

EAST AFR. PROT
UGANDA
No 34593

C O
34593
R.P.
27 SEP 35

1905
7 Sept
previous Paper.

(Subject.)

New Subsidiary Coinage

Containing recommendations as to weights & gauges for brass and copper coins, & the weight of proposed 10 cent copper coin.

Mr. Lili

We had been long pondering the fact remains that a "trial" preliminary report to have recommended performance and that the...
possibility of...
at the same...
to the question of...
weight of the...
I suggested that...
with a further letter...
continental system. We shall have to consult the...
in the...
from the...
? W...
2/19

See also 34637

John...
20/9/35

1/24/37
39
15/6

T.O.

Restley.
The ~~Board~~

attach to this paper the accompanying
letter to Mr. Deane of Oct 2nd 1861 minutes
on them. I have no other notes
on the Cuba letter

The arrangements as to the notes (see note
from A attached) and the stamp paper are going
ahead. The only matters outstanding are

- (1) Currency
- (2) Accounts (see 23/03 & notes attached)

Currency

In 1859, 60 & 61, the Board considered what
they told us in 1861 they now say. It is
recommended that the King's head be not
placed on the new Bank notes & that the
last recommendation I may add that
apart from the great difficulties caused
by perforation there are precedents in
the last and previous reigns which
justify the omission of the King's effigy.
So the King's subsidiary currency is proceeding
readily, and it would appear to be
possible, after all, to adopt Col. Suddler's
recommendation of a 10c piece which
would be new say with an inscription
Suddler's Suddler accepted the 10c as a
substitute to the 10c bank notes necessary to
save the water mark.

We should however refer to the
Deane's letter in asking you for
change for the 10c & 10c pieces?

With regard to the 10c piece I think
we should adopt the present proposal of
500,000 pieces.

will be
in 1862
the 10c
1862
already
under
the 10c
1862
1862

clause 23.

(2) Accounts.

The Treasury have been waiting
for settlement of the question of currency
before issuing our letter on 27/12/61

Probably the best thing to do would
be to tell them that after further
consideration it has been decided to
adhere to the recommendation of the
Royal Commission on the proposed
currency of the 10c & 10c pieces
and to settle an arrangement of the
D.C. with a view to the
issue of the 10c & 10c pieces
being made as proposed above
Change for the 10c & 10c pieces
The letter to Com: 1861 should
should communicate with the
Deane as to the date on which the
D.C. (which has already been
forgotten) should be proclaimed and
regards the currency note and the
liquidation of the currency as by
law, saying that the proclamation
when issued should be subject to
approval of the Treasury and
of the Board of Commissioners.

before being covered?

W.B.S.
137

H. J. B.
137

Mr. Anderson:

I gather that the only legal question submitted to us is whether the Commission on the O.C. 1905 requires amendment.

In 1928 there was no question of amending the O.C. because it does provide for 10 cent and 15 cent pieces which were the subject of discussion.

But it does not provide for 1/2 cent pieces which are now proposed and which require amendment according to ISA 15/1.

Met. Jan. 27
at once

WBS
137

4-9-18
137/1

Mr. Andrews:

I gather that the only legal question submitted
to us is whether the Ohio (Memorandum)
June 1905 requires amendment

In 1920 there was no question of amending
the OWC because it does provide for 10 cent
and $\frac{1}{2}$ cent prices which were then under
discussion.

But it does not provide for $\frac{1}{2}$ cent prices
which are now proposed and will require
amendment according to

137-15/1

WBS
at once

50,000 oct 50,000
all the 20, 57, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100, 105, 110, 115, 120, 125, 130, 135, 140, 145, 150, 155, 160, 165, 170, 175, 180, 185, 190, 195, 200, 205, 210, 215, 220, 225, 230, 235, 240, 245, 250, 255, 260, 265, 270, 275, 280, 285, 290, 295, 300, 305, 310, 315, 320, 325, 330, 335, 340, 345, 350, 355, 360, 365, 370, 375, 380, 385, 390, 395, 400, 405, 410, 415, 420, 425, 430, 435, 440, 445, 450, 455, 460, 465, 470, 475, 480, 485, 490, 495, 500, 505, 510, 515, 520, 525, 530, 535, 540, 545, 550, 555, 560, 565, 570, 575, 580, 585, 590, 595, 600, 605, 610, 615, 620, 625, 630, 635, 640, 645, 650, 655, 660, 665, 670, 675, 680, 685, 690, 695, 700, 705, 710, 715, 720, 725, 730, 735, 740, 745, 750, 755, 760, 765, 770, 775, 780, 785, 790, 795, 800, 805, 810, 815, 820, 825, 830, 835, 840, 845, 850, 855, 860, 865, 870, 875, 880, 885, 890, 895, 900, 905, 910, 915, 920, 925, 930, 935, 940, 945, 950, 955, 960, 965, 970, 975, 980, 985, 990, 995, 1000

Completion 19th Sept
Mr. [unclear] [unclear]
inform [unclear]

Dear [unclear]
[unclear]
[unclear]
[unclear]

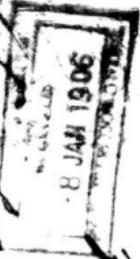
Dear Goodwin
[unclear]

Could you find out
for me whether the S. Africa
Currency Notes have yet
been sent out, & if not,
when they are likely to go?

(You letter D/E. of Aug/10/1904
of 21 Sept. & our reply of
25 Sept.)

Yours

W. B. Doxson



The Report on the

With reference to the Ellison Kierulff's letter of the 1st and 20th of October, I submit a memorandum (by the direction) of on the F.O. correspondence on the points involved. I am afraid it is rather long.

There are only three practical courses open to us:

- (1) To adhere to the proposal for the formal division of the empire with the sovereignty as legal basis.

- (2) To introduce a uniform currency, either with the Gold Standard (with a gold content of 1/5 of price) or with the proposed West African penny and gold standard, but to be common to all organized

- (3) To retain the present system (of £1000 notes and silver divisions, and Protectorate and Company's coins, with Indian coins for Uganda) either permanently or until we see whether the Indian or British and South African trade is going to predominate. The money-like qualities

I discussed the matter with Mr. Downing and Mr. Deane before he returns to South Africa, and I have also consulted Mr. Cotton, who has known some of the workings of the decimal system in the Eastern Colonies.

It seems to be agreed that both the currency and the empire are required. There is agreement also for the former and, so long as fully 80 per cent of the capital and

business capacity of the country even the
 hands of Indians and more than a quarter
 of the value of the issue is with India. It is
 clear that we can demonstrate the paper but
 I have fearfully does not suggest that we
 should do so, and as he has agreed that the
 present Government must not delay the issue
 of currency notes, (in preparation) I presume he has
 no wish to say that we should get rid of the
 paper - at all events at present

This being so, the question is whether only
 to a subsidiary course. It can I think be
 simplified by leaving out of account the
 facts of external trade relations about which
 so much has been said. There is a
 slight increase in the reputation of the
 Government by means of the 1903 and 1904
 at the expense of the Bank. It is
 to say whether it will continue and if so
 the matter does not affect the currency
 External paper is not issued at the
 50 cent price - you know that they are
 in Company's expense. (Prohibition)

Not difficult in the respect has been
 used in connection with the Bank before
 and India

The fact is that India and East Africa ought
 to have the same right as to the banking
 notes of the Bank of India. The
 between the two sides is nothing more
 recognized the fact of the same nature
 to be known to the public as in the
 (the same as the same as) in
 which is probably more heard of the
 to the fact of the same as the 50
 of the same as the same as the same as

(The same as)

Substantive

Prohibition

... has been... the... of which has
 expressed... for the... of trade
 taken... the... that do not
 seem to be aware that the... paper
 system has been... in...
 (done so well as in...)

It is true that as the... point out, only
 a... the... were... to be...
 ... But the... of... by us
 ... general... with the... of
 ... of the...
 great weight...

... the... of the...
 ... with...
 ... with all

... the...
 ... the...
 ... of the...
 ... of the... (the...)

(1) The... (the...)
 (2) ... (the...)
 (3) ... of the Bank which we...
 most of the work is... putting the...
 translation... from... (the...)
 (4) ...

... the...
 ... have been...
 ... the...
 ... }
 ...

... the... to...

have already applied it to the rupee in their accounts
Mr. Nathan, Mr. Bowring tells me, would readily learn any system but would find a decision in favour of not returning to them

Differences in introducing the Indian money

The florin is of the same weight as the rupee (approximately) but has a face value 50% higher. Similarly for the shilling and the 8 anna piece and the sixpence and the four anna piece

If they are ^{calculated} introduced together there is a net loss that the English value will be unaccepted at the value of the Indian coin of equal weight and value. It would be that the English value will be unaccepted and come back to the bank of the East, by that time will about the value of the Indian money.

Mr. Bowring tells me that the Indian will naturally demand a 10% allowance on the value of the rupee. Mr. Johnston adopted the unaccepted value of the rupee at 10% to 10s, with the result that all the rupees would be unaccepted to India.

The unaccepted value of the rupee could come with the proposal 50% and 100% piece which would be both in weight and face value of the 8 anna piece.

[The next least proposal is the introduction of British silver. There are the same difficulties would arise as the proposal about the same value to the rupee.]

Differences in introducing the central system

(a) The loss to the Post Office has been suggested may be Mr. Bowring's belief

Differences
(1) English

(2) Central

that the (English equivalent for penny) ¹⁶⁶ postage was a scant rate. Actually it is 60 so that the loss would be one fifth of what he thought. Still, the loss has to be taken into account.

(3) There is no convenient relation between the cent and the pice, which ^{has} now got a fairly good footing 1/2c = 1/16 pice but would probably be regarded as the equivalent of a pice [It is said in England the £1 was divided into 1000 parts, so that the unit is 1/1000 of a farthing] This would, in itself, at first lead to a loss to the small trader of 1/16 of a pice and it is probably to this that the Hon. Secy of Commerce referred when he said that the change would cause the small trader. But it is not likely that the difficulty would last long, and it has already been got over by the introduction of the rupee.

It is to be noted that the world is now doing a good deal of business in the coin and the price is more of the unaccepted value (which is not proposed). The rupee would be preferred. It may be noted that there was some very good reason for the 10% should not be proposed. All the world has done is to show that the English value is unaccepted if applied to some quantity less than say 1000 of the rupee will be.

If the Bank proposals are adopted, the Post Office will make some profit on the West African postage. ^{any} However, the loss of the Post Office is of little importance though the available capital of England and India is large.

If the decimal rupee system is adopted, there will be a substantial profit on the silver and, ^{probably}

probably on the 10c piece. There might be some slight loss on the 10 and 15 pieces, but there is not certain. We only know that there would be a loss on the (above 20c) 70c piece. There would also be some loss on revenue from stamps.

Next, there would be a loss on the country stock of piece.

The Treasury has no very decided personal preference in favour of the decimal system. He prefers it on the ground of the profit in the change and of simplicity & accuracy, but he is a definite considerable temporary difficulty to be overcome by changing the effect.

He would rather maintain the existing system (with the necessary legal changes) than have British currency.

He is most anxious that nothing should be done which would further delay the settlement of the currency question. He would however be prepared to produce that part of the Order in Council which deals with the matter without giving effect to the rest.

The Treasury is not to be asked the question until before the 1st of July 1870. He is not to be asked the question until the 1st of July 1870. He is not to be asked the question until the 1st of July 1870.

He has it understood that the arrangements

Mr. Bowring

already made (which have been agreed to by the Foreign Office and the Treasury and have proved successful elsewhere) any study, I think we ought to maintain the existing system until we have our business measures to these questions.

- (1) The British ...
- (2) Great ...

4615
29/10

I cannot see that there was any sufficient reason for the change - large weight.

1. The idea that a paper might be made out of the ...

2. The greater simplicity of the decimal coinage.

3. The need of a smaller coin than the present 1/2p.

The last (1) the paper money is likely not to be any larger, & I don't know what we should make as good as money.

2. 1/2 are for ...

behalf of the Cotton Producers.

(2) the dualismal dening
of the refer support for London
and I can't see as to
for the natives of E. Africa
there is any special difficulty
by involved

(3) As we have given of the found
piece for Uganda & the market
in as to be $\frac{1}{2}$ cent $\frac{1}{2}$ 100 lbs
refer the place of the
can be taken by the
age of a piece $\frac{1}{2}$ of
a refer

At present there is a large
surplus of pieces in the
open Treasury which they are
not able to get into circulation
& I cannot be any ground for
thinking that the
reference will be more to be
I am enclosed to you with
the whole feeling of the necessity
in the said letter

leg. l. t. ...
as legal tender - to the
Treasury if there is any reason
why we should not coin our
own subsidiary coins
to get a supply of gold from
India for the ...

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1891 Sept

Mr. ...
There is a great amount of
opinion about the matter, but
I should be inclined to think that
what has been already settled with
the Treasury, who ought to be good
judges in the matter of the ...

H. J. R.

30/11

Memorandum on the correspondence relating to certain matters connected with currency in the East Africa and Uganda Protectorates; viz:-

- (1) Deed of division of the rupee,
- (2) Introduction of the new coin as legal tender,
- (3) Introduction of English currency.

The state of the currency in 1902 was as follows:-

East Africa Protectorate

Indian coins:-

Silver pieces of the value of one rupee and 2, 5, and 10 annas in general circulation. One 1000,000 worth had been imported since 1890.

Indian copper was also tender but the piece (three pice, or 3 annas) was not used and that only rarely.

Company's silver:-

The rupee circulated, locally about 20000 worth had been coined. The subsidiary silver coin "Ferdinand" priced as currency.

Company's and Protectorate pice (copper):

The country was flooded with these coins, which were at a considerable discount. It was proposed to raise them to their par value by buying up large quantities of Government issue. The above constituted the legal tender, but Indian currency notes, Maria Theresa dollars, German rupees, and English gold found their way into the Protectorate in small quantities but were quickly exported again.

action in 1902

at London on 30/3/02

19 July 1902

Memorandum on the correspondence relating to certain matters connected with currency in the East Africa and Uganda Protectorates; viz:-

- (1) Decadal division of the rupee,
- (2) Introduction of the sovereign as legal tender,
- (3) Introduction of English currency.

The state of the currency in 1902 was as follows:-

East Africa Protectorate

Indian coins:-

Silver pieces of the value of one rupee and 2/4 and 2 annas in general circulation. Rs. 2,000,000 worth had been imported since 1890.

Indian copper was legal tender in the place of the silver pieces, but only rarely.

Company's silver:-

The rupee circulated, but only about 25000 worth had been coined. The subsidiary silver coins were found "prices as current".

Company's and Protectorate piece (copper):-

The country was flooded with these coins, which were at a considerable discount. It was proposed to restore them to their par value by buying up large quantities of Government issues. The above constituted the legal tender, but Indian Currency Notes, Maria Theresa dollars, German rupees, and English gold found their way into the Protectorate in small quantities but were quickly exported again.

Col. Swainson no 216
to Sir [unclear] 1902

Uganda

Rupees (mainly Indian) to the value of £22,000
circulated (over 11/2 in Uganda proper and Unyoro
and in the neighbourhood of the Govt. stations
elsewhere.

Pice (£1,400) round the Govt. stations.

Cowries very general and accumulated in the hands
of the Govt. at great loss. Large quantities of
them were burnt for lime in 1901.

Beads, iron, wire, etc., also circulated.

The kind of coin wanted for the place was a
small, light coin.

In the course of the circulation of the
money of the protectorate in the Uganda, which
out of the question of the introduction of the
currency of the protectorate.

Memorandum
6 Oct 1902

Steps should be taken with reference to the
introduction of the currency of the protectorate on the same
footing as in British India unless it be
found it inadvisable at the present time to
make the sovereign a legal tender.

Certain rupees and other coins should be
discontinued from the outset by all suitable
measures.

This view was communicated to the Commissioners
who were asked in regard to the matter; the response
to Uganda (COB, 2000 to E.S.P. [unclear])

10 Sep no 202
to Sir [unclear] 1902

In this
context of whether the adoption of the
sovereign as legal tender, with a circulating
rupee coinage, might not be accompanied by
introduction of the Cayman money.

CG Series no. 216
14 September 1902

Uganda

Rupees (mainly Indian) to the value of £33,000 circulated generally in Uganda proper and Unyoro and in the neighbourhood of the Govt. stations elsewhere.

Pice (£1,400) round the Govt. stations.

Currencies very general and accumulated in the hands of the Govt. at great loss. Large quantities of them were burnt for lime in 1901.

Gold, iron, wire, etc., also circulated.

The need of a coin smaller than the pice was generally felt.

In the year of the correspondence on the supply of coins... the question of the disposal of the stock of currencies... was discussed.

Proposed...
14 Oct 1902

Steps should be taken... in Uganda and British East Africa... to facilitate the currency of the Protectorates on the same footing as in British India—unless it be found inadvisable at the present time to make the sovereign a legal tender.

German rupees and other coins should be discontinued from the outset by all suitable methods.

This view was communicated to the Commissioners and was asked to report on the matter; the demand to Uganda (copy sent to E.A.P.)

10 May 1902
14 October 1902

in this context... it whether the adoption of the sovereign as legal tender, with a circulating rupee coinage, first and foremost... in conjunction of the Govt. monetary

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system of dividing the rupee into 100 cents instead of into annas and pice.

(A marginal note on the draft shows that this was added at the suggestion of Mr. Bates the Judge, and with the concurrence of Mr. Chalmers, whom Mr. Crowe consulted).

Sir Elliot replied

"I do not think there would be any objection to making the sovereign legal tender, but Mr. Bates and myself do not deprecate any change in the copper coinage. Although in theory I should much prefer to see the present division of the rupee into annas and pice replaced by a decimal system. Pice are at present the chief form of currency among the natives... and it is not possible to introduce another coin to displace their silver pieces... in the case of money."

No. 28, 21 Jan 1902

The effect of the Uganda rule was that the British Government would relieve the load of the R.A.S. but that it was early for the introduction of the sovereign and that there was a local need for a coin smaller than the pice.

No. 120, 10 Aug 1902

Mr. Gray was asked to add to the draft (Note Order in Council) provision for legalizing the sovereign and demonetizing Indian copper, with the intention of introducing a special copper coinage on the Indian model. In submitting the draft, Mr. Gray referred to the decimal question as follows:

"As I was in Ceylon when the decimal system was introduced there, I may be allowed to bear witness to the enormous benefit which that system brought to all classes of the community. The relations of Ceylon with India

17 July 17 Nov 1902

were at that time infinitely more complex than are those of East Africa at the present time. Besides the very large volume of European and native trade, the interests of the thousands of Indian coolies continually moving between the two countries had to be considered. Before the change was made objections were raised as to the probable disturbance of native confidence, and as to the power of the smaller country, to maintain a system differing from that of its great neighbour; but it may be said, also that from the date of the change not a dissension voice has been raised from any section of the Ceylon community.

The Ceylon currency offers less and still greater facilities than the Indian for the native traffic. The value of the rupee in India is 1/400 of the value of the rupee in Ceylon. (under the Order in Council of the 6th January 1892) according to its people 1/400 and 1/400 pieces, the latter = 1/400 of a rupee.

I have felt inclined to offer these reasons to the Government that, in the present opportunities are allowed to slip, hereafter it will in future be felt that the change was not made at a time when the Government had a comparatively "clear mind" and when the natives had little to quarrel with.

9/12/93
 (19/12/93)

The matter has been referred to the C.O. Our reply was to the effect that we were not aware of any difficulties having arisen to counteract the great advantages attending the decimal system adopted in Ceylon, but, with reference to the opinion of the sovereign, that considerable interest

were at that time infinitely more complex than are those of East Africa at the present time. Besides the very large volume of European and native trade, the interests of the thousands of Indian coolies continually moving between the two countries had to be considered. Before the change was made objections were raised as to the probable disturbance of native confidence, and as to the power of the smaller country, to maintain a system differing from that of its great neighbour; but it may be safely said that from the date of the change not a dissenting voice has been raised from any section of the Ceylon community.

The Ceylon currency orders, 1882 and 1883, still greater facilities than the Indian for pecuniary control. The smallest printed coin in India is 1/1000th of a rupee. Under the Order in Council of the 21st January 1882) supplying its people with 1 and 1/2 cent pieces, the latter - 1/400 of a rupee.

I have felt from time to time that, if the present opportunities are allowed to slip, hereafter will in future be felt that the change was not made at a time when the Govt. had a comparatively "clear slate" and when the nation was little or unburdened.

9/12/1903
(20)
1884/1903 (27/6)

The matter was then referred to the C.C. Our reply was to the effect that we were not aware of any difficulties having arisen to counteract the great advantages attending the decimal system introduced in Ceylon, but, with reference to the value of the coinage, that considerably more

venience had been caused by the scarcity of silver as a result of gold sovereigns being made legal tender. "The Banks which had previously imported the rupees required for trade purposes have found it more economical to import gold, and the expense of importing rupees has been thrown upon the Govt."

It was decided, after consulting the Treasury to omit the provision for making the sovereign legal tender, and to refer the question of a legal tender currency to the C.P. With regard to the first point, the Treasury remarked that it was so premature to introduce the sovereign especially in view of the difficulties which were then in the way, and that, in any case, the question of making the sovereign legal tender should be made a separate subject.

June 1900 and, more particularly, the report by Mr. Bowring which accompanied it, are the most important papers in the series. Mr. Bowring had issued a Circular for the purpose of ascertaining the local opinion on the point, and, although he expresses his disappointment at the small number of replies, they seem to be fairly representative of all sections of the community. He remarks

"The public generally, including both the paper, seized the opportunity offered by the proposed change to agitate for the adoption of the Metric System of pounds, shillings and pence. A variety of other alternatives were suggested such as

English pounds, florins and farthings,
East African Dollars and Cents,

English pounds, East African florins and

venience had been caused by the scarcity of silver as a result of gold sovereigns being made legal tender. "The Banks which had previously imported the rupees required for trade purposes have found it more economical to import gold, and the expense of importing rupees has been thrown upon the Govt."

It was decided, after consulting the Treasury to treat the proposals for making the sovereign legal tender, as to defer the question of a decimal rupee currency until the next year. With regard to the first point, the Treasury remarked that it was not prepared to introduce the sovereign, especially in view of the difficulties which would arise in respect, and that, in any case, it would not be willing to issue a half-sovereign as a legal tender.

June 1903 and, more particularly, the report by Mr. Bourne which accompanied it, and the most important papers in the series. Mr. Bourne had issued a Circular for the purpose of ascertaining the local opinion on the point, and, although he expresses his disappointment at the small number of replies, they may be fairly representative of all sections of the community. He remarks

"The public generally, including both the paper, seized the opportunity afforded by the proposed change to agitate for the adoption of the British system of pounds, shillings and pence. A variety of other alternatives were suggested such as

English pounds, Florins and farthings,
East African dollars and cents,
English pounds, East African florins and

an E. African coin equal to 1/10th.

florin,

English pounds and Indian silver and

copper.

The Manager of the local branch of the National Bank of India is, however, in favour of the proposed change and concludes his letter with the following passage:-

"It has been said by some that the work of this place being considerably wrapped up with Indian calculations might be difficult as to accounts in annas and pice being converted into rupees. But really the existing practice in the office is to convert the value of the rupee into annas and pice, and I speak for all those who are in the office. The difficulty of conversion is not a practical one. I have seen the actual work done with these accounts and the slightest difficulty or inconvenience is not felt. The existing practice is being continued."

The only ground advanced in the dissenting view is that the Government maintains law and order in the province. Mr. Murray here rebuts the claims of this point, representing the commercial community; he states that the leading and oldest established firms have raised no objection, and that, with the exception of one or two, the commercial life of Bombay is conducted on a number of Indian

accounts. It is to be noted that all the Indians who answered the Circular were against the change and in favour of the existing state of things. Mr. Murray continues:- "Under these circumstances I do not consider that much importance need be attached to the protest."

There is, as I have said, a second valid

an E. African coin equal to 1/10th

florin,

English pounds and Indian silver and copper.

The Manager of the local branch of the National Bank of India is, however, in favour of the proposed change and concludes his letter with the following passage:-

"It has been said by some that the trade of this place being considerably wrapped up with India, calculations might be difficult as to accounts in annas and pice being converted into Rupees. But really, in practice, the Rupee is a common mode of the adjustment of the trade. Holding gold is a perfectly safe mode in India (and I speak from experience there) where the decimal system is practically unknown. I will have to do with India and not the slightest difficulty or inconvenience felt in the conversion of the Rupee into Annas and Pice."

The only protest against the proposed change was made by a body of merchants who withdrew the motion from the Chamber of Commerce. Mr. Bowring here rebukes the claim of this body to represent the commercial community; he states that the leading and oldest established firms have refused to become members, and that, with two exceptions, none of no weight in the commercial life of Bombay--it consists of a number of Indian merchants. It is to be noted that all the Indians who answered the Circular were against the change and in favour of the existing state of things. Mr. Bowring continues:- "Under these circumstances I do not consider that much importance need be attached to the protest."

There is, as I have said, a strong feeling

in favour of the introduction of the English currency.

(1) On account of the greater portability of the silver rupee compared with the rupee.

(2) To bring us into line with the rest of our African possessions and with Great Britain.

(3) Because it is claimed that East Africa is to be developed by Englishmen and that the future of our trade lies with Great Britain and South Africa.

It is pointed out that (1) will be met by the note issue, (2) that (3) will be met by the fact that it affects (1), with which we are dealing.

This is in my opinion a question of principle. It is a question of principle that we should have a standard coinage in our African possessions and that we should have a standard coinage in our African possessions and that we should have a standard coinage in our African possessions.

At present our trade relations with India are somewhat peculiar, the retention of the Indian Rupee as our standard coinage, and the Treasury has raised objections to the English silver coin being made a legal tender together with the Rupee, I consider it would be preferable to introduce the English currency in whole or in part.

As a result therefore that for the present the Indian Rupee must remain as the standard coin in East Africa and Uganda, the question to be considered is whether in view of a possible change to the English system in the future it would be advisable to change our

in favour of the introduction of the English currency:-

(1) On account of the greater portability of the silver coin as compared with the rupee.

(2) To bring us into line with the rest of our African possessions and with Great Britain.

(3) Because it is claimed that East Africa is to be developed by Englishmen and that the future of our trade lies with Great Britain and South Africa.

(It points out that (1) will be met by the note issue, and that (2) will be met by the fact that (3), with which we are dealing).

It is in the opinion of the Committee that a small silver coin of the value of 1/4d. would be a desirable addition to our currency, and that the issue of such a coin would be a very simple matter. The issue of a small silver coin would be a very simple matter. The issue of a small silver coin would be a very simple matter.

At present our relations with India are undoubted. The retention of the Indian rupee as our standard coin, and the Treasury has raised objections to the English silver coin being made a legal tender together with the rupee. I consider it would be preferable to introduce the English currency in whole or in part.....

Accordingly, therefore, for the present the Indian rupee must remain as the standard coin in East Africa and Uganda, the question to be considered is whether, in view of a possible change to the English system in the future it would be advisable to change our

substantive coinage.

Personally, I do not think it at all likely that it will ever be imperative for us to adopt the English system of currency. However such our trade with Great Britain may increase our trade with India is bound to continue to be very considerable, further if at some future time it might be considered convenient to legalise the English Sovereign in East Africa this could be done without interfering with the silver and copper coins.

Mr. Bourn also mentioned that some of the foreign firms actually use their books in rupees and decimals, and that the only real objection to the system, was the one Sir C. had raised in 1902, viz. the appearance of the British note and the fact that the rupee and anna have been used for a long time and that the rupee and anna have been used for a long time and that the rupee and anna have been used for a long time.

in the present case etc. which it could be if necessary... natives, and are in the habit of counting on their fingers and reckoning by tens.

Sir C. Blandford also changed the view he did in 1902.

The real important point which seems to be far the question is whether we should improve the rupee currency as suggested or introduce the British currency of pounds, shillings and pence, which may be stated in another way as whether our commercial relations in the future are likely to be mainly with India or with Great Britain and South Africa. There are not at present sufficient data for answering this question, and it is

(1)

subsidiary coinage.

Personally, I do not think it at all likely that it will ever be imperative for us to adopt the English system of currency. However much our trade with Great Britain may increase our trade with India is bound to continue to be very considerable, further if at some future time it might be considered convenient to legalise the English Sovereign in East Africa this could be done without interfering with the silver and copper coinage.

Mr. Bowring also mentioned that some of the foreign firms actually want their money in rupees and decimals, and that the only real objection to the notes, which he and Sir Robert had raised in 1902, viz., the danger of devaluation, the possibility of making the exchange of money, and the danger of a temporary difficulty, has been shown to be unfounded. He also mentioned that the committee had been asked to see the advantages of a decimal system, and that in the greater use of money it could be very useful under the present conditions, especially in India, who are in the habit of counting on their fingers and reckoning by tens.

Sir C. Macdonald also changed the view he held in 1902 to 1917.

The only important point which seems to me open to question is whether we should improve the rupee currency as suggested or introduce the British currency of pounds, shillings and pence, which may be stated in another way as whether our commercial relations in the future are likely to be mainly with India or with Great Britain and South Africa. There are not at present sufficient data for answering this question, and it might

(1)

The Treasury letter (1862, 10 Sept '62) also "considered in
the opinion expressed by Sir Robert and the Board
that in the present circumstances of the Protectorate
the adoption of sterling currency would offer no
advantages sufficient to compensate for the
immediate inconvenience and probable future
difficulties which it would entail. In the
event of large development in the trade
relations of the Protectorate with this
country and with sterling-paying Colonies the
continuance of the rupee as the standard of
the local currency will not prevent the
requirements of that trade from being
met."

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be urged that if this in so it would be well
to wait a year or two and observe the course
of development." He points out, however,
the desirability of making at once any change
that is to be made and, as the Indian trade
was then the chief factor, he decided for the
decimalization of the rupee. He did not attach
much weight to the dissentient views and
conclusions, still, he referred to the possibility
of inconvenience in regard to Zambiar,

"As our copper is not at present current
in Zambiar a further alteration will make no
difference. The same arguments apply to
relations with India where our copper is not
accepted".

About the 31st the Board received a private
letter from Sir Robert, advocating a decimal
currency system. Sir Robert's proposal was a decimal
division of the rupee, 1000 to the rupee. The
proposal was referred to the Board of Directors
and they, in their report, stated that they
were in favour of the proposal. The matter was referred to the
Treasury, who considered that the opinion of Sir
C. Elliot, Mr. Glynne as to the weight to be
attached to the various local views must be accept-
ed, and was then laid before Lord Lyndhurst, who
decided in favour of the immediate introduction
of the decimal rupee coinage.

The matter was not again raised until an
article by Sir C. Elliot appeared in the 18th
Century for Sept. 1866. In it he said

"Finally, a matter of importance, which
demands most careful consideration, is the
coinage of the Protectorate. This at present
consists of rupees, shillings and pence, and is

See also official

Staty
Sikka 6.9.04

he urged that if this is so it would be well to wait a year or two and observe the course of development." He points out, however, the desirability of making at once any change that is to be made and, as the Indian trade was then the chief factor, he decides for the decimalization of the rupee. He did not attach much weight to the dissentient views and conclusions, with regard to the possibility of inconvenience in regard to Zambiar,

"As our copper is not at present current in Zambiar, further alterations will make no difference. The same argument applies to relations with India where our copper is not accepted."

At a later date the War received a private letter from Sir C. Elliot, advocating a decimal currency. The War, in the meantime, a division of the currency, and a telegram from the War Office, dated 10th December, 1904, regarding the change, which would result in the issue of half and small coins. The matter was referred to Sir C. Elliot, who considered that the opinion of Sir C. Elliot was to be relied on to be accepted, and was then laid before Lord Curzon, who decided in favour of the immediate introduction of the decimal rupee coinage.

The matter was not again raised until an article by Sir C. Elliot appeared in the 19th Century for Sept. 1904. In it he said:

"Finally, a matter of importance, which deserves most careful consideration, is the coinage of the Protectorate. This at present is in the form of rupees, annas, and pice, and is

See also official

Sept. 1904

The Treasury letter (1904, 10 Sept 04) also concerned in the opinion expressed by Sir Elliot and the Secretary that in the present circumstances of the Protectorate the adoption of sterling coinage would offer no advantages sufficient to compensate for the immediate inconvenience and probable future difficulties which it would entail. In the event of large development in the trade relations of the Protectorate with this country and with sterling-using Colonies, the continuance of the rupee as the standard of the local currency would not prevent the requirements of that trade from being met.

India, and it is proposed to replace it by rupees with decimal subdivisions, as in Ceylon which is certainly a change for the better as far as it goes. When the proposal was first made about two years ago, it was reasonable enough, as the commercial relations of the Protectorate seemed to be largely with India; but, as the discussion has been allowed to go on, and as meanwhile the European element had increased and relations with South Africa have grown closer, I think that if the Government made the possible introduction of British currency should again be considered.

In his article, and on a conversation with Mr. Arden, she pointed to the impasse which had been given to the subject through the introduction of British currency into East Africa and expressed the opinion that the absence of it in East Africa would be a great obstacle to the success of any generalized steamship company to push the traffic. Earl Percy directed that the matter should be gone into. A letter was also received from the Liverpool Chamber of Commerce recommending the introduction of British currency as soon as the Protectorate were sufficiently advanced to warrant the change.

(L. Henry 20/10/04)

A memorandum by Mr. Crowe pointed out that the decision had been arrived at chiefly on the subject given to it by Sir G. Elliot and Mr. Bowring in 1902 and on their view as to the weight of public opinion on the subject in the protectorate, and referred to the practical difficulty which would arise through the postponement of the much-needed currency notes if the Order in Council were delayed.

India, and it is proposed to replace it by
 rupees with decimal subdivisions, as in Ceylon,
 which is certainly a change for the better
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 first made about two years ago, it was
 reasonable enough, as the commercial relations
 of the Protectorate seemed to be largely
 with India; but, as the discussion has been
 allowed to drag on, and as meanwhile the
 European element had increased and relations
 with South Africa have grown closer, I think
 that if any change were the possible,
 introduction of British currency should
 apply to the Protectorate.

In this article, and on conversation with
 Sir A. Gordon, who pointed to the losses which
 had been given to British trade through the
 introduction of British currency into West Africa
 and expressed the opinion that the absence of it
 in East Africa would be a great obstacle to the
 success of any subsidized steamship company to
 push the traffic, Mr. Gore directed that the
 matter should be made info. A letter was also
 sent from the Liverpool Chamber of Commerce
 recommending the introduction of British currency
 "as soon as the Protectorates were sufficiently
 advanced to carry the change."

(A. Harvey 20/7/04)

A memorandum by Mr. Gore pointed out that
 the decision had been arrived at chiefly on the
 support given to it by Sir G. Elliot and Mr. Barrin
 in 1902 and on their views as to the weight of
 public opinion on the subject in the Protectorate,
 and referred to the practical difficulty which
 would arise through the postponement of the much-
 needed currency notes if the Order in Council were
 delayed.

()

delayed through the revision of the arrangements as to coinage. A telegram had already been sent to Sir D. Stewart in consequence of Sir O. Elliot's article, and he replied adhering to the rupee standard but recommending the legalization of the sovereign as "of greatest consequence to ~~the~~ ^{settlers} and traders".

The question of British currency was then dropped, but the Treasury were asked to formulate their views as to the legalization of the sovereign. They replied

January 29/04

"that it is impossible to predict in the absence of experience whether the causes which have led to this result in Ceylon would be equally operative in the Protectorates. As the local authorities appear to be strongly of opinion that the course of Protectorate trade requires the legal recognition of the sovereign, and that the advantages of its adoption outweigh any possible disadvantages, My Lords will not further press Their objection".

The Order in Council was finally issued on these lines.

W.B.S.
22.2.04

delayed through the revision of the arrangements as to coinage. A telegram had already been sent to Sir D. Stewart in consequence of Sir O. Elliot's article, and he replied adhering to the rupee standard but recommending the legalization of the sovereign as "of greatest consequence to ^{Salles} ~~the~~ and traders".

The question of British currency was then dropped, but the Treasury were asked to reconsider their views as to the legalization of the sovereign. They replied

January 24/09

"that the immediate introduction of the sovereign as part of the local currency of the Protectorates had appeared to them undesirable in view of the possibility that the same circulation might be inconveniently restricted, as had happened under similar regulations in the case of some of the Protectorates, and that it would be better to wait until the advantages of its adoption were more fully known."

It is not possible, however, to predict in the absence of experience whether the causes which have led to this result in Ceylon, would be equally operative in the Protectorates. As the local authorities appear to be strongly of opinion that the course of Protectorate trade requires the legal recognition of the sovereign, and that the advantages of its adoption outweigh any possible disadvantages, My Lords will not further press their objection".

The Order in Council was finally issued on these lines.

W.S.S.
26.1.09



London
2nd October 1905

2nd October, 1905

Dear Sir,

With reference to what I said the other day about the proposed coinage...
I enclose a copy of a report...
...the... started in... with Sir...
...the... Office.

The coins that are now current are Maria Theresa dollars, British India rupees and half and quarter annas, and rupees (and perhaps some half and quarter annas) and copper pieces of the late F.M.S.A. Company.

The order in Council of February 1905...
...introduced in Ceylon in 1898. This was nothing to recommend it...
...and is only current in a...
...with which West Africa has little if any...
...intercourse. It was introduced in Ceylon to give the Colony a revenue from her currency.

and possibly the same is, within my own largely
 limited knowledge, the case for its introduction in the
 Protectorates. It is true that the local currencies
 are, in general, not very attractive to the
 merchant which promises him revenue, and it is not at all
 likely to consider it from any wider point of view. I
 think that this is the duty of the Home Authorities. The
 results of these small local currencies has rarely been
 justified, and the time inevitably comes when their
 existence gives great trouble. The whole situation
 in Africa shows that British sterling must eventually
 be the dominant currency. Why then take any step in
 our own possessions which must eventually be retraced?
 At this point the admission of the Protectorate
 Authorities that the Imperial currency must eventually
 be introduced (I am writing from memory on this point
 but I think their statements amounted to an admission)
 is very important, and, taken with its increase, and
 in all the other African possessions, is to my mind
 conclusive of the policy to be followed.



and possibly the same intention may have hadly
 influence the proposal for its introduction in the
 Protectorates. No doubt a proposal for such a
 system, however much it may be attracted to any
 particular kind of business or industry, and in not at all
 likely to consider it from any wider point of view. I
 think that this is the policy of the Home Authorities. The
 practice of these small local changes has rarely been
 justified, and the time inevitably comes when their
 existence gives great trouble. The whole situation
 in Africa shows that British sterling must eventually
 be the dominant currency. Why then take any step in
 our own possessions which must eventually be retraced?
 On this point the admission of the Protectorate
 Authorities that the Imperial currency must eventually
 be introduced (I am writing from memory on this point
 but I think their statements amounted to an admission)
 is very important, and, taken with its increasing use
 in all the other African possessions, is to my mind
 conclusive of the policy to be followed.

All the difficulties, as the recent
 circumstances, have arisen in settling in
 conformity with the proposal of a form of coin
 which will be economical in manufacture, distinctive
 in character and suitable for circulation.
 It would have been said in favour of the proposed subsidiary
 coinage if 1908 is believed to be justified by the
 proposal now under consideration to introduce a
 subsidiary currency for Northern and Southern Nigeria
 and so on. The result of this currency is that while
 it meets the needs of the local traders it is part and
 parcel of the Imperial system. As far as I know, the
 currency of the Interior Trade of East Africa is not
 dissimilar to that of the Interior of West Africa. A
 currency which suits the one will suit the other, and
 could be financially more favourable to the Protectorates
 than the local coin, etc.

For these reasons I respectfully submit that
 it is desirable to re-consider the decision arrived at
 in 1908 and view the circumstances of the case as they
 stand.



stand in 1905. It is quite possible that the Authorities
of the Protectorates if they were cognizant of the
possibilities for West Africa might alter their opinion,
but in any case it seems to me that there are strong
reasons now for, if not introducing the Imperial currency
with an African penny and subsidiary coins, at least
maintaining the status quo.

Yours sincerely,

William Elliot Mackenzie

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Air Charles Flett proposes the immediate introduction of the paper rental system combined with a note issue, and expresses his concurrence with the views contained in Mr Bowring's report. This report is extremely interesting, inasmuch as, written apparently in support of the paper rental system, it demonstrates the objections which this currency possesses even from the MINTA's local standpoint which Mr Bowring takes up.

If this proposal is sanctioned it will (i) be against the opinion of the general public of the Protectorates; (ii) involve grave difficulties in connection with the Postal system and a loss of Postal revenues; (iii) involve a further loss in connection with the conversion of the copper pieces in the local Treasury; (iv) impose upon this vast area which "every year is becoming more rapidly opened up" a subsidiary currency

which (a) is only known in Ceylon, a dependency with which
 as far as I can gather, there are no commercial relations,
 (b) which will not be successful or legal either now or in
 the future, and (c) which
 it may be necessary in
 the future to bring to the attention of the Government.

Appointed on 1st July 1941, a month before the
 outbreak of the war, the Government of the United Kingdom
 consulted me in favour
 of it. The Government is indifferent or hostile,
 and it is as yet very doubtful
 whether the Government may be,
 if it is not satisfied that it may not be
 successful, it is not possible to say, or if it is
 successful, it is not possible to say. This
 is a matter which has been discussed in
 the past.

The Government of the United Kingdom, if
 it is not satisfied that it may not be
 successful, it is not possible to say, or if it is
 successful, it is not possible to say. This
 is a matter which has been discussed in
 the past.

from the Imperial possessions in the rest of that continent. South Africa uses the Imperial currency. The evidence taken before the West African Currency Committee indicates that the solution of the question in that portion of the continent is the introduction of the same currency modified to suit the small purchasing power of the natives. The subsidiary means of barter from the West Coast to the boundary of the East African Protectorate are practically the same viz. brass, ^{and} copper wire and cowries, and to impose two currencies, one practically unlimited, the other local and circumscribed, under the same flag, does not appear likely either to encourage trade or increase "the confidence of the native in the use of money".

The objections to the proposal are (i) that the present currency is inadequate, (ii) that the amount of inflation is considerable and likely to remain so, and (iii) the merits of the decimal system. It is unnecessary to discuss (i) which may be admitted. (iii) resolves itself into a mere question of account keeping (which

from the Imperial possessions in the rest of that continent. South Africa uses the Imperial currency. The evidence taken before the West African currency Committee indicates that the solution of the question is that a portion of the continent is the introduction of the same currency modified to suit the small purchasing power of the natives. The subsidiary means of barter from the West Coast to the boundary of the East Africa Protectorate are practically the same viz. brass, copper wire and cowries, and to impose two currencies, one practically unlimited, the other local and circumscribed, under the same flag, does not appear likely either to encourage trade or increase "the confidence of the native in the use of money".

The arguments in favour of the proposed are (i) that the present currency is inadequate, (ii) that the trade with India is considerable and likely to remain so, and (iii) the merits of the decimal system. It is unnecessary to discuss (i) which may be admitted. (iii) resolves itself into a mere question of account keeping (which

... (sent for the official partiality) so far
 ... concerned, inasmuch as the
 ... strictly limited, and the decimal
 system unknown in India and the ... of British Africa,
 and notorious to ... commercial advan-
 tage or source for it. With ... (ii) assuming
 ... in ... of the future trade
 ... India, it is ... Now its present condi-
 ... affected by the
 ... since India has adopted the
 ... legal tender.

The ... of the present currency being
 ... (1) in ...'s
 ... (ii) ... (iii) intro-
 ... stated the strong
 ... in my opinion ... highly in ...
 ... (iii) is ... but preferable to (1). (iii)
 ... the proper course to follow, and seems to
 ... justified by the following considerations. (a) The
 ... described in these papers as rapid, of the
 district

District opened up by the Bechuanaland railway. (b) the general development from the south and west towards the great central trade routes of Africa. (c) the public opinion in favour of it, (d) the condition of the existing currency, which would enable the change to be carried out more economically now than at any future time; (e) the natives will have no difficulty in getting accustomed to it than to the Ceylonese hybrid proposed by Sir Charles Macartney.

With regard to (1), it appears that some 2750000 Rs. (2680,000) has been imported from India up to June 1902, and some 103,000 Rs. coined and imported by the I.F.E.A. Company. The amount of Indian subsidiary silver in circulation is about 24,000, and that of the I.F.E.A. Co. practically nil. It appears that no reliable estimate can be formed of the amount of Rupees re-exported to India, but it is safe I think to estimate that the actual amount of silver currency to be dealt with would not much exceed 2600,000. There is practi-

district opened up by the Bombay Railway, (b) the general development from the South and West towards the great central trade route of Africa, (c) the public opinion in favour of it, (d) the condition of the existing currency, which would enable the change to be carried out more economically now than at any future time, (e) the natives will have no difficulty in getting accustomed to it than to the Ceylonese hybrid proposed by Sir Charles Macartney.

With regard to (d), it appears that some 975000 Rs. (2650,000) had been imported from India up to June 1902, and some 103,000 Rs. coined and imported by the I.E.S.A. Company. The amount of Indian subsidiary silver in circulation is about 24,000, and that of the I.E.S.A. Co. practically nil. It appears that no reliable estimate can be formed of the amount of Rupees re-exported to India, but it is safe I think to estimate that the actual amount of silver currency to be sent with would not reach a total 2600,000. There is practically

by no means proper in circulation, and the Maria Theresia
 dollars in circulation can be easily exchanged at any time
 with the Italians. *The copper piece issued by S.B.I.A. by
 Protestants amount to some £20,000 of which only some 10,000
 is in circulation.*
 The Honorable Member has an objection to British
 currency that the exchangeable value of the coin is a fraction
 which does not meet the requirements of the country. I
 think there is much force in this, and if the
 currency is altered I should suggest a copper
 subsidiary coin instead of shillings, and an additional
 coin equivalent to the original farthing or halfpenny. This
 would provide a currency with an exchangeable
 value as low as 20 coins on the Western
 Continent and about half that in the Uganda
 Protectorate. The natives on the Western side
 object to bronze but have been accustomed to
 copper, as are the natives of the Protectorate.
 There is no reason why these copper coins
 should not be perforated.

Sir William Thomson, Secretary

20-9-03

is no Irish paper in circulation, and the Maria Theresa
 dollars in circulation to be easily exchanged at Harar
 with the Kallans. The copper piece coined by J.B. & Co. by
 Protector amount to some £38,000 of which only some
 is in circulation.

Mr. Roberts however has an objection to British
 currency that the paper money will not be a farthing
 which does not meet the requirements of the natives. I
 think there is much force in this, and if British
 currency is adopted in Africa I would suggest a copper
 subsidiary coin, instead of brass, and an additional
 coin equivalent to the ordinary farthing of value. This
 would provide a currency with an exchangeable
 value as low as 25 coins on the Western
 Continent and about half that in the Uganda
 Protectorate. The natives on the Western side
 object to bronze but have been accustomed to
 copper, as are the natives of the Protectorate.
 There is no reason why these copper coins
 should not be perforated.

Sir William Williams-Murray



Dear Ambassador:

In consideration of my views on the issue of the 2nd section to you on the East African Protectorate coinage, may I refer your attention to the Hon. Secy's letter dated 27th July to Col. A copy of which has just been forwarded to me by the Treasury.

He says (1) "In introducing a new system of coinage it is desirable to refrain from causing complications, such as might arise, when dealing with African natives, were too many new denominations of coins to be simultaneously put in circulation. Yet the natives will have to grapple with the new 20 and 25 cent pieces as well as the 2 and 4 annas Indian coins, unless the latter are demonetised.

(2) No 5 cent pieces are to be coined at present.

(3) The 1/10th cent piece is not required in the East African Protectorate. - The Secretary of

State



20th October 1898.

Dear Antrobus,

In continuation of my unofficial letter of the 2nd instant to you on the East African Protectorate coinage, may I draw your attention to Mr Baring's letter dated 2nd July to C.O., a copy of which has just been forwarded to me by the Treasury.

He says (1) "In introducing a new system of coinage it is desirable to refrain from raising complications, such as might arise, when dealing with African natives, were too many new denominations of coins to be simultaneously put in circulation".

Yet the natives will have to grapple with the new 50 and 25 cent pieces as well as the 8 and 4 anna Indian coins, unless the latter are demonetised.

(2) No 5 cent pieces are to be coined at present.

(3) The 1/10th cent piece is not required in the East African Protectorate. - The Secretary of State



state that it has not to coin it. *It is not possible to coin*
 Apparently then the new coinage is required
 to be silver, to three denominations viz. 1/2 penny,
 1/4 penny and 1/8 penny. The 1/2 penny has been sent
 to the Mint and 1/4 penny pieces. The 1/8 penny has
 been considered good. And yet it is a case of bringing
 them into circulation the present currency is to be
 abolished. Our best

I believe that in connection with Sir
 Frederick Lugard and Sir Egerton I shall be able very
 shortly to settle a subsidiary coinage for West Africa
 which will give a good profit to the colonies there,
 and consist of two denominations viz., a penny and a
 half of a penny, to which if necessary later, an
 intermediate coin can be added. These coins will be
 of a metal of a composition of silver and copper
 interchangeable.

Again I urge if you will not introduce
 special silver with this local subsidiary coinage, at
 least



State has decided not to do so. *Other excellent reasons.*
 And finally when the coinage is reduced
 to three denominations in bronze,
 or other metal or mixed metal,
 and $\frac{1}{2}$ cent pieces. Now we
 may be considered good. And yet the
 idea of bringing
 into circulation any present coinage is to be
 abolished. *our bond*

I believe that in consultation with Sir
 Frederick Lugard and Mr Egerton shall be able very
 shortly to settle a subsidiary coinage for West Africa
 which will give a good profit to the colonies there,
 and consist of two denominations viz., a penny and a
 tenth of a penny, to which if necessary later, an
 intermediate coin can be added. These coins will be
 produced, of a compact size and readily
 distinguishable.

Again I urge if you will not introduce
 silver with this local subsidiary coinage, at
 least



Yeast hold your hand as if you see how the letter goes
on the West Coast.

Yeast sincerely,

William Yeast - Yeast, Inc.



CO
 34593
 Recd
 Sep. 27 1905

27th September 1905.

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Sir,

I am directed by the Master of the Mint to acknowledge the receipt of Mr. Antabus' letter of the 14th September 1905 and with reference to the second paragraph thereof to point out that while the question of perforation had been dealt with by this Department in preliminary reports, the official letters of the Crown Agents and the Foreign Office, and respectively of the 17th February, and the 15th March 1905, with regard to the preparation of designs for the new coins of the East Africa and Uganda Protectorates and the question of perforation, which the latter authorities have respectively stated that "the Government will be responsible for the design and the manufacturing of the coins of the United Kingdom," thus allowing the Government to determine the perforation, I am further directed to inform you that the submission of the designs for the coins to the Master of the Mint would be subject to the views held by His Majesty on this subject.

With regard to the perforated half-cent piece which it is proposed to substitute for the one-tenth cent piece, I am desired to state that, as this coin is to be of the same weight as the Ceylon half-cent, and it is not desirable to reduce it further, the cost of producing one penny's worth in currency would be, including freight, at the present price of copper, about 21-22. If steel or nickel would probably be four times as great, and the only metal in which, at a reduced

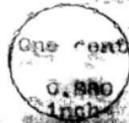


size, such a coin could probably be laid down in the protectorate, within its currency value, would be minimum. The number of half-cents per ton of bronze of the weight suggested, would be about 420,000 and the cost of manufacture would exceed the price of the metal.

With regard to the bronze ten cent piece, two copper discs are enclosed showing the weight, diameter and thickness of this coin if either of the weights suggested in the fifth para. each of the letter under reply be adopted. In determining the weight to be adopted it is desirable, however, to keep this as low as is compatible with a clear distinction between the ten and five cent pieces. The five cent piece is to weigh 291.5 grains, or 24 pieces to the pound avoirdupois and the one cent is also an even fraction, $\frac{1}{10}$ th of the above. It would be preferable to maintain this arrangement which is simple and convenient. Therefore, if a less difference is possible than that between 427.5 and 421.5 grains, the Master of the Mint would propose 388.5 grains as a convenient weight to adopt for this coin.

Under Article 8 (b) of the Order in Council the remedy must be in the proportion of the denomination of the coin to the five cent piece, that is 14.58 grains.

Should this coinage be proceeded with the diameters of the several coins recommended would be as shown below:



The design of the half-cent piece will be identical with that of the one cent piece and no alteration in the remedy allowance will be caused by the perforation.

Your obedient servant,

William Gilman Brewster

Secretary of State,
Postal Office,

34593
SEP 27 1935

P.O.
34543

Ed. E.
Uganda

198

31 January 1906

DRAFT.

to Mr. Prot. as 48

Sir, May

With reference to the

Chief Hayes Sadle C.A.

~~document from the~~
Foreign Office despatch

MINUTE.

- Mr. Boston 29/1
- Mr. Read 30 (29/1)
- Mr. Entolms 30
- Mr. ...
- Mr. ...
- Mr. Graham.
- Mr. W. O'Malley
- The Duke of Northborough.
- Mr. ...

no. 20 of the 17th of
February, 1905, I have
the honor to inform you
that I understand
that a first instalment

of the currency notes
which are to be
introduced in the
East Africa and
Uganda Protectorates
under the Order in
Council of the 10th of
February, 1905
shortly be sent out to

5/1/06

West Africa by the
C.A. for the Colonies
I have accordingly
to request you to
communicate with
the Acting Commr.
of the Colonies as to
the date on which
the Order in Council
should be proclaimed
and Protectorate
in accordance with
Clause ~~22~~ 22. It
will not be possible
to bring into operation
at present that
part of the Order
which relates to
the new voyage, and
the proclamations
cannot be limited
to parts relating

East Africa by the
C.A. for the Colonies.

2. I have accordingly
to request you to
communicate with
the Acting Commr.
of Uganda as to
the date on which
the Order in Council
should be proclaimed
in each Protectorate
in accordance with
Clause ~~22~~ 22. It
will not be possible
to bring into operation
at present that
part of the Order
which relates to
the new voyage, and
the proclamations
need be limited
to the parts relating

with the note issue 199
and the legitimization
of the sovereignty.

3. The proclamations
should, after issue,
be sent home to me
for approval
in accordance with
Clause 25.

July 20 EAST.
34593 Uganda 200

31 January 1906

Sir, [unclear]

I am directed by the
Earl of Selkirk to request
you to inform the Hon.

Comr. of the Treasury

that, since the date
of the Order from the

Dept. of the 23rd of

August last, the
operation of the

introduction of the new
currency system laid
down in the Order in
Council of the 10th of

February, 1905, has for
the East Africa and
Uganda Protectorates

DRAFT.

Secretary to the
Treasury

MINUTE.

Mr. Portman 29/1

Mr. Read 30

Mr. Antroub 30

Mr. Cox.

Mr. Lucas.

Mr. Graham.

Sir M. Osmannoy.

The Duke of Marlborough.

Mr. Lyttelton.

2 dft.

he has been secured
and has been officially
with the Deputy Master
of the Court. It is

understood that a
reply to that letter
has been deferred
pending the result
of the discussion.

It has now been
understood that the
address has been
made by the
Secretary of the
Committee in
reference with the

proposal to introduce
a change in the
law on the decimal
division of the paper
which was agreed to
by the said Committee
and the Secretary of
State for Foreign

be has been discussed
non-officially
with the Deputy Master
of the Mint. It is

understood that a
reply to that letter
has been deferred
pending the result
of the discussion.

2. It has now been
understood that the
proposal to introduce
a copper coin
based on the decimal
division of the penny
which was agreed to
by the Lords Comptrol-
lers and the Secretary of
State for Foreign

Affairs. It has been
stated that it appears
however, that great
difficulties would be
experienced in manu-
facturing the proposed
one-tenth cent piece
which it was proposed
to introduce and in
Ireland, and, after
consultation with the
Lords Comptrol-
lers of the
Protectorate, it was
decided to substitute
for this piece a
half-cent piece which
would also be proposed.
The Mint have proposed
that the weight of this
coin should be the same
as that of the corresponding
coin in England, i.e. 36.458 grains.

S. J. (London & Co.)

Affairs. It has been
stated that it appears
however, that great
difficulties would be
experienced in manu-
facturing the proposed
one-tenth cent piece
which it was proposed
to introduce and in
Ireland, and, after
consultation with the
Lords Comptrol-
lers of the
Protectorate, it was
decided to substitute
for this piece a
half-cent piece which
would also be proposed.
The Mint have proposed
that the weight of this
coin should be the same
as that of the corresponding
coin in England, i.e. 36.458 grains.

be has been discussed
non-officially
with the Deputy Master
of the Mint. It is

understood that a
reply to that letter
has been deferred
pending the result
of this discussion.

It has now been
referred to a sub-committee

and I have by
~~the committee~~ ^{conferred}
~~with the~~
interference with the

proposal to introduce
a coinage system

based on the decimal
division of the rupee

which was agreed to
by the Lords Comptroller
and the Secretary of
State for Foreign

Affairs. It has been
It appears 201

however, that great
difficulty would be
experienced in manu-

facturing the proposed
one-cent coin piece

which it was proposed
to introduce and in

England, and, after
consultation with the

the Comptroller of that
Protectorate, it was

decided to substitute
for this piece a

half-cent piece which
would also be proposed.

The Mint have proposed
that the weight ^{and remedy} of this
coin should be the same

as ~~that~~ of the corresponding
coin in England, i.e. 36.458
grains

Sir Evelyn D. C. Smith

presented 91 grains
weighing

3. With regard to the
100 ten cent piece, for
which no weight or
remedy allowance was
provided in the Order
in Council, the ~~Secretary~~
Master of the Mint has
drawn attention to the
fact that a coin of these
the weight allotted to the
ten cent piece would
be a convenience of large,
and has recommended
that a weight of 388 $\frac{1}{2}$
grains should be adopted,
with a remedy allowance
of 14.58 grains. His
Excellency has approved of
this recommendation.

4. His Lordship presumes
that an amending Order
in Council will be required
in order to provide for the

grams and 91 grain
respectively

3. With regard to the
ten cent piece, for
which no weight or
remedy allowance was
provided in the Order
in Council, the ~~Secretary~~
Master of the Mint has
drawn attention to the
fact that a coin of twice
the weight allotted to the
ten cent piece would
be a convenience of large
and has recommended
that a weight of 3.8888
grams should be adopted,
with a remedy allowance
of 14.58 grains. Lord
Alger has approved of
this recommendation.

4. His Lordship presumes
that an amending Order
in Council will be required
in order to provide for the

DRAFT.

MINUTE.

Mr.
Mr.
Mr. Anthonys.
Mr. Cur.
Mr. Lucas.
Mr. Graham.
Mr. M. O'Mahoney.
The Duke of Marlborough.
Mr. Lyttelton.

introduction of the ²³²
new half-cent piece,
and he will be glad if
their Lordships will
give directions for the
preparation of the
necessary Order; which
will also, if they
think it desirable,
~~state the~~
set out the weight
and remedy allowance
agreed upon in the
case of the ten cent
piece.

5. In the meantime,
arrangements are being
made for the
preparation of designs
for the half-cent and
one-cent pieces, for
which special coins is

required owing to
the fact that the
coins will be prepared,
and the Commission
are also being
instructed to
proclaim under
22
clause 22 of the
Order in Council, those
parts of the Order
which relate to the
introduction of
Currency Notes and
the legal tender
of the same.
I have to add
that Lord Elyon will
be glad to be
furnished with a
copy of the Order
from the Secy. of

The 23rd of August
on the subject of
the accounting
arrangements to be
adopted in connection
with the new
currency system

of the

MO
34593

EAP
Uganda

204

31 January 1906

DRAFT.

Deputy Master
of the Mint

MINUTE.

Mr. Bodouley 29/11
Mr. Read 30
" " 30/12

Marborough.

Hand 2.35

Sir,
~~Receipt~~
The delay in replying
to your letter of the
27th Sept. last
has, as you are aware,
been due to the
unfortunate circumstances
which has taken
place as to the
General question of
the new system of
coinage which is to
be introduced in
the East Africa and
Uganda Protectorate.
I am now directed
by the Earl of Epsom

2045

request you to inform
the Deputy Master
of the Court that
he ^{causes} ~~has~~ ~~been~~ ~~informed~~

~~has been informed~~
with the proposal to
introduce a course
based on the decimal
division of the rupee
which was agreed upon
by the Lords Com in
the Navy and
the late S. G. for
Foreign Affairs.

The Lords Com have
been requested to
make the necessary
arrangements for the
~~introduction~~ of the
course (in all cases) in
order for the introduction
of the proposed
course of the new

weight and remedy ²⁰⁵
allowance as the
corresponding (in coin),
and I am to request that
a ^a design for this piece
and the recent piece
may be submitted for
Lord Elgin's approval.
His Lordship promises
that ~~the~~ design will
provide for the
representation of the
King's Effigy on the
obverse, in accordance
with your letter of the
3rd of August, but I
am to draw attention
to your ~~letter~~ letter
of the 10th of
November, in which you
stated, in connection with
the proposed design,
substantially saying that
"it is recommended
that

adoption of a weight
of 388.8 grams
and a remedy allowance
of 14.58 grams

R. J. A.

DRAFT

MINUTE.

- Mr.
- Mr.
- Mr. Astor.
- Mr. ...
- Mr. Lucas.
- Mr. Graham.
- Sr. H. Osmoney.
- The Duke of Marlborough
- Mr. Luttrell.

that the King's Head be
not placed on the coin.
With reference to this last
recommendation, I may
add that apart from
the great difficulties
caused by perforation
there are precedents in
the last and previous
reigns, which justify
the omission of the King's
Effigy in view
of the ... letter, it
is assumed that if any
difficulty is experienced
in preparing a design for
a perforated coin with
the King's Effigy, the
objection, to the omission
of the Effigy, may be raised on
your letter of the 3rd of
August do not apply.

4. With regard to the
retention of the ...
to you that had
your approval of the