the present (trade depression) the  
time is opportune for the Government  
to start an official propaganda campaign  
for the purpose of attracting new  
settlers. Moreover from such enquiries  
as I have been able to make, it appears  
probable that the cost of acquiring and  
maintaining suitable premises in any of  
the boroughs referred to in the  
enclosure in Sir C. Bowring's despatch  
No. 1532 of 18th November, and of  
advertising on any scale large enough  
to be of any real service, would be  
considerably in excess of the sum

provided

provided in the draft Estimates. If on the other hand the primary intention of the office is to *stimulate the demand for* advertise the products of Kenya and to place Kenya producers in touch with home markets, the object aimed at could be effected at a considerably less expenditure by the appointment of a Trade Commissioner. The public display of Kenya products would not form an essential part of a scheme of this kind, and as the chief duty of a Trade Commissioner would be to get into personal touch with manufacturers and merchants dealing in products which Kenya can supply, more modest office accommodation would be sufficient.

Had the expenditure on advertising *be with a large part* would be considerably less. *Moreover* *it is possible to enlarge his* *functions* *if it were deemed* desirable to do so. In these circumstances I would be glad if you would give this matter further consideration before any action is taken.

3. As regards the general financial position of the Colony, I note that the Estimates show a balance of **537** £27,534 of Revenue over Expenditure. This does not take into account the saving which will result from the decision to reduce the local allowances of European officers to an average of 15%, and as you point out in paragraph 10 of your despatch, the estimated surplus will be increased by the sum of £25,195 on this account. On the other hand, the present *reduction* *of* *allowances* *of* *European* *officers* *will* *be* *approved* *by* *you* *separately* *with* *regard* *to* *this* *but* *I* *feel* *it* *necessary* *to* *observe* *here* *that* *if* *this* *cut* *is* *not* *approved* *a* *considerable* *decrease* *reduction* *of* *our* *estimated* *surplus* *will* *result.* *Provided* *that* *it* *does* *not* *appear* *to* *be* *safe* *to* *rely* *on* *a* *surplus* *plus* *than* *(any)* *£20,000.*

4. As regards the working of the financial year is concerned, this

account given how this discrepancy

is to be explained. On a careful

examination of the Statement of Assets

and Liabilities it appears that the

figures in the fact

do not tally with the

figures of the military

accounts for the

period from 1st

January 1922 to

31st March 1922

and that the

difference is

in favour of the

War Office.

I am, Sir, very

truly yours,

W. G. B. G. G.

to

to be informed

that the balance

is shown in the account enclosed in

(4304)

Sir G. Bowering's despatch King's African  
Rifles No. 209 of the 20th December as  
the balance due by the War Office on the  
31st March, 1922, in respect of Military  
Expenditure. 539

6. You are aware that the question  
of Kenya's liability for war expenditure  
is still the subject of discussion  
between this Office and the Treasury, and  
pending the result of that discussion, it  
would not be wise to count too confidently  
on the recovery of any particular sum  
from the War Office. You may be assured  
that I shall endeavour to make the best  
terms possible on behalf of Kenya and if  
necessary I shall consult you further  
in the matter. But having regard to this  
at present indeterminate liability and in  
view of the certain prospect of increased  
interest payments in the near future, it  
is nearly essential to husband the  
Colony's resources by practising the  
utmost economy and by foregoing all  
expenditure for the time being.

X No. 4305

14

that which is absolutely essential.  
Every effort should be made to wipe  
out the existing overdraft not only  
by the most stringent economy but also  
by liquidating as far as possible the  
Unallocated Stores Accounts and any  
other Suspense Accounts which represent  
recoverable expenditures. So long as the  
overdraft exists the financial position  
must continue to give cause for anxiety.

I have, etc..

Signed DEVONSHIRE

KENYA

No. 31.



6581 541  
GOVERNMENT HOUSE,  
NAIROBI,  
KENYA.  
REC'D FEB 27

~~CONFIDENTIAL~~

12th December, 1922.

Mr Lord Duke.

I have the honour to inform Your Grace that, with the advice of my Executive Council, I have signed an order under the removal of Natives Ordinance, 1909, for the deportation to Siyu, in the Lamu Archipelago, of a Native named Ndonye wa Kauti, for conduct dangerous to peace and good order.

2. In April last, Ndonye, who is a native of the Machakos district, declared himself to be a prophet and claimed to have had personal meetings with God. On the strength of this he proceeded to enunciate peculiar doctrines of a semi-religious and political nature, and obtained a considerable following among the ignorant natives of the Ulu Native Reserve in the Ukamba Province, who were chiefly attracted by the fact that he promised them exemption from taxes and the removal of all Europeans from the country. As the result of enquiries into the ideas and preachings of this man, who, it may be mentioned, is no member of any Church, it was considered advisable to place him under medical observation.

HIS GRACE

THE DUKE OF DEVONSHIRE, K.G., P.C., G.C.H.Q., &c. &c.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET,

LONDON, E.C. 4.

REPEL.  
Depositions.  
Petition.

Ref. No. 4407-14

Chicago, Ill.,

Chief Native Guard

SAISON

TO THE CHIEF  
FROM THE  
SUBJECT: SAISON  
RE: SAISON

In April 1944, the  
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Nanti wa Kibai, handman Iveti location, formerly  
Government Interpreter Guly affirmed states:-

I remember about four months ago accompanying the District Commissioner, Mr. Stone, to a place in Kilungu. We had gone there in view of reports received about a certain native NDONYE WA KAUDE. When we arrived a great multitude of people were there, and others were proceeding there from all quarters but turned back when we arrived upon the scene. The crowd included a number of Government headmen. The crowd showed a tendency to disperse, but were re-assured by NDONYE, who said that he knew he would be arrested, but that he would return.

Mr. Stone proceeded to converse with him. He admitted having summoned the people who were present, as he was their chief (Mkabwa). He was asked whence his chieftainship was derived and he replied from "Ewaha Jesu", whom he said he had met in the road, and from whom he had received a pencil, which was placed behind his ear. Mr. Stone took the pencil and informed NDONYE that the pencil came from America. A house was being built in his village and Mr. Stone asked him what it was for, and he said that it was a house for the reception of pencils, locks and other European articles. He added that when it was finished he would build a house of stone above and underneath would floor it with cement (MURRI). He was asked where these materials would come from and he said "from above". He also said that the house would be used as a hotel for Europeans. Asked where these things would come from, he

- replied -



## 2.

After Mdenye's release at Mashakos, he returned to Kilungu and spent a night at headman Watha's, where a goat was killed for him. He then went to headman Kaho's, where another goat was killed for him. He then went to his home. He stayed there 10 days and then sent for me. I went there and spent two nights with him, and subsequently with a neighbour. I accompanied a young man called Kilali to buy some chickens, and on our return we found a woman who had come from Kises at Mdenye's house. She stayed there 5 days. I was then sent to take the woman back to her home. I was told by him to wait for him for 6 days at Kises, and that he would arrive on the seventh. The woman had collected a number of people to perform an ngoma for him. Before the 7 days were up, Mdenye had been arrested. In view of my association with him, I was also arrested. The people of Kises collected in large numbers to wait for Mdenye, who had given out that the sacrificial places were to be cut down, and the land converted into shambas. This announcement drew the people particularly, as it is so against Kamba practice and enforces of European methods. The novelty of the idea made them curious. Mdenye on his return to Kilungu from Mashakos informed the people that he had suffered at the hands of Government, but intended to continue his practices, though on a smaller scale. He did not adhere to this intention, but succeeded to send for the people again as before.

At Naju an ngoma was held in his honour, which lasted four or five days. He stole a woman there, but her father

Munyeki wa Mutiambi, a member of the Kevoi African  
Evangelical Mission, Enochokos, duly affirmed, stating:

"I first heard of Mdenye wa Kobil, some months ago,  
as the man who received fowls and food from heaven. I  
had heard that large gatherings were attending at his  
home daily to hear his words. When I told Mr. Stephenson  
of this, he said, 'He will be the man'."

When we reached Mdenye's village we found a tremendous  
crowd gathered. It appeared that we had just called a crowd  
of people by announcing that we had a piece of meat.

Mr. Stephenson interrupted and said, 'We want  
all these people to hear of Mdenye's village. He  
said that they would be glad to get something to eat  
and that they would be glad to hear his words regarding  
rain. They will be glad to hear that we have come again  
to see him'."

When we had considered the question  
of the best way to go, we decided to go to Mdenye's  
village. We were very soon and those of  
us who were not teaching will be driven out  
of the country."

"I then asked him to leave the Europeans, those  
of them who were not his disciples, from the  
mountain. He said, 'I have received strength from  
the mountain. I have received strength from a man's elbow to the tip  
of his hand. I have received strength only  
from the tip of my finger. I will give  
strength to the mountain from the country itself, with  
the strength of God'."

I then asked him if he would know God and he replied,  
'Yes'. He said, 'There are three God's. One is  
the God, the second is "Bwana" Yaka, the third "Simiti".'

2.

I then asked him for what purpose he was building a house and he replied, - "God has given me strength to build this house for him. Later on, when it is complete, He will send books, clothes, rifles and a telegraph line. The telegraph line will reach from this house to God and will provide a means of communication between us. As soon as all these articles have been sent to me by God I shall take complete charge of the whole country, having Europeans, Indians and Natives awaiting my command. I shall then change the whole Administration of the country and everything will revert to its old state".

I then asked him if he could read and he replied, - "No, but when God will teach me to read in one day I shall then teach people the words of God".

I then asked him if, as yet, he had received anything from God. He then went into his house and after ten minutes, returned with a pencil, and a piece of paper on which he had written the words of God. He stated that this came from Heaven.

On being asked if he had received anything from Heaven he said he had not.

I then asked him why all the people who had collected at his village, were not on the road to the station. He replied, - "They have my orders to finish the house. When the house is finished they are to take three roads - one to Magadi Junction, one to Nandi and one to Kitui. The road from Magadi will be a Railway connection with my house, while the other two will merely be roads for ordinary traffic. Every tribe will thus be able to get me."

As regards Edoyo's movements since his release, I cannot give any direct evidence.

September 7th, 1922.

Edou wa Katoke, of Ndanda Island wa Lala, Kilanga, affirmed, states:- "When first went to Ndoye's village I had a 'Kiboko' with me. Ndoye's first action was to seize my Kiboko. I asked him why he had done so and he replied, - "Because I am God!" I then asked him when he would return it to me and he said, - "When my telegraph line to Hevenon is installed in the house I am going to build according to the God's directions". I then became interested and remained with Ndoye for four days.

On the fifth day I took my Kiboko and said to Ndoye, "If you really are God instruct your spirit to take my Kiboko from me". - He then told me to go away, which I did and remained away for two days.

Since I have stayed with Ndoye constantly. A few days after Ndoye's release he sent for me and I went to his place. On my arrival he asked me why I had not been to pay my respects to him. I informed him that I heard that he had been arrested and locked up by the Government. He replied, - "My spies to look me up but failed and here I am a free man again. Was that you have had power of power, younga you will believe in my".

The missionaries & arrived old men, young men and women came to Ndoye's village in large numbers. Ndoye spoke to them as follows, - "Now you see, my words regarding my power were correct. The Government tried to lock me up for good and all but they have failed hopelessly. Even I am perfectly fit and unharmed and able to do just what I like. Nevertheless we must work the

2.

return, as he had merely gone to prove his strength against the Government.

Most of the people of Kilungu, to this day, believe that Ndonye is the Government's master and that he will soon return again.

Among those who went to Ndonye's village were people from Nain Kilungu and a place near Kamoni.

If Ndonye is released again I have no idea what will happen, as all the people will go mad.

READ OVER CORRECT.

III Class Magist.

A.B.C.



September 21st, 1922.

Kitabi wa Mzee, of Headman Chacha wa Mbwai, Kilungu, affirmed, stated:- (Ndenye is my cousin and we live in the same village. Some time ago Ndenye and I came to words over his practice of preaching bad things about the Government. I left the village for a long period.

The day Ndenye left Waita's house, after his release, I was on my way to work, on the Kilungu road, when I met him. He was carrying a goat skin in his hand. I asked him where he had come from and he said,- "I have just come from Mwachaka. The Government tried to lock me up but they found me too powerful. As I have told you before, the Government's strength compared with mine is nothing. I have spent the night with Waita wa Ndunda and am now going home to gather my people together." I asked him where he had got the goat skin from but he refused to tell me. He however admitted that he had only stayed with Waita on the road, it is, therefore quite obvious that Waita gave him a goat.

Ndenye's influence in Kilungu and Mbu is very considerable, especially as he was arrested by a large force of Police and then released without being punished or even having a charge brought against him."

HEAD OFFICE COLLECTOR.

(sgd) W. B. Bailey

III. Class Magistrate.

Asst. District Commissioner,

21st September, 1922.

He also told me that he didn't pay tax and that next year no one would pay, as the white people will all have been driven out of the country by him. He said that he intended stopping the work on the railroad next very soon.

When he had finished eating the goat he told me to go home and tell all my people that he had beaten the Government and that, if they followed his words, they would not pay tax, and, in fact, everything would be free. He also said that he would be on receipt of the bill, he would sign it, he would be in full and tell me all about tax and his race.

Our women informed me that large crowds gathered every day and that he kept on informing them that he was the next person to "God".

HEAD OF THE CHURCH

(sgd) W. D. Lacey

III 410 - 101 (strat.)

Supt. District (name to be inserted)

22nd September 1922

Madagascar

RECORD OFFICE, 105-107

COPY OF REPORT BY DAVID ... 1933 ... MAISON.

I held a full house of the Mashaka District Headmen at ... with the Senior Commissioner of the Province (Mr. Jones), the A.C. District Commissioner (Mr. Thompson) and the Asst. District Commissioner (Mr. Isard).

I had ... explained the allegations that had been made against him. The whole of the Headmen present expressed their firm conviction that this man's activities are a menace to the peace and good order of their districts, and to their authority as Headmen. They also said that they are sure that if he were allowed to remain at liberty he would continue his practices, for when he was detained before on suspicion of being a lunatic he boasted afterwards that he had defeated the Government, and he continued his old activities and teachings.

3. ... said that he did not know what he was accused of. That of course was absurd because I had already told him in full house. His attitude was entirely passive and it is clear to me that he is entirely ignorant. Both the Senior Commissioner and myself are satisfied that it is essential for the good government of the Mashaka district that this man should be removed. This view, as I have mentioned, is supported by the Native Headmen themselves.

4. The Gov. Mr. ... stated that he ... should ...

604 KING RECORD OFFICE LONDON

File 6081/23 Kenya

565



13 14 Feb 1923

DRAFT.

Conf

Sir,

London

MINUTE.

Mr. Brien Feb 13

Mr. Buller

Mr. Dunc.

Sir G. Grindle

Sir H. Ross

Sir J. Macdonald Smith

Mr. Ormsby Gore

Dubs of Dombasle

I have pleasure to acknowledge the receipt of your confidential No. 331, of the 12<sup>th</sup> of Dec<sup>r</sup>, and to inform you that I approve your action in signing an order for the deportation to Sirigu of the native