

East Africa Protectorate.

Summary of the Minutes of the Proceedings of the Legislative Council of East Africa.

Fifth Session,

December 21st, 1912.

Nairobi

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East Africa Protectorate.

Minutes of the Proceedings of the Fifth Session of the Legislative Council, 1912.

Held at Nairobi on the 21st December, 1912.

The Council assembled on the 21st December, 1912, at 9.30 a.m.
HIS EXCELLENCY THE GOVERNOR (H. C. BELFIELD, C.M.G.) presiding.

Present :—

THE HON. THE CHIEF SECRETARY (C. C. BOWRING C.M.G.).
THE HON. THE TREASURER (H. A. SMALLWOOD).
THE HON. THE ATTORNEY GENERAL (R. M. COMBE)
THE HON. THE MANAGER OF THE UGANDA RAILWAY (H. B. TAYLOR).
THE HON. THE DIRECTOR OF AGRICULTURE (A. C. MACDONALD).
THE HON. P. G. DICKINSON.
THE HON. B. G. ALLEN.
THE HON. R. C. BAYLDON.

Absent :—

THE HON. F. W. MAJOR, I.S.O.
THE HON. C. W. HOBLEY, C.M.G.
THE HON. W. A. M. SIM.
THE HON. DR. A. E. ATKINSON.

Oath of Allegiance.

THE PRESIDENT administered the Oath of Allegiance to the Hon. H. B. TAYLOR.

THE HON. CHIEF SECRETARY moved that the Standing Orders be suspended to enable the Resolution to be moved by the Hon. Treasurer being dealt with by the Council, without passing the Minutes of the preceding Session.

THE HON. TREASURER seconded.

The motion was put and carried.

THE HON. TREASURER moved: "Whereas it may be necessary to make a reduction in the expenditure on the Estimates for 1913-1914, now in Committee of this Council; it is hereby resolved that it is the opinion of this Council that such reduction could be best effected by reducing the expenditure on the following services:—

VOTE 18.—MILITARY.			
			£
Volunteer Corps ... ..	...	...	1,849
VOTE 18a.—MILITARY SPECIAL EXPENDITURE.			
Volunteer Corps ... ..	...	...	2,125
VOTE 19.—MISCELLANEOUS.			
Cost of Standard Weights and Measures and copies ...	...	...	500
Automatic Cash Counting Machine ... ..	...	...	100
VOTE 21a.—POST OFFICE AND TELEGRAPHS, SPECIAL EXPENDITURE.			
Telegraph Communication to Fort Hall-Embu-Meru ...	...	...	2,800
VOTE 23.—AGRICULTURAL.			
Naivasha Stock Farm—Live Stock ... ..	...	...	1,000
VOTE 29.—PUBLIC WORKS DEPARTMENT.			
Duty Allowances ... ..	...	...	200
Recruitment of Labour ... ..	...	...	560
VOTE 31.—PUBLIC WORKS EXTRAORDINARY.			
ITEM 2. New Government Offices ... ..	...	...	6,000
ITEM 11. Nakuru Water Supply ... ..	...	...	3,926
ITEM 54. New Roads and Bridges ... ..	...	...	6,000

Total £25,000

THE HON. CHIEF SECRETARY seconded. He stated that the reductions referred to had been proposed by His Excellency after consultation with the Executive, and that the Government would welcome any alternative proposals.

THE PRESIDENT in addressing the Council stated that he thought it would be desirable to communicate to Hon. Members the text of a telegram which had been received from the Secretary of State, and on receipt of which it had been necessary to take the action under discussion. The telegram in question ran as follows :

“Your despatch November 12, No. 793, regret cannot see my way to recommend to Treasury any deviation from modified half and half principle. Must request you therefore to cut down expenditure accordingly, and to send home revised estimates as soon as possible. Consider it specially important that substantial reduction should be made in proposed increased recurrent expenditure.”

THE PRESIDENT went on to say that, as Hon. Members were aware, when the Estimates were being considered provision had been made for an excess of £25,000, over the amount permissible under the half and half principle, which was to have been met from the accumulated balances estimated at £155,000. In view of the instructions that had been received he had consulted with his Executive Officers as to the best manner of reducing the expenditure by the necessary amount, and it was with the greatest reluctance that he had to suggest the curtailing of the items mentioned by the Hon. Treasurer—especially with regard to those items dealing with the Volunteer Corps, Telegraphic Communications, Road Vote, New Government Offices, and the Nakuru Water Supply.

In arranging for this meeting of the Council he wished Hon. Members to have the opportunity of considering the proposals, and he would be pleased to receive any alternative suggestions in the event of its being thought that there were other items that could better be curtailed than those brought forward.

THE HON. B. G. ALEX in referring to the disappointment that was generally felt on account of the reductions, which although items of the first importance were nevertheless considered necessary, pointed out that the people up country, especially those at Uasin Gishu, were very much concerned at hearing that a curtailment of the amount placed on the Estimates for roads might have to occur. His Excellency himself had referred at the last Session to the amount in question as almost insignificant. He was also sorry to see that it was intended to withdraw the £1,000 placed on the Estimates for the purchase of Live Stock for the Naivasha Government Stock Farm.

He stated that he would like to ask the Hon. Treasurer up to what date the accounts had been drawn when the figures reflected on page 103 of the Estimates—namely the Estimated Surplus Revenue for 1912-1913 of £75,000—had been arrived at. Also in view that some time had elapsed since the Estimates had been made up, whether he would be prepared to make any further forecast now as to the financial position at the end of the year.

THE HON. R. C. BAYLON stated that as the Motion before the Council read “Whereas it *may* be necessary to make a reduction in the expenditure,” and the word “will” had not been used, he did not propose to suggest any alterations. The Government had informed them that they regretted the necessity of cutting down the expenditure, and doubtless knew more of the position of affairs than the Hon. Unofficial Members. He intended making some further remarks when the Estimates came before the Council for the third reading.

As mentioned during the course of the last Session he could not help feeling that the Estimated Revenue had been based on a somewhat conservative figure, and he expressed the hope that before next March the Government would be able to tell them that such was the case. In that event the half and half principle would permit of increased expenditure being entered upon.

The Hon. Member pointed out that he was unable to understand the system of finance under which the reductions proposed were to take place. They had been informed by the Hon. Treasurer at the last meeting of the Council that the Lords of the Treasury had laid down that the country should retain a balance of not less than £25,000. It appeared to him that the Estimated Revenue would be exceeded—their unallocated balance at the present moment being £155,000—and this would be swollen by any surplus that might occur for the year 1913-14.

He was of the opinion that there was no more important item in the Estimates than that dealing with roads, and it would be most unfortunate if the small amount voted were to be cut down. In conclusion he hoped that the Government would consider whether it would not be possible to forecast the Revenue a little more like what he hoped it would prove and that under such circumstances it might yet be possible for the amounts voted for roads, as also the amount voted for the purchase of stock for the Naivasha Stock Farm to be utilised. If this was not feasible he advocated special permission being obtained to enable the necessary expenditure being entered upon.

THE HON. P. G. DICKINSON enquired whether it was absolutely necessary to reduce the expenditure by the amount of £25,000, or whether a reduction of £20,000 or less might not prove sufficient. He asked this as he was anxious that the amount voted for roads might be allowed to stand.

THE PRESIDENT enquired whether Hon. Member considered the item for roads as being the most important of those referred to by the Hon. Treasurer.

THE HON. P. G. DICKINSON replied in the affirmative.

THE HON. TREASURER in replying to the point raised by the HON. B. G. ALLEN as to the date on which the statement reflecting the Estimated Assets and Liabilities on the 31st March, 1913, was prepared, stated that these had been compiled on the basis of the accounts at the end of August. Since then a considerable period had elapsed, and the Revenue for September had in the meanwhile been received so that the actual Revenue for the six months ending September amounted to £450,000. If that were doubled for the whole twelve months the total Revenue would be £900,000. The Hon. Treasurer pointed out that, had he had the September account in hand at the time when he was preparing the Estimates, he would undoubtedly have shown the Estimated Surplus Revenue for 1912-13 as £100,000—instead of £75,000. As a rule the Revenue for the latter half of the year was greater than that received for the preceding six months, and therefore he considered he was right in stating that the amount received for the first six months could be safely doubled for the purpose of arriving at the year's estimated Revenue.

It was not however possible, he stated, to postpone the drawing up of the statement referred to, to a later date than was done, and he did not consider that, once that statement had been published, they were entitled to alter it. He was under the impression that the same thing had occurred last year, but it had not been possible to allow of any alteration being effected. He considered however that there was every prospect of there being a larger surplus than that shown in the Estimates.

With regard to what had been stated by the HON. R. C. BAYLON in connection with the ruling of the Lords of the Treasury as to the amount of the balance to be retained by the country, this was rather complicated in relation to the grant-in-aid received from the Home Government, and he did not think that they should cavil at the instructions received, nor that it could be put forward as a reason for refusing to make the reductions asked for. Speaking personally he did not know what the reasons were that had induced the Secretary of State to ask that the reductions in question should be effected, and could only assume that it was anticipated that future necessities might entail the utilisation of their balances.

He did not think it would be possible to effect any alteration except minor ones in the Schedule to the Bill when it came up for the third reading. The Estimated Revenue for 1913-14 had been arrived at in a proper and cautious manner. An increase of 20% had been allowed for, and in dealing with a huge country like British East Africa it was better to under estimate rather than over estimate. He quite agreed that the estimate of the revenue was a cautious one, but did not consider that it would be wise or safe to increase it.

As regard the HON. P. G. DICKINSON's request that the Road Vote might receive special treatment, the Hon. Treasurer understood that it was the intention of His Excellency that if any remission were eventually made in the reduction, such remission should benefit the Road Vote, within of course the limit of the reduction, viz: £6,000.

THE HON. B. G. ALLEN asked to be allowed to put a further question arising out of the extremely satisfactory answer with which the Hon. Treasurer had favoured Hon. Members. He quite understood that the instructions received from the Secretary of State would have to be adhered to, but would like to enquire whether His Excellency could embody the information supplied by the Hon. Treasurer in a despatch to the Secretary of State with a view of bringing to his notice the fact that there was every likelihood of there being a larger surplus Revenue than that shown in the Estimates.

THE HON. TREASURER thought that His Excellency would probably point out that the amount in question would have been increased had it been possible for the Estimates to have been prepared at a later date.

THE HON. R. C. BAYLON enquired whether in the event of the Revenue being greater than anticipated the surplus would go to swell the unallocated balances.

THE HON. TREASURER replied in the affirmative.

The Motion was then read by the Clerk to the Council, and was put and carried.

THE HON. CHIEF SECRETARY moved that the Council stand adjourned until the third Monday in March, 1913, or such other date as might be duly notified.

THE HON. TREASURER seconded.

The question was put and carried.