61. Grucechurch Street.

Serapis. Per

807. 10

London Ec 14th January,

Sir.

Since writing on the 8th ult. via Sandy Point, your despatches numbered 13 (the second altered to 14) of October 22nd per Pentaur and of 3rd November per Tanis have come to hand, both on the 8th ult., as well as no.15 of 14th November per Denderah on the 22nd ult. We have also received your letter of the 19th November per Denderah, which arrived four days earlier.

- 2. Desp. 13 2. We are waiting for news of the Celox, to see whether we can wait to take her up again on her return.
- 3. Par. 3. The Board are strongly opposed to carrying forward the balance of the Fortuna's account. If she shows a loss, which is likely, it will be far better to write it off at once, seeing that at present prices for wool our next year's profits are certain to show a great falling off.
 - 4. Par. Note is taken of the produce for insurance.
- 5. Par. 6. When it was known that the Fortuna must carry a certificated mate, I told Dixon to get a man for the voyage only, and to arrange for his taking a passage at her expense on arrival. I saw the paper you sent, and told Dixon at the time that it was not worded as I wished it, being permissive only instead of definite, as I had intended that there should be no question about his leaving at once. To the best of my recollection Dixon replied that that was understood, so I was surprised to find that Crisp had remained so long on board. Otherwise there is nothing very serious about it, as it only gave him the passage which was secured to him by the articles. I was under the impression that Rowlands knew all about it. Writing of Dixon, I may mention that I have just heard that he is going out this mail to look for work; why I cannot tell, as we can give him nothing, and you would find him difficult to get on with on account of his temper.

A.E. Baillon, Esq.,

Stanley.

Manager,

- 13. Par.29. The Board have not further discussed the Endowment policies, though they are ready to do so if they hear that our people look upon the idea with favour. I do not see that any idea of a rise in wages was suggested from this side, at all events in the despatch which carried the copy of letter from the Royal.
- 14. Par.31. I will try sending the invoices through the Captains of the steamers, but I have a clear recollection of the difficulty I used to find in getting anything sent that way for hours after the arrival of the mail.
- 15. 14 3. Robson's fencing was sent by the Thetis; if I had known that it was such a small quantity I would have executed the order before. This inconvenience would not have arisen, had he sent through the office, as he should have done.
- 16. Par.5. I have gone into the question of beer and whisky with Bass and the Bushmills Co., and hope that we may be able to make satisfactory arrangements. I learn from Goss that Williams sells Bass cheaper than you do, which should not be. Goss also says that Younger's beer is only 2/.cheaper, and that he does not use it. It would have been more satisfactory if you had given us details as to prices, and stated the quality of the ale from Younger that you want to compete with. One of Bass's principal people has been here, and I have told him how we stand, explaining that Youngers are to some extent cutting them out. They wish to back us up, and with that view have agreed to give us a special discount of 10%, which will be allowed in full on the general invoice, though, as they do not wish it known, it will not be taken off the invoice that goes to the Store. With 21% more discount than Williams gets, and an advantage in freight, we can certainly afford to sell lower than he can, and if he wishes to play a cutting game it may be necessary for you to go one better, if you understand the expression. Bass's manager would like to have a sample of Younger's ale, so that they may test the gravity; this you had better bring with you. In order to test the market I am sending 15 hhds.of pale ale, which is 5/.per hhd.cheaper than no. 4, and will, I hope, be considered preferable by many. In the mat-

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ter of whisky, I am sending imperials pint and } pint flasks from Bushmills; this is really good whisky, and I hope will go down. If it is too good, then we must go into the matter upon your arri val in England. The Dublin Distillers' Co. are very anxious to have a slap at Burke, who, they say, is only a blender, not a distiller. The price at which Burke's 3 star whisky is sold is very low, but it is easy to put three stars on anything. The D.D.Co. include George Roe's whisky, which they think they can put in to compete with Burke, but to see what the latter sends it is important that you should bring a flask with you, so that it may be tested. There is the further question upon which you should have informed us, that is whether Burke's is in imperial pints, or in reputed measures such as mentioned in one of the letters from the Bushmills Co. I may mention that Goss has expressed his regret at having been obliged to get his liquors from Williams, but he said that you could not supply him as cheaply, and that he could not help himself. He has promised me that he will return to the Company, if he can make satisfactory arrangements, and you should endeavour to bring this about, for the publicans' accounts are almost the only ones of any account in Stanley. I have assisted Goss over his bill for £300, as it is just as cheap to be civil as not, cheaper, perhaps, in the end.

- 17. Par.6. We shall do nothing about a screw cutting lathe until you come home, and you will have some difficulty in persuading us to increase the already large stock of machinery that is eating irs head off, just for the sake of turning a screw once a year or so, for a vessel that cannot get it anywhere elase. If ships were more plentiful it would be a different matter.
- 18. Par. 7. I am sorry that I cannot give you any information as to a credit for the Galgorm Castle, for although I have written to the Owners twice, and conveyed to them the Board's request for a Banker's guarantee, they have ignored the subject. The Salvage Association cabled you a few days ago, and I am going to try to learn from them what is to be done to the ship, and by whom; if you are authorized to draw upon them, well and good, but if not and you hear nothing further from us, you are to secure the advances you make upon Bottomry.

- 19. Desp.15 3. We sold the Sterling's bill for 48 3/8d., equal to 4.96, so you were right to charge more than par; but it was a pity that you did not get a draft on the New York house, as the exchange would have been more in our favour.
- 20. Par.4. The wheel cannot be made as desired by Nilsson, so we have instructed Burgess to send the usual kind. Correspondence on the subject is enclosed.
- 21. Your remarks on the Thetis are noted. Is it not a new thing sending Bernsten to stow tallow, work that always used to be done so well by Mc.Lauchlen?
- 22. Par. 7. I cannot see the difficulty in guessing the probable quantity of oil required for the engine. The daily consumption is known, and after taking stock, it would have only been necessary to multiply the largest possible number of days by the gallons per day, and the amount required for the season could have been arrived at. As to the inferior quality being responsible for the difficulties, surely the makers know something about their own engine, and we sent the oil they recommended. To use refined lamp oil at double the price or more would be sheer waste. However, the oil sent by the Thetis will put this right, and you must see that the fine oil is not sent out. While on this subject, I may remark that it is singular that last mail brought no news whatever about Rea, who was sent out to work the engine; seeing the importance of the question it should not have been overlooked.
- 23. Par.8. As you do not mention what you have been in the habit of charging Mr. Packe, I cannot say anything about the question of freight to his jetty, but I should have thought that he was not paying as much as 5/.a ton in the harbour.
- 24. Par.13. I have written both to the Kosmos Co. and the C.O. about the quarantine, but I should have been better armed if you had detailed the arrangement mentioned in the first letter from the Government. Clearly the right course would have been to put the flour in the Fairy or other lighter, and then loaded the wool from the Great Britain without putting the latter in quarantine.

 Schlottfeldt's
 I am inclined to think, from a letter of his that I was allowed to see at Browne Geveke & Co.'s yesterday, that the whole thing

was a plant to get the hulk quarantined, so that they could make use of her cabin accommodation, and I think the Governor knew that unless he got passengers and cargo from the Denderah into her he could not isolate her. I judge this, because Schlottfeldt wrote, "we" contrived to put the Great Britain into quarantine, i.e.he and the Governor. If this had not been done they would have had a difficulty about their passengers, and if this theory is correct it will explain why the use of the lighter was refused. I send copies of letters on the subject. If you will ask Dr. Hamilton, he will tell you that when Mr.Mc.Clymont arrived in Stanley suffering from smallpox, the Government chartered the Perseverance at 50/.per day as a hospital, the passengers were quarantined on board the Sussex, and the cargo was lightered ashore immediately, or certaily before the quarantine was up. Should a similar case occur, you must offer to take our cargo in a lighter at our own expense, subject to what quarantine they like to impose, resolutely refuse to receive any passengers or man whatever on board the Great Britain, and claim in a temperate manner to be allowed to ship the wool that is on board. The reason why I say you must make a stand against receiving passengers is that in the event of smallpox breaking out, the whole of our shipping ar angements will be upset for two months at least. If the Government refuse to do as you suggest, you must quietly give them notice in writing that you will hold the Government responsible to the Company for all direct or indirect damage or loss that may occur through their arbitrary mode of dealing with the subject, and the departure from the custom that prevails in all civilized parts of the world. But, in any mase, see that there is no risk of losing the shipment of whatever wool you may have in hand, for we cannot afford to lose time over getting it to the market.

- 24. Par.14. We have recovered the insurance on the Thetis.
- 25. Par.15. The claim for the Pandora will go through all right, but the Underwriters of course object to the deductions m made for wages from the nett proceeds.
- 26. We presume that you will be coming on from Montevideo by an English boat, and if so you must add her name to the wool ca-

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ble that you will give Humphreys on arrival in Montevideo.

- 27. Since writing par.23, I have received a very satisfactory letter from the Kosmos Co., and it will not be their fault if their agent assists to put any obstacle in your way.
- 28. Priestman Bros.wish to send Rea to Valparaiso by the Serapis; I told them last week that they must cable to get him in, or they would not be in time, but I fear they have not done so. If he is waiting, well and good, but if he cannot be got in, or spared so soon, you must arrange to send him to Montevideo, so that he can go round from there. We are liable for his passage home, but this new arrangement will be at their cost, and save us some expense. We must, however, pay the passage as far as Montevideo, if he has to go that way. I learn from the Kosmos Co.that the passage to Valparaiso will be £14, and that it can be paid in Stanley.
- 29. We have mislaid the account you sent home of Rowlands' expenses, but enclose the one he put in here, which at the time we thought included everything. He must keep very queer accounts, or he would have known before he left all he had spent; if the new items are the result of an afterthought, we must leave it to you to find out if the claim is well founded. I told him when the account came in that I would pass it, but that he must consider himself liberally treated in having his medical expenses defrayed by the Company, as strictly speaking he had no claim for them.
- 30. After some negotiation with Messrs. Hindley I have made a contract with them for 20,000 yards of the usual bagging at 4½d. a yard, to be paid for in May. There has been a great fall in jute, and people seem to think that it cannot go any lower; at all events a penny and an eighth drop is worth having, and we cannot be very far wrong. They say that they could supply the same as that bought by Mr.E.F. Baillon for much less, the sample being inferior to ours both in quality and weight.
- 31. The Board wish me to call Mr. Nichol's attention to the his approaching expiration of Mr. Nichol's engagement, which they presume he wishes to extend, and I am to instruct you to convey to him, should he desire to remain, their willingness to raise his salary to £500 per annum.

32. Please arrange with Noble for a payment which he has undertaken to make quarterly to a Mrs.Booth, of Aberdeen, who is in charge of his children. She wrote to me in some trouble at not having heard from him, and sent me a letter of his clearly promising to make arrangements as soon as he got to Stanley, which he seems to have failed to do. On this letter I sent her a cheque for £25.

I am, Sir,

your obedient servant,

Gnelosures. Duplicatus Dupatch No 806 dated & Dos /94. additional remarks on Thatis Gargo. General Invoice & Handot. Hadger or Journal Honties. Reamarks on accounts. General Invoices to Shatis Whints Invoices, goods & Thatis 28. 16. 3 28. 16. 3 I Robert 37. 8. 0 4 Nilsson 19. 18.4. Y Facks 194. 11. 1 Moulliams 571. 12.5. To aillow Stickney 440.14.8 Dean anson 435. 5.8 a homes 593. 18.2 J. J. Jutton 230. 6.8 Holmested Blake. 639. 10. 9 Fache Form 6-271. 7. 8 Stickney Poros Facks Porn 6. 469. 6. 4 Burtrand Fatton 413. 8. 11 W.E. Surnar 58. 9. 11 Molville Toxal 143.14 5. Capit Tatmore 9. 0. Mon & Stickney Minto Invoiers Goods & Orchid" a Filalinga. 431. 12.6 Clients Invoires goods 433. 18.2. "Herodot" 83. 11. 9. W.8. Durned 22.0.3 wodull 134.1.11 Butrand Fultow 361.15.1 Holmustad - Blake 33.17.5 Draw anson 8.6.5 Mrs Williams 203. 4. 5. Ballow Steekney 8.2.1 a. 8. Baillow -. 14 o. bapt Fatmork -. H. 11. -. 7· 10 1 Fachs -. 14. H R. Wichol -. 10· 2. Clients afealis as follows . Tarodok.

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Letters for the Hollowing:

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61. Gracechurch Street.

Britannia. Per

10 8 708. London EC 30th January, 1895.

Sir,

Since writing you per Serapis on the 14th inst., nothing of much importance has transpired, and I shall, therefore, not have to trouble you with a long despatch to answer on the eve of your departure.

- 2. I enclose a letter for Mr. Nichol referring to the subject of the Reserves, upon which you may have an opportunity of speaking to him before you leave.
- 3. The draft on the Treasurer will be sent by the Supplementary mail.

I am, Sir,

your obedient servant,

Then reford

P.S. Your telegram, "Abydos stagionare Thetis Jacena nellie" was received on the 24th inst.

A.E.Baillon, Esq.,

Manager,

Stanlet.

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Latter for E. S. Nichol

30 Lanuary 1895.

61. Gracechurch Street.

Per Luxor.

10 809. London Ec. 11th March, 1895.

Sir.

My last despatch went per Pacific steamer Britannia on the 30th January and we have since received your no.16 on the 4th ult., and no. 17 on the 18th ult., the Abydos's mail being delivered on the 22nd. Your letter of the 19th January is also to hand.

- 2. Desp. 16, par. 2. Enclosed you will find copies of letters to the Colonial Office on the subject of the position taken up by the Governor as regards quarantine. A full report is to be called for by the present mail. Whatever happens, you will understand that the use of the Great Britain as a lazaretto is to be refused, should it again be requisitioned.
- 3. Par. 3. I have complained to the Kosmos Co. about the refusal of our cargo on board the Denderah, and Mr. Schlottfeldt is to be asked for an explanation,
- 4. Par. 5. Nothing further has transpired on this side about the Galgorm Castle.
- 5. Par.6. It is satisfactory to see that the Sabino's coal is being worked off; but we have received no account of it lately, and wish you to note that the stock on hand should be reported every mail, except when there has been no change since the previous one.
- 6. Par. 9. It does not matter what we paid for the land that we have exchanged with Mr. Packe. I enclose a conveyance of the section we are selling, which has been executed in the proper form, and with it I also send the original Crown Grant to Moore, and the conveyance from him to the Company, both of which should be handed to Mr. Packe. Had I had another form, I would have rewritten this, but alterations are initialled; as to the one sent by Mr. Packe, the Board would like him to give us another, altered as suggested in pencil, to correspond with the other. He should

The Manager of the Falkland Islands Company.

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- 14. Par. 9. I have complained most strongly to the Kosmos agents about the proposal alleged to have been made by Schlottfeldt. I preferred doing this to writing direct to Hamburg, as you did not state your source of knowledge, and I did not wish to commit myself by founding a formal complaint upon what might. after all, turn out to be current gossip. It would be a most serious thing if it were the cause of interference with our hulks. If the Governor actually proposed to cut the Great Britain's cable, a strong protest, holding him and the Government responsible, should be made; but armed resistance would be unadvisable. because, even supposing that the whole police force were overcome, they might turn out the Volunteers, and that would be extremely serious. You should let it be known, should the question become a burning one that the Great Britain was anchored where she is upon an application made by me to the Government to assign a permanent place for her, and that she was moored by the Government pilot. I am not sure if you will find a ny letter to the Government about it, but it might be so, and at any rate Campbell will recollect it. To the best of my recollection it was in 1887. But if the question is at rest, remember that it is best to let sleeping dogs lie.
- 15. Par.16. Correspondence with Mr.Heuston on the subject of money belonging to the Miller family is enclosed. You will see he has paid us the whole sum, and wishes to let those who are of age draw their portions. You would first have to reconcile the difference of one year between the ages as givenby Mr.Heuston, and those obtained from the family themselves. However, as I understand that the late Dr.Heuston was appointed by the Court, I should say that the safest plan would be to lay the case before the Judge, and do as he directs. I suggested to Mr.Heuston, who has his brother's affairs in hand, that after paying those who are of age, the balance might be divided in equal shares among the remaining children, and each portion lodged in the Savings Bank in the joint names of the child and another person, to be withdrawn when the former came of age.
- 16. In your telegram about the Abydos the word Stagionare was used instead of Staffeta; this should not have occurred.

- Keay has been presented here by the Commercial Bank of Scotland, and referred back to the drawer; for Dr. Keay has already been told that his account is not kept here, and cannot now plead ignorance as an excuse for the irregularity. To make the matter worse, it appears that the cheque has by mistake been forwarded to Stanley, Tasmania, and I have undertaken to ask you, after communicating with Dr. Keay, to remit the amount here for payment to the Commercial Bank. On looking up his account as shown by your entries, it seems that Dr. Keay will not have any balance to his credit, after paying for the goods per Thetis. You will understand that we are not disposed to allow overdrafts in cases where Colonists and Government Officers make use of us as Bankers.
- 18. We have not heard a word about the new machinery for the Sissie, which we suppose will have been looked to by Noble on his return. We are also without any information about the telephone to the lighthouse, although the materials arrived out a long time ago. Nor has any report of progress on the new jetty reached us of late; in connection with these matters I may mention that the Board desires to be always kept up to date as to work that is going on.
- 19. I received by the last mail in an envelope without any letter orders from W.E.Turner to Fallowfield and others, the cost of which would run into £60 or £70, execution of which I have been obliged to postpone, until I hear that he has placed you in funds. On reference to the Stanley accounts, it appears that up to the end of November, including goods sent out by steamer that month, he owed us quite £200, and it is strange that he should have been allowed to go on to that extent, without your calling our attention to it, as his payments have been from time to time extremely small. I see that goods were sent to him in the first instance in compliance with a request in your 563-11, in which it was stated that Mr.Greenshields guaranteed the money; this must at once be put to rights, and Mr.Greenshields asked to pay up, for we cannot undertake toship goods as we have done on credit. Tur-

- ner must be told that if he wants orders executed, he must send them through the Stanley Office, and that the money must be paid or guaranteed in advance. It appears that although he did not write to me, he did both to Fallowfield and Morgan, stating that the orders were urgent, and some of them had been put in hand, before an intimation was received from here that we would not be responsible. There is also an order for a silver cup given by the Governor to the Rifle Club, but if we are to purchase this, and we will do so with pleasure, a remittance must be made to cover the cost. With regard to this, if it were left to me, I would order it from Mappin's, not from the Bradford firm, as I believe better value would be obtained.
- 20. I have written fully to Mr. Nichol about the exchange of the freeholds of 35 and 38 for an equal quantity of land on the Reserves proposed by the Governor, which the Board do not consider that we should accept, as it is most important that we should retain at least one house and the adjacent pens, to render us independent of the new tenants in the matter of access to Stanley. The correspondence on the subject with the Colonial Office is enclosed in the letter to Mr. Nichol, and I need not repeat what I have written to him; but you will understand that you are to confer with him on the subject as soon as possible, and arrange what steps you are to take in the negociations with the Government, which should be carried through with as little friction as possible. On the 21st ult. I cabled "Elisao Freeholds", which, it is hoped, went down to Sandy Point, and would inform you that they were not to be exchanged. If it is decided that we are to give up one of the freeholds, you will remember that the conveyance is to be sent to London to be executed by the Board under seal.
- 21. On the 7th inst.we received your cable, "Federal Thomas Stephens London", and see from the report to Lloyd's that she has been extensively damaged. It is presumed that this message was brought up by the Sirius, which we hope has brought the accounts. The owners of the Thomas Stephens have sent over to say that they are going to call here, and before closing this I shall probably be able to report what they are going to do with her. If carried out by us it will be a heavy piece of work.

22. Since writing the foregoing, I have had an interview with Messrs. Thomas Stephens & Sons, and regret to say that they are so much alarmed at the accounts they have heard of expenses at Stanley, that they are thinking of condemnation. They mentioned to me that they tought that the Galgorm Castle would also be condemned, and if this is to be the case whenever any need of heavy repairs arises, it will be a most serious thing for all concerned in Stanley. You should take the opportunity of talking the subject over with our foremen, and point out to them how very necessary it is that better despatch should be given. In the case of the Old Kensington, which did us a lot of harm, the owners told me that they did not object so much to the expenses, which were high enough, as to the enormous loss they sustained by the detention of the vessel. It behoves all, therefore, to endeavour to work more smartly, remembering that although a little more money may be earned over an individual case by loafing the injury done to the routation of the port is enormous, and each case of long detention makes it worse. I would suggest your asking the men if they cannot make up their minds to taking these vessels by contract, and by way of assisting to bring down the cahrges, you might see if it is not possible to reduce our charges for the use of machinery by, say, 20%. Something must be done, and that quickly, if Stanley is not to be wiped out as a repairing port.

I am, Sir,

your obedient servant,

Suplicates a Sources

Suplicates of Jos. dated 30 Jany 90.

Ladger & Journal Contries

Tournarks, on accounts Gnelosures firt of buclosures. Tolients afealis as follows Tentam aport The 40 bales work of Tentam fort - resport. 足 I report. 4 " " Mandak I report & Thomas Coals of Thates _D&nderah Morwilliams 14.18.9. Stickney Bros. 8.19.4 To aillond Stickney Dacks Tours 6-8 13. 9. 1 26.18.2 Stients Goods & Strapis 8.19.4. 1. 13.9 _Draw anson 24. 1. It Wateron 34. 8.10 1.1. statton 38.3.5 & Stickney 6. 3 Vers Dacks 416.14.9 -10.19.7 I Tolmested Blaks Dourtrand to attom 6. 9.9. Dreams of Exchange \$600 Wook suport from In bry Donat 6-. Brokers copies of bompany's Sheef Skins of Dendunk Cliento apales resports contracto or brokers copies FIGC g bales skins & Donderah Roy book 20 " 4 " / fatters for leafet Tatmork ("4) four to of Scotland Copy of latter from Thomas he Soap 13 toby trilght rature Schooner Toomos 49. 14.10. for Dacks

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father & particulars relating to the Miller family 27/2/95
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Latters for the following

Stanley Bounditt Clut.

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11 Manh 1890

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List of Chients Invoices with suppliers
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additional Dermarks on Stores

Lopy of Letter from Colonial Office dated 11/2/9:

Letter for Mon Hansen

London 12 March 1890.

61, Gracechurch Street,

Per Orissa.

Vo 810. London E.C. 9th April,

Sir,

Confirming my last per Luxor, I have now to acknowledge receipt of Mr. Baillon's despatches no. 18 and 19, received 28th ult. and 20, which came to hand on the 1st inst.

- 2. Despatch 18. Any remarks that may have to be made on the accounts must be postponed until we have seen Mr. Baillon.
- 3. Despatch 19 4. The owners of the Speke have accepted the drafts on account of her disbursements.
- 4. Par. 6. With reference to the trouble with the Fortuna's crew, it is worth while noting that it was open to us at any time during the twelve months to declare the voyage at an end, and pay them off, even if the new voyage began the next day. The articles are for a period not exceeding 12 months, and the duration of the voyage is entirely in the hands of the owners. A former Shipping Master in Stanley thought not, and caused us some expense by insisting on articles being carried on to the very end; but I obtained from London an authoritative decision on this point in our favour, and a copy of it is among the papers in Stanley.
- 5. With reference to this and other paragraphs bearing on the subject of nos. 55 and 38, there appears to be no more to be said on this side, as you have full instructions how to proceed. I may mention, however, that if it is not clearly understood that the freeholds, unlike many of the later purchased compulsory blocks, there is no doubt about it. were actually surveyed and laid down; This being the case, we should not surrender Fitzroy without getting an equivalent concession from the Government.
- 6. Par. 15. The lists asked for shall be enclosed with the invoices by the outward steamers.

W.A. Harding, Esq.,

Acting Manager,

Stanley.

- 7. Despatch no.21 arrived this morning, having been brought to Plymouth by Mr.Baillon, who landed there yesterday. He is coming to town today, but will not be in time to visit the office.
 - 8. Par. 3. The hydraulic cylinder belonging to Packe Bros. & Co shall be attended to on the arrival of the Ramses.
 - 9. Par. 5. The drafts in favour of Lazar and Prior should not have been at 10 days' sight; if we give bills to oblige outsiders, which we are by no means obliged to do, they must abide by our rules. They would have had no difficulty in getting the bills discounted.
 - 10. Until I have seen Mr.Baillon I defer any remarks that I may have to make upon matters that have been passed over.

I am, Sir,

your obedient servant,

Juplicates / Sog. dated 11 March /95.

Juster to the Stanley Dornefit bolut.

Latter to w.a. / Tarding dated 11 March Guelosures Test of blants bargo fluer"
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61. Gracechurch Street.

Per

Vo

Orissa. 811. London, E.C. 10th April, 1895.

Sir,

In continuation of my despatch of yesterday, I have to inform you that Mr. Baillon has been at the office this morning, and that I have taken the opportunity of discussing several matters in the despatches lately arrived.

- 2. I have a great horror of Pebble Sound, as a dangerous place to enter and leave, and had never contemplated the Thetis going there; still, if Captain Patmore has weighed the matter carefully and does not consider that he will be running unnecessary risk in going there, he may use his own discretion. I would point out that the West Point pass is worse than Tamar, and that it has always been a maxim that no ship should go in or out either end without a commanding wind and a fair tide, of which, no doubt, Captain Patmore is aware. And I would add that it seems unnecessary that the Thetis herself should go herself to pick up Mr.J.Dean's wool, which could be brought in by a smaller boat at any time before the Thetis is ready to paoad for home.
- 3. Desp.19 17 and 20 6. Mr.Baillon and I have seen Mr. Crafer of the Salvage Association today, and I regret to say that I am unable to tell you what is going to be done. It seems that reports have to be waited for, and that until they have been received and discussed, no decision can be arrived at. We have also seen Mr.Stephens, who called here this morning, but in this case, too, I can only report at present that what will be done depends upon the reports by the mail, which is not in yet.
- 4. 20 4. We shall go into the matter of the Sissie with Mr. Sage after the Easter holidays. There appears to have been a great blunder over this.

I am, Sir,

your obedient servant,

W.A.Harding, Esq., Stanley.

61. Gracechurch Street.

Herodot. Per

110 812. London, E.C. 20th May,

Sir.

My last despatch was dated the 10th ult. and your no.22 of 15th March has since come to hand.

- 2. Par. 2. It is satisfactory that the repairs of the Thomas Stephens have been commenced. The owners, who are people of large means will accept the Captain's drafts for her disbursements. She is very lightly insured, and I have promised that the charges shall be as moderate as possible, so that where you see an opportunity of reducing them, do so.
- 3. We have received £1000 on account of the Galgorm Castle, and a credit has been opened for an additional £3000, for which sum the Captain is authorized to draw upon Mr. Charles E. Allan of Belfast, who is the mortgagee. It has been arranged that under the circumstances a charge of $2\frac{1}{2}$ % commission is to be made on the whole account, that is to say you will credit it with the £1000 cash here and the draft for the balance. It is not desirable that you should buy any of the coals, seeing the difficulty of disposing of them. If anyone else buys it cannot be helped, but as no mne has a hulk, or means of storing any quantity under cover, any sold would soon be worthless. Of course if it should be offered at an absurd price, such as 10/.per ton, you might take the risk, but in this case we should not have more than we can put away under cover.
- 4. Par.5. As long as the Governor leaves the Great Britain alone, it will hardly be worth while demurring to any order for moving our hulks or vessels. She was, however, placed where she lies under the direction of the Government, specially with a view to laading and discharging the Kosmos steamers, and consequently for the convenience of all exporters, and this it is important to

W.A. Harding, Esq.,

Stanley.

bear in mind.

- 5. Par.7. You have full instructions about the freeholds, to which we cannot add anything, but may mention that your remarks as to letting the house to Robson seems reasonable. As to advancing him money, you must be most cautious, and it should not exceed an amount that would be equal to 4d.per lb.on a moderate estimate of his clip, which should be secured to us by a preferential lien, if the Ordinance is still in force.
- 6. It is a pity that no progress has been possible with the telephone line to the lighthouse, both because we get no benefit out of it until put up, and we remain out of the money. I would suggest your endeavouring to get the posts put up by contract at once, and if you can get anyone to make an offer it would be right to take the opinion of the Government, so as to save any after trouble. If you are on fair terms with the officials I dare say that you will be able to carry it through.
- 76. As the Bills of Lading, which are sent in a consignee's letter often are subject to an enormous surcharge if sent by post from Tilbury unstamped, although this charge the P.O. people admit is incorrect and can be recovered with a certain amount of trouble, I send some penny stamps, one of which, as long as the letter is marked "consignee's letter" is sufficient to carry it through.
- 8. There was some trouble with the packages on parcel receipts this time, no fewer than three of the latter arriving without anything to show which was which. When this happens, the packages should be numbered, and if we ship wool we are entitled to get them as freight, because it is not our fault that each description of cargo is put on a separate bill of lading.
- 9. The Auditors wish to have a detailed list of the Debtors of Store each year. This need not delay the accounts, but can follow them when made up. It is necessary to make a list of the Store ledger balances periodically, in order to adjust any differ ences that may occur, and it will be convenient that this should be done at the end of the year.
 - 10. The falling off in receipts for produce through the very

- low prices for wool makes it necessary that the greatest economy should be exercised in every department, and the Board desire that you will confine your expenditure in wages within the narrowest possible limits. Property must not be allowed to run down for want of the needful outlay, but no new works must be undertaken, and carpenters and labourers must not be kept on for the sake of finding them something to do. The Stanley wages have for some years shown a progressive rise, and the first two months this year they were higher than ever. In 1891 they were £4185, while in 1894 they had risen to £5177. This is a matter that calls for your serious attention.
 - 11. On the 4th inst.we wired "Galgorm Castle cocemos masliebe" and "Thetis prohibited Pebble". The former you will understand, the latter refers to the Thetis, which on Captain Patmore's
 report that she had a narrow shave going through the North West
 Pass, the Board decided should not be allowed to go into Pebble
 Sound.

I am, Sir,

your obedient servant,

Duplicates Dupatch Nos. 810, 811, dated g'410' april Debit Note from anning and in skins Whints Thoours as follows: Sharp & Dmith 105. W.E. Jumer. 4. 0. 2 16 Nilson 4 10 Stolmusted Blake 10 1-1. 4 Packs Dros 6-14. 3. _16 Bothunk 12. Corrtrand Solton 2. 4. //, tito of Enclosures Todger + Journal Centrus Tumbarks on accounts Greand of Enchange. \$600. Hom Golder's account for Butund 144, 18 9. Dan of Windlass from comarion or "Luxor" Counted General Inorice Goods fo "Luxor" Than of Windlass front Comarson for Smith Letters for He aft Patmore (316 torallo chique tov =20. 15. O. (are remarks). Law Monion (boshus notice) for W. as Standing Buleigh's school account fort otton for 19. 2. Copy of Spelant & May's quotation for matches Stamps 2/- Photo Company Work & Chances" Whints solve reports contracts & Brokers colins K 12 bales Moob h Ramses Ours copies only SI 119. " JB 114. HGO 49. EN 24. DS 38. (H) 13 Most reports. 6.0 Jandour's Unovice for Portrand of List of Carments Indend to be made by London Office on afe Stanley. b, ohy of dora's latter with rethers to Guris re shearing machines (inclosed in Hucholo)

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Barthis Invoice resented for Oblahs 11. 4. 8.

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20 May 1890

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A STATE OF THE RESIDENCE OF THE PARTY OF THE

INCORPORATED BY ROYAL CHARTER 1851

61. Gracechurch Street,

Herodot. Per

813. 110

London EC 20th May,

Sir.

I have to add a few remarks to my despatch no.812 of this date.

At a Board meeting held today the Sabino has been discussed, and it has been decided to ask you to try to arrange, as soon as the ships are out of the way, for an estimate being made of the cost of making her seaworthy for a voyage, and to get the carpenters to undertake a contract for the repairs. As the Egeria will be set on one side for the present, there will not be work for many of them, and it will be a good opportunity for them to keep at work, instead of remaining idle. It would not do to go into the repairs, unless we know definitely what they are going to cost, in fact the Board would not entertain it for a moment. As soon as we know that this can be arranged, and also ascertain what the ship is likely to realize in London, we can go on with the work. It may be stipulated that if ship work turns up the contract may be laid aside for a time.

- 3. The Board have received a letter from H.Ritter, to which allusion has been made in the letter to Mr. Nichol. You are to inform him that the letter has been received, but that such communications do not meet with their approval, as it is a rule of long standing that any letters from persons in the employ must be sent through the officials at the Islands, in order that they may have an opportunity of reporting on them.
- 4. We hear that Townsend has sent out the Foxglove with a cargo of coal from the Humber for Stanley. There is much more than will serve the Colony for a considerable time, and you are not to touch it at any price, as the probability is that the shipper thinks that after peddling out a certain quantity he can

W.A. Harding, Esq.,

Stanley.

- plant the rest on us. We do not wish to be made use of in this way, and think that the venture, without our assistance, will prove such a loss that it will not be repeated in a hurry.
 - 5. We have chartered the Celox for a rough cargo out, and shall ship about 50 tons of coal to go on with.
 - 6. With reference to the Galgorm Castle, should the repairs be likely to exceed £4000, you must let us have timely notice by cable, in order that we may get the credit expended.
 - 7. Since closing my letter to Mr.Nichol, the analysts have sent in their report on the North Arm water, which I enclose to be forwarded to him. You will see that that from the settlement well should only be used after being boiled, while the other should not be used at all.
 - 8. In dealing with the Fair Rosamond's account, it is not right to debit her working with the cost of permanent improvements in the shape of extensive repairs, and you will see that we allow her to take crait for £400, which we estimate to be the addition to her value as a vessel, irrespective of what the work may have cost.
 - 9. Your attention is drawn to an extract from a letter from Mr. Edward Packe with reference to a man named Mc. Leod, who goes out with a credit of £40 from Sir Samuel Scott. At my suggestion Mr. Vere Packe is to associate himself with you in dealing with this money, and I hope the man will not give you any trouble.

I am, Sir,

your obedient servant,

Guelorures.

General Invoice Goods per "Trorodot"

firt of Cargo to Cargo

Firt of Dutiable Goods.

Edditional Bernachs on Stores

Suppliers Invoices for Clients

Letters for the following
W. a. Itanding (2)

J. J. Letton of

Co. Starton of

Co. S. Nichob

21 May 1895.

61. Grucechurch Street.

Per Potosi, via Lisbon.

Vo 814.

London, E.C. 22nd June, 1895.

Sir,

My last despatch was dated the 20th inst., and I was just able to acknowledge by the Luxor the receipt of your no.23, which arrived on the 21st. Your despatch no.24 via Sandy Point was received on the 18th inst.per Orcana.

- 2. 23-2. Although the repairs of the Thomas Stephens have not come to much, I believe that this sort of case does us more good than six Old Kensingtons would. We may make a lot at the time, but the amount of the bill tells against us for years.
- 3. Par.4. A person of enquiring mind might be disposed to ask why the Governor has been able to put up lamps at the public expense without going through the formality of getting leave from the Legislative Council, while it is on record that Colonel D'Arcy did the same thing, and had to pay for them out of his own pocket.
- 4. Par. 5. The news about the Thetis is lamentable, and much sympathy is felt for the relatives of the drowned seamen. The hand to mouth system of watering is a bad one; a vessel leaving for the West should have a sufficient supply for the trip round, and then an accident of this sort could not occur. I am afraid that it is often the case that the schooners do not carry enough, at all events it used to be so, and it was the cause of a delay frequently. We are in no way responsible, however, for the accident, through which the delay of the goods for Port Stephens occurred, being protected by the clause in the Bill of Lading. Nevertheless, the Board are willing to take into account the loss of time suffered by Messrs. Dean, and are willing out of regard for their colleague to adopt your suggestion as to payment of

W.A. Harding, Esq.,

Stanley.

- half the cost of the Chance's hire. If anything would have cause them to hesitate over this, it would have been the tone of the effusion which you enclosed. It has not been stated how many days these pound men were on board, but I should have been almost inclined, under the circumstances, to lay the ship up until men could be got from Stanley, rather than submit to such an imposition. The question of the Thetis's earnings I will refer to later on.
 - 5. Par.9. Insurances are noted.
 - 6. Par.11. If I remember rightly, Turner was asked to look over Petaluga's accounts at a time when I had stopped his credit, but I do not know under what circumstances he became his agent and business manager. Petaluga was very grateful to me for pulling himup, and told me that it had been the saving of him. Why should not Turner keep his accounts, if necessary, but we transact his business without the intervention of the latter? You would certainly be right in refusing to advance him money to buy from other people. I am inclined to think that if the matter were placed clearly before him, he would see what he ought todo.
 - 7. Par.12. The draft memorial is to the point, and excellent in every way.
 - 8. Par.18. We have received payment from the Kosmos Co.for the value of the missing bale of Baillon & Stickney's wool, but only after long correspondence.
 - 8. Par.24. It is satisfactory to learn that you are alive to the necessity of keeping wages low, for the present outlook is anything but bright. I think that it would be well if some of the more intelligent of the working men were made to know that the carrying out of the Governor's expensive schemes must lead to increased taxation, and that when this comes retrenchment in wages will be universal, so that they will be among the principal sufferers. They ought to know also that in prosperous times we have not scrutinized the wages lists too closely, and that many a man has had a day's work for the sake of keeping him employed, although that work may not have been absolutely necessary.
 - 9. Same par. Mr. Baillon has seen Mr. Sage with me, and sugges-

- tions as to getting over the priming of the boiler are to be sent in in time for this mail. Mr. Sage says that Noble's meaurements were misleading; he gave the breadth of the engine room floor as 7 feet, and bunkers 2ft. 3in. on each side, making a total beam of 11 ft.6in. Is this not incorrect? The boiler he says was in proportion to the condensing engines, it would have to be forced to provide steam for the old engines, which would take more, and priming would be the result. While on this subject I may point out that we have heard nothing from you about the alarming account of a trip from Sparrow Cove reported in the April number of the Sq F.I. Magazine. The Board have fully discussed the subject of the Wasp, and have eventually agreed to have one more try, though they sanction it with great misgiving. This time there must be absolutely no mistake. Noble must give a precise statement of the dimensions of the boiler that must not be exceeded. Diameter, I understand, is of importance, but if it could be reduced, without detriment to its efficiency, so as to pass down the coamings of the hatch, it would save taking them up at any time when it may be necessary to remove it. But if not, we must not lay too great stress on it; efficiency is the main thing. Before taking any steps, however, about the boiler, the iron frames of the boat and their fastenings must be most carefully examined, as it is considered that oxidation may have been going on, and if so she may be unfit to be used as a launch any longer. But if the hull and fastenings are sound, the Board will send out another boiler, and give this unfortunate white elephant a last chance. Any remarks that Noble may have to make as to steam pipes and other fitted must be forwarded, but I hope that these will not amount to much, for if they do the project may yet be knocked on the head.
- 10. Same par. I am rather taken aback at the mention of carpenters in connection with the telephone, for I had the poles barked on purpose to avoid the attentions of any expensive mechanics. We did not plane the poles of the Stanley telephone, and it was put up very easily and at little expense.
- 11. Under the circumstances we will not press for payment of Greenshields' guarantee at present, but a time should be fixed

on which any balance still owing by Turner should be made good, and in the meantime the latter would be well advised to restrict his credits and take payment in advance for any work he may get. It would seem that his practice is to give unlimited credit, trusting to us to finance him, but it does not pay us to have money locked up at 5%, when there are no attendant advantages. I know as well as any one the difficulty of getting in debts in Stanley, when credit has once been given. In all future transactions it must be clearly understood that he places us in funds before we execute any orders.

12. Par. 26, P.S., and 24-9. Your explanations regarding the exchanges of land together with the full report sent by Mr. Nichol have been carefully considered, and are quite understood. It is satisfactory to find that an arrangement has been made which will save any further trouble and correspondence as far as regards the possession of the land, but I think that we cannot drop the point as to the correct delineation of the boundary between sections 38 and 44, about which it is quite possible that the Surveyor has made a mistake. The proposal I made to the Colonial Office that we should buy the piece in dispute does not affect the occupation of the land or the position of the fence, but with regard to any further negociations, I do not think that it would be politic on my part to approach the C.O.again, until we have a few more facts to go upon, and then I should prefer doing it in support of any contention that you and Mr. Nichol may see your way to putting forward, so that we may avoid the possibility of clashing. I will write further on this subject as to details in my letter to Mr. Nichol, of which you will take note.

13. Par.27. I do not see any reason for the Governor's jubilation over the survey, for if it is really true that such an enormous discrepancy exists between the estimated and actual acreage of the two sections which have been surveyed, the fact will
not allow a single sheep more to graze on the land, and it only
proves that it takes more acres to feed a sheep than we thought,
and that therefore the rent should be proportionately reduced,
when, however, unfortunately for the simple people who have taken
which

- the land, is not yet recognized. How soon it will be, time will show.
- 14. Par.29. It is right to keep us fully supplied with information, even at the risk of being prolix, and the Board are obliged for the complete advices with which you have furnished

us.

- 15. Desp.24-2. It will not be necessary for Mr.Packe to send the original deed relating to the Stanley land. All the transactions have been properly registered, it is presumed, and therefore there is a complete record of them in the Government archives.
- 16. Par.6. Messrs. Thos. Stephens & Sons have asked to be allowed to defer acceptance of the draft until the arrival of the mail per Tanis. I will take an opportunity of asking them about the report you mention. The Governor's delight at the absence of ships agrees with the renewed attack upon us in the Blue Book report, of which I send you a copy. The virulence with which he pursues us is akin to the spitefulness of a soured old woman, and the spectacle of a Governor crying stinking fish about his own Colony is probably unique in history.
- 17. Par. 8. As you have mentioned the Thetis I will go fully into the question, although it might have saved time if you had asked Mr.Baillon to discuss it with the Board viva voce. I propose to place on record the ideas on which the purchase of the vessel was based, and to show the course that ought to have been pursued with regard to her movements in order to carry out those ideas. The plan of running a vessel direct from London to the outports was started to couteract the offers made by our London opponents to do practivally the same thing, which had led to the withdrawal of four or five of our clients, all of whom we recovered when we did it ourselves. The main point has since been carried out annually by means of the Orissa, the Concord, and now the Thetis. The fact that some small ports have been served by trans-shipping in a schooner does not affect the question; our opponents stipulated for 50 tons of cargo, if I remember rightly, as the minimum for going to a port with, and we do not undertake to go into creeks with small boatloads in such a valuable vessel

at any time. But we do expect to land cargo annually at Hill Cove, Roy Cove, Weddell Island, Port Stephens, and Fox Bay, and probably would include Spring Point and one of two other places if there is sufficient cargo. The plan of the round voyage is this. We make a profit on the trip out, and another on the trip home. Between the two constant employment round the Islands also ensures a profit, therefore she should have that constant employment. She is run much cheaper than any of the schooners, therefore she can take longer over her trips and still make a profit. Her wages and provisions amount to about £67 per month, the Fortuna costs for the same about £60, and the Hornet £42 or thereabouts. If we go into other expenses, her insurance is also less, but we have sufficient to go upon. Say she carries 500 tons of wool, while the Fortuna takes 210, and the Hornet 69. The quantities may not be exact, but will serve for illustration. The cost per ton of wool per month you will see is enormously in her favour. She might make a two month's trip and yet earning at 10/. per ton £50 would still more than cover her expenses, while a few such trips would ruin the Hornet. Therefore she should work the more distant ports which take longest, while the Hornet would require to fill and empty herself several times a month to make a profit. Therefore the Hornet should have the nearest and easiest work, say on the Stanley side of Bull Point. The way I worked the Orissa, and intended that the Thetis should be worked was this: I sent her to Weddell, Port Stephens, Roy Cove, &c., and this ought to be carried out; Mr. Dean has several times said to me that he would prefer getting his wool in a lump by her in preference to little lots in chance schooners. The Thetis being the cheapest vessel to work should be provided with constant employment on the coast between her two ocean voyages; that being arranged, the collection of the balance of the wool should be arranged for by the schooners, and if there is not work for them all, one should be laid up. Though we have three schooners there is no reason for keeping them all in commission, and this goes back to what I said when we bought the Fair Rosamond, that she should be regarded as a standby. Probably through a misconception of our wishes

ments have been made for the schooners, and the Thetis has been left out in the cold. You say, in fact, with regard to next year, that if all three schooners are available, you will not want the help of the Thetis at all; this explanation will enable you to see that the least expensive vessel <u>must</u> be employed, and that it is the help of one of the more costly schooners that will have a to be dispensed with.

Details may be improved; for instance it may be possible, though difficult to get the cargo stowed more together in rotation. The trouble is with the water goods, which have to be ordered alongside on a particular day and taken within a certain time, or there is demurrage, and then again dip and wet goods have to be stowed separately. But there was no complaint on the first voyage, and I hope that more care on the part of the stevidores here may obviate any in future. Regarding short deliveries, there has been much negligence on the part of someone on board, the mate probably, which will have to be explained. It is disgraceful that such a wholesale broaching of cargo as is described should have taken place, and I cannot understand how it can have occurred without being detected. Everything must be made good, and the cost charged to the Thetis; if we can stop anything out of the mate's wages for negligence, we will. Trans-shipping and handling liquors would probably lead to still more pilfering, and there would be increased difficulty in finding out how it had occurred.

We have no intention of reverting to the system of sending home wool by sail, and should not therefore have cargo for the round voyage twice a year. In fact, all the reasons you give for your proposal would be more applicable to selling the Thetis, and chartering a vessel out to Stanley only. The suggestion that a schooner might accompany the Thetis was not an order, and as it has not been a success it must not be repeated. Short deliveries may be avoided by better attention to stowage, to which I have already refered, facilities for broaching cargo would perhaps be increased, I do not see how they would be diminished, and the cost

...

- that the vessel ought to make; such expenses must be incurred; if they were not necessary, what a profitable trade shipping would be. I think that I have now explained all that I can, but I must mention in conclusion that the system of financing and employing a number of small fry who peach on our ground, and who are a source of loss if an accident occurs to them, is not one that was in vogue in my time, nor can I see any reason for keeping it up. With the probability of having to lay up one of our own vessels for want of work, a gentle course of starvation would, in my opinion, be the better policy. This might be considered hard, but after all we were on the spot long before they were thought of, and we cannot be blamed for holding our own ground.
- 18. Par.11. Perhaps I shall hear from Mr.Packe about his cylinder; if it were mine I would not go to the original makers for it, for I believe that their supplies were of a cheap-jack description, and have always been breaking down. In the case of a wool press the best policy is to go in for everything being thoroughly good; for instance, we could and used to get cheaper cylinders of cast iron from Tyler than we do now, but when, as head happened on two occasions, those cylinders cracked, the loss we suffered was far more than the difference between the cost of iron and steel, the latter being the metal now used on ours. If there are no distinct instructions, and I do not learn that the cylinder is wanted before next season, I will defer getting it until I know Mr.Packe's wishes.
- 19. Par.13. The half-holiday is a matter of detail that you can settle; it was tried in my time, but after the novelty had worn off, and the winter came on, it amounted to overtime simply, and nothing else, for everyone worked all the same.
- 20. With regard to contracting, I think that each case might be dealt with as it arises. Some jobs may be so complicated that it would be difficult to get an estimate, but if a ship came in wanting, say, half a dozen yards, you could get the men to put a price on them. It was done several times while I was in Stanley, and resulted in advantage to both sides. I will enquire about

- contracts with blacksmiths when I have an opportunity; the plan of paying by weight would be a difficult one to carry out, for instance, you might have a heavy forging under the steam hammer, which surely should not be paid for at the same rate as a number of light nuts and bolts, the screwing of which might occupy much longer.
- 21. Par.15. The appointment of Hurst, in fact the establishment of a Stipendiary on the West at all, is scandalous, and we shall endeavour to have something said about it. I think that a representation that the Colony is suffering severely from depression in the wool trade ought to have some effect, for the extravagances of the Governor will at this time be severely felt, unless a check is put upon them. Is it a fact that all the surplus left by Mr.Kerr has been spent? We have not seen the Colonial accounts for some time. A strong effort should be made to knock the loan on the head, should it be brought forward.
- 22. Par.21. The credit with the London & River Plate Bank has never been cancelled; I will endeavour to ascertain how we stand with regard to this, but my impression is that you have only to send a draft up to them, and you can draw against it. But at present this would not be safe, as they have no instructions from Mr.Baillon to honour your signature.
- 23. Par.23. I have not had an opportunity of putting your despatch before the Board, but I am under the impression that there will be no objection to your purchasing the coal from the Galgorm Castle, provided you have an understanding with Captain Smith that he deals exclusively with us. It has not been my experience that steam coal has answered in grates, but this may be all right, and cannot do us much harm at the price. With a good quantity in hand, you might sell even at 30/., and the advantage of this would be that as long as it lasts it would put a spoke in the wheel of any little trader like Thomas carrying out coal to undersell us with.
- 24. The Celox is ready to sail, and may go down the river before this leaves. We have sent a very large cargo by her, and
 have had somw wood shut out, which must go by the Thetis. She

is more than full, having the spars and a lot of lumber on deck, besides Windsor chairs in the boats, and some cargo in the cabins, for which we have paid a further consideration of £50, being for about 70 tons. I do not like this, but it was better than keeping the cargo back.

25. The arrival of the Tanis just as we are busy with the mail has been inconvenient. Nine Scotchmen have presented bills upon which they asked something on account; this I refused, although you are reported to have said that it would be all right, a statement which I take the liberty to doubt. However, we put them in the way of discounting the bills, and so got over the difficulty. Remittances on account of or payments to our own men should be made by cheque, but other people's men must be contented with bills, and must be told that they cannot get any advances upon them, so that they should bring sufficient cash with them to tide them over the 33 days. Or you might give them cheques for £15 or £20, and the rest in bills. Mr.George Bonner has, after the manner of Dr. Keay, given a man named Oldfield a cheque upon us, though he has had the grace to advise me of it. The amount is £82.15/., and I wish you to inform him that the proceeding is quite irregular, as none of our clients should draw upon us direct, but ask the Stanley Office to make the payment. On this occasion, as hedoes not know any better, I have paid the cheque to save him trouble, but I hope that this will not be repeated.

26. The annual Report is sent for the office; the paragraph about the Thetis was written before we were in possession of all the late news about her.

I am, Sir,

your obedient servant,

Managing Director.

Juplicates Despatches No 812 + 813. dated 20 + 21 May.

Letter to W. a. Marding " 21 May.

Todger + Journal Pentries Gnelowers. Ganaral Invoice Tormarks on Stores of additional Mermarks List of Dutiable Goods List of Jarrels Tist of Gargo. Topy of Clarits Cargo. Soland Bros 20 May List of Cenclosures, Stanley Orofit & loss Statement Stanly Balance Short Chunts Maports & Contracts DS 38 bales Wook Ramsus D 44 " Drond of backang & \$ 600. Bill of lading & cargo par Il wodot" Guldos Victor Supravial Institute for Butrand Gradif Note from Travers 10f on Alorida water Wool raports

Invoice for Movins fittle Dip (on consignment),

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Company forty third report Colonial annual report 1893. Copy of Fright account of bolos Hadger + found Contries + additional Contries First of Guchange. 4600. Scripilation of Timber Shirt out & broke"
Copy of letter from Sags dated 21 June /95 Letters for the following: 10. W. Ob retrand. (2).

10. W. Ob retrand. (2).

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10 totmented Blake \$165.6.6. Letters for the following: W.a. It arding Roblaks. J.S. Goodhart. Nach Cache.

61. Gracechurch Street.

Tanis. Per

815. No

London Ec. 16th July,

Sir,

The Board have read and confirmed my last despatch via Sandy Point, and there has since been no further mail from the Islands.

2. Messrs.T.Stephens & Sons demurred to accepting the draft on account of the Thomas Stephens on account of what they considered the exorbitant charges; but after communicating with them through Mr. Langridge, who knows them personally, and was able to explain our position, they were able to see that our large outlay for machinery coupled with the little work we get made it impossible for us to charge less without loss, and they settled the matter by paying a cheque for £740, the difference being 5% of the commission, which we waived, and the odd money, which we threw in. Messrs. Stephens have been very courteous over the affair, and have allowed us to see a correspondence forwarded to them by the Board of Trade at the instance of the Governor, a copy of which is enclosed. Of course we see his hand all through, and very probably he dictated the letters, but he will not score much, as they told Mr. Langridge that they would not even mention our name in their reply. I believe, however, that they intend to say that if the Government are sincere in their professions of zeal for the working man, they will suggest to him that a little more diligence in his work might remove some of the objections that owners and underwriters feel to having a ship in the Falklands. The situation is a serious one, for it will be a bad thing for the place if sending ships away jury rigged becomes a practice. We have gone thoroughly into the question, and believe that on the cost of the buildings and machinery for the Blacksmiths, quite £3500, we do not overcharge, for we are assured by experts

W.A. Harding, Esq.,

Stanley.

that perishable property of that description ought to pay 20% per annum. But we are willing as far as lies in our power to remove all well founded dissatisfaction, and therefore authorize a reduction in the prices charged for supplies from the Store. Canvas rope and other things may well be reduced, and I think, although I have not formally brought it before the Board, that the commission of 71 % on ships' accounts may well be reduced to 21, seeing that a good part of it is charged on accounts upon which we have already made a profit. This commission is always the first charge to which owners take exception. You would do well to let our head people know that we are, on our part, anxious to remove the stigma that rests on the Colony, and suggest that if they are wise they will try to make a better show on the next ships that put in. You ought to show them the correspondence, and point out that while it is directed against us it will do us comparatively little harm, as we have other sources of profit, but that to their interests it will be absolutely fatal. It seems a monstrous piece of assurance that the Governor, in his pretended desire to benefit the people, should enquire how a feeling of mistrust has been engendered, when we see in his report for 1890 these words:-"It is to be feared that the delays and high charges incident to the repairs of vessels here have rendered the port a place to be avoided if possible", and again in the one sent by last mail the twaddle about want of enterprise and enhanced prices. What greter enterprise could have been shown than by us in putting up all that costly machinery, but what encouragement have we received to be still more enterprising? The more intelligent of the working men must see that in his blind hate of the Company the Governor is doing them as bad a turn as he possibly can.

- 3. With reference to your suggestion to use the word "Buyno-coal", I must point out that as it is not to be found in the dictionary of any language it would only have been received as three.
 - 4. As there are to be eight mails in the half year instead of

- six, I suggested to the Crown Agents that they might let us have a draft for £450 each time; but as they have replied that they prefer ssuing six for £600 each, I shall send them by this mail, and on the 27th August, the 14th September, 8th October, 19th November, and the 31st December.
 - 5. Mrs. Booth of Aberdeen has written to complain that she has not received a remittance from Noble, who seems from his letter to her to be shuffling in a reprehensible manner. You must tell him that I have not felt at liberty to give her the money she has asked for, but that having made an arrangement for the board of his children he ought to carry it out. But you must bear in mind that he, like all other of the Company's servants, cannot be allowed to run into debt with us, and that we assume that he counted the cost beforehand and did not reckon upon our lending him money to carry out his engagements.
 - 6. I am sorry to say that it will be impossible to do anything with Mr. Packe's press until we have more particulars of what is required than is contained in your despatch 24 - 11. In the first place you say that a portion of a broken cylinder is sent, but this turns out to be part of a ram, and Tylers say that it seems to have been rusted in and then broken in trying to get it out, from which they infer that the cylinder itself is also ruined. If a ram was wanted the length ought to have been given; if a cylinder, also the length, bore, and dimensions of the head, if a cylinder and ram, full particulars of each, including the size and thread of the nut for connecting the pipe. I am afraid that you can hardly express all that he wants by cable, but if not I fear that it will be too late for the shearing season. We have or used to have one or two spare cylinders and rams which were discarded when we fitted our presses with longer ones; if one of these would do for Mr. Packe you might let him have it at much under cost price.
 - 7. You will see among the enclosures a few letters from the C.O., which do not call for any remark, excepting, perhaps, that the fact that the Government have leased us the alleged excess does not close the question either as regards the proposition that we

should buy it right out, or as showing that we accept the accuracy of the survey which we have disputed.

- 8. The wool market has improved, and we are in hopes of better prices for the lots per Tahis, which will be put up on the 22nd inst.
- 9.I enclose the conveyance of the Bluff Cove freehold from
 Dean & Son; the original Crown Grant never came into our possession, as Mr. George Dean, although at my request he made several
 searches, failed to find it. It is of no consequence, however, as
 the conveyances throughout have been properly registered.
- 10. In Dyster Nalder & Co's catalogue of tallow last week I have seen the following ex Hornby Grange:—HB 43, \$\int 46, Z\$ 41, and L 30 casks, all apparently tallow belonging to our clients. This has happened repeatedly, and our friends have always said that it was a "mistake" on the part of Mr. Mathews, which should not occur again. It certainly, assuming that the tallow is really the property of our clients, looks less like a mistake than deliberate sharp practice on the part of Mr. Mathews.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures. I uplicates / Drespatch No 814. dated 22nd June. 1 Supplementary Mohmarks on accounts. Mints apales as follows:-DS 38 bales Wool Manners EN Mamarks on Stores General Invoices per Colors.
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Remarks on Stores

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Remarks on Augus (in Consigners letter).

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The following for Sugar & James

Lattland Salands Chumas Report 1890.

Conveyance Dean Sons to Company.

Jothers for the following

Let Cache

Re Blake

10 Michol

16" July 1895.

61. Gracechurch Street

Per Iberia.

Vo

London Ec 31st July.

Sir.

816.

My last despatch went per Tanis direct, and your no.25 of June 19th has since arrived, and has been considered by the Board.

- 2. Par. 2. You will have seen that you were mistaken in your interpretation of the telegram about the Thetis going to Pebble, and it is singular that you did not take into consideration the remark in 811-2, that the wool could be brought in by a smaller boat, in conjunction with the fact that we knew that the Thetis had been once to Pebble, and that therefore the prohibition could only refer to an intended second visit. It is unfortunate; but you no doubt thought you were acting for the best, and there is nothing more to be said about it.
- 3. Par. 3. It was right to delay the Thetis for the amount of cargo promised by Mr. Mathews, and we should be glad to find that you had been able to get some of the skins for her too. I suppose that it would not have suited our Captain to go round with the Thetis to Port Howard himself, and sail from there, though that would have seemed the most reasonable course to adapt.
- 4. The correspondence on the subject of hulks is interesting, and will perhaps be valuable on a future occasion should any attempt be made to harass us. We have done all we can with the Kosmos about Schlottfeldt, but really, although we believe he is taking the line you indicate, there is nothing tangible in the letter you forward about which we can make a complaint. I think that the remark about the hulk towage, though I see what you mean, would not penetrate his skull, and was therefore thrown away. You certainly deserve credit for carrying the matter through successfully, and perhaps Captain Patmore also.
 - 5. Par.5. I have been through all the papers supplied by Mr.

W.A. Harding, Esq.,

Stanley.

- Felton, and it seems that the only course to take is to memorialize the Secretary of State from Stanley as to the extravagance that is being perpetrated. We shall support anything of the kind strongly, but there is no doubt that the C.O. pay more attention to representations that come direct from the Golony. You were equite right to take exception to the Governor's charge against us, and we may take an opportunity of saying something about this in Downing St., as it so clearly shows his animus. We have never, either here or in Stanley, taken any official action about the Volunteers, although we look upon it as a puerile and useless movement, and our attitude has been one of amused contempt. If it is going to cost too much, however, we must join in a general protest.
- 6. Par.6. The Board regret that there has been so much trouble over the Soutar case, but are gratified to learn that the decision has been given twice in our favour. Should another attempt be made here to reverse the decision, I understand that Soutar could be called upon to give security for costs.
- 7. Par.7. If Mr.Robson will again refer to the sale catalogue he will see the words "Tare as specified, draft 1 lb.per cwt." A simple arithmetical calculation will then tell him that he has not been cheated. As to measurements, it is always the practice in this office to check them accurately.
- 8. 19 and 14. Your purchase of coal meets with the approval of the Board; I do not think that we had been informed before that it was Hartley coal, which, of course, will burn well in a grate. I was under the impression that it was Welsh steam coal, a purchase of which would not have been desirable.
- 9. Par.10. What you say about the work on the Galgorm Castle is soothing, after all the abuse we have had to put up with of late. I hope that Captain Smith, if pleased at the end, will leave some record of his opinion in writing. Since last mail it has been suggested to me that Underwriters would never grumble at 12/6 per day for carpenters abroad, although they fight against any advance on that rate. As the Board confirm the reduction of commission on ship's accounts to 2½%, you might very well put out a feeler on this point, by suggesting that as we have made sacri-

- fices in the way of reducing prices and commission in order to avert the calamity that seems impending over the Colony, the men might very well meet us by reducing ship's pay to the sum I have named. One of the principal officials at the London Assurance told me that it was the regular thing to order ships to be towed away from certain ports for repairs, if they happened to get into them, and mentioned Philadelphia as one: if it became the practice to jury rig and send away all ships from the Falklands, it would please no one but the Governor. This you should make the menlaware of.
- 10. Par.11.We are sorry to hear about the J.P.Smith, but hope that she may be floated without damage. This accident shows that it is necessary to examine periodically all moorings, and see that the chains are not worn at the waterline; if they are the defective portion should be taken out. You had better concert measures with Mc.Lauchlen for a general overhaul of the moorings this Spring, and I would particularly call your attention to those of the Great Britain; for if she, an iron ship, got ashore and sprang a leak, there would be an end of her as a receiving hulk for wool in all probability, and we should never get such another vessel.
 - 11. Par. 12. The charts you ask for shall be sent.
- 12. Par.13. The account of Mr.Smith's abortive public meeting is amusing. Labour has its own way pretty well in the Falklands, and can hardly want a member to itself.
- 13. Par.15. We have not had time to discuss fully the question of Robson's account, but if, when the proceeds of wool go to his credit, there is a large balance against him, he should be spoken to about it, and asked for a preferential lien on his next clip at least. I do not know that it would be desirable to press too hardly, for he might easily get the money from Williams to pay us off, and we should lose control of his wool.
- 14. I hope that the slack time for Mc.Lauchlen and his men will soon come, as I hear that the Governor is talking of taking the eresction of the telephone into his own hands. It was intended that the poles, which were barked here, should be tarred, not

- painted. Telegraph poles throughout the country are tarred, and those in the settlement were painted for the sake of appearance only, being few in number. But I fear that planing and painting will make the erection of the telephone much more costly than we expected. I still hope that even if Mc.Lauchlen puts up the line, you will have been able to arrange it by contract, and that for whatever you may do you have obtained the sanction of the Government, our partners in this matter, so that there may be no hitch about the payment of their share.
- 15. Par.18. There has been no idea here that you are not observing due economy in the employment of labour, and the remarks on the subject were only intended to emphasize the necessity for it.
- 16. Par.19. If it is evident that the Sabino cannot be got ready for sea except at an expenditure exceeding her value, I think that we should take steps for sailing her to Darwin or North Arm as a receiving hulk. Possibly in this case, if ships' work is slack, the carpenters might be inclined to tender for her complete repairs.
- 17. Par.21. The Board are entirely satisfied with the management of the land question by you and Mr.Nichol, and the question of the boundary may be allowed to rest, unless some discovery should be made proving that the Surveyor is wrong, or that we were misled by Mr.Bailey. I have already referred more than once to the Survey pegs, which I know are still in existence on some of the compulsory freeholds.
- 18. Par. 22. I will show the memorial against the West Falk-land magistrate to all who are interested in the subject, and endeavour to approach Mr. Chamberlain on the subject.
- 19. Par.23. The increased mail service is of no benefit to us, as we have quite enough mails already. If this has been carried out in the absence of any movement or the expression of a desire on the part of any section of the community, and yet it is to cost, as I hear rumoured, £700 a year more, it is scandalous, and should be protested. I do not think that the mercantile community desire it, and in a question of this sort, if they do not move, I cannot see that the Government are warranted in incurring the

- expense, especially if the Council was not first approached on the subject.
 - 20. Par.24. The notice of the Secretary of State's final surrender is very pleasant reading, and now all those who have been
 prevented from fencing or extending their operations owing to
 the state of uncertainty that has existed for so long should memorialize to have their new leases dated from the time when the
 notice was made public.
 - 21. Certain correspondence with the C.O.is enclosed upon which it is unnecessary to comment.
 - 22.I am glad to say that the wool market has taken a decided turn for the better, and that prices are in many cases $l\frac{1}{2}d$.up from the lowest. The sales are just about closing at the highest point reached.
 - 23. The Board are disposed to accede to Chaplin's request to be allowed to send his children home with his wife in anticipation of the expiration of his agreement. The opportunity may be taken of telling him that we hope that he will mark his appreciation of this concession by working in a more conciliatory manner with the foremen, and endeavouring to obtain more credit for work done in the Blacksmith's shop than we have been given of late. It is very unsatisfactory to have it thrown in our teeth that the iron work for a ship's yard has cost over £100, for although that is no doubt a gross exaggeration, it is probable that it cost more than it should have done.

I am, Sir,

your obedient servant,

Eled relovo

Managing Director.

I should add that the Board are exceedingly pleased at the full and complete information that you have succeeded in placing before them on all matters of interest, and that they regret that present circumstances should necessitate your being so much over worked at the present time.

Undoswers. Duplicates Poshatch Nº 815 dated 16" July Demarks on Stores List of Parish in Francis carl Winto Ofeales - ruports Waldron skal skins Whetis Hadasah o Smit fe " abydos 18dger + Journal Contries Mermants on Stores accounts Jist of Enclosures General Invoice Goods Danis" Jist of Gargo p James "Holiando) Tut of le digo p James "Holiando" First of Dittiable Grods Int of Cliento Shooners Invoice for Oacks Goods & Crions Speand of Exchange \$ 1000 B/Lading bargo pro Jamis bopy of It Waldron's Indent for Thatis"

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4126. 11. 11. Vonis \$111 Oliento Invouer an follows - Vart Oacht Tolmested Blake FIII. 5. H. J. J. JElton +82.13.10. Jacks Ohron for 1552. 8. 4 I Smith F/02. 0. 7 30. 12. Mond tickny £16. 4. £ 40. 6. £ 30. 11. Jacks Bros to. germings &- 5. Hirs Carles, #- 5. Letters for the following (2). W. a. Harding J. W. Castment. Colt Oduckworth. Capt Bowlands. Robert Oblah. Stire Gacks

31et July 1895.

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3 August 1895.

Per "alydos"

61, Gracechurch Street,

London EC 27th August 1895

Sii,

I have received your Desparch Nº 27.

dated 24th fully with Inclosures all in
order bur in the absence of Mr. Coobs and
other Directors defer Replying to James
until new mail.

1. I Cabled you on the 23th host ambassadar abalance abates en' - (Ambassador with probably abandon, do nor advance without food and sufficient Security).

Our Brokers, Messe H. Canfridge &, have

had some Conceptondence with the Groners but Can fer hothing definite from them. They un deestand they have had an offer for the vessel and Cayo, as she Stands but know of nothing further. Gove loil doubtless hear from the Captain the decision they have come to hur as a doised by Cable you must fer

advised by Cable you must fer thoroughly food Security for all your outlay and expenses as the owner are by no means strong.

2. - We have had further trouble about hoble's payments to but Booth for the hair to an ance of his Children, because

Several letters from her and her Solicitor. as advised by Mr Baillon

lue

we have Sent-her a further payment of £25 and must ask you to explain this to hobbe and sequest-him to made proper arrangements for the future as we wrote him on the 14th January on the Subject and Carmor be Continually annoyed with his private affairs!

I am, Sin,

I our Obe diene ServanoFor THE FALKLAND ISLANDS 00.

Walter helper

De a. Harding lager.

Undosures Juplicates Perpatel No 816. dated 31 & July States from Womegles dated 3" Dung. Objects Ofeales & reports as follows 1 W toll. 134 bales Wood Vanis 143 27. VEP 42. ,55 105. General Grover Goods per Vanis Wirnts Corociers as follows. 1. J. Fattoh 82. 13. 10 Packs Burs to 30.11.11 Ters Oachs 126. 11. 11. Pack's Burn to. 552. 8. 4 O Reobson. 40.6.4 Denith 30. 12. 10. Notwested Blake 111. 5.4 _Mors Stickney 16. 4. 1. Pert Oacht 5.0. J. Samingo Sill off ading 50 bils Sugar for abydos Sist of tokchangs flow Monton 15 august. Todger + Journal Centries To smarks on accounts. Letter for 16 %. Nichob (duplicate only) London 27 dagust 1895.

64. Gracechurch Street.

Per Oropesa.

110 818. London: E.C. 10th Sept.

Sir.

The last despatch, no. 817, went per Abydos on the 27th ult., and we have since received your no.27 of the 24th July, which arrived on the 26th ult., the Tanis reaching Tilbury on the 31st. We have also received your cablegram as follows from Montevideo 4th inst "Pentaur Hansen fifteen wool one skins total amount 1207 arrange credit for G.W.Wolff Lawther Belfast Priorhill Cornfoot Glasgow Katherine Boyes Bremen".

- 2. Depp. 27 2. We have made enquiries about the Ambassador, but have not gathered anything definite, although it appears certain that the owners will endeavour to have her condemned. From her size it does not appear that she would be of much value as a hulk to anyone, and the Board have not come to a decision as to what should be done in the event of her being put up to auction. We do not want any more hulks, and if we buy, it would simply be to prevent anyone else getting her. I shall probably be able to say more either by the supplementary mail or by cable. It is a pity that the carpenters ask so much for wages; probably half the amount of their tender would pay them handsomely, and it comes to this that when an iron ship arrives in distress the usual course will be to send her away jury rigged to a less expensive port, and that a wooden one comes in she will be condemned, a fact that the carpenters might take to heart with advantage 3745 before it is too late.
- 3. Par.3. Up to the time of writing the Thetis has not arrived. We are awaiting full particulars of the claims made for pillaged cargo, which must be paid to the last farthing. The Board are so much annoyed at the gross neglact which has rendered this wholesale robbery possible, that they have decided to place

W.A. Harding, Esq.,

- her in the hands of another Master.
 - 4. Par.6. In Johnson's estimate he goes beyond the matter of repairs for the Sabino, as I notice that he includes provisions. We shall find out what she would be likely to realize here, and if the cost of fitting her is too great to leave any profit, we may perhaps make use of her at North Arm as a receiving hulk outside the creek.
 - 5. Par.7. The arrangements about the Miller family seem to be satisfactory.
 - 6. Par.8. The posts, if we have to fetch them, are no great catch at 5d. each, and it is not a business that we care to take up.
 - 7. Par.9. I have written, as per enclosed copy, to ask that we may have an opportunity of expressing our views about the Darwin Magistrate, if such a mad project is really put forward.
 - 8. Par.17. The purchase of coal is quite satisfactory, and we are glad that you have been able to sell some to the Government.
 - 9. Par.19. I have discovered, as you will see in my letter to Mr.Nichol, that Mr.Bailey actually made the survey of the Hill-side freehold, and the Government are bound to show you the plan, which must be among their archives, if they can only find it.
 - 10. After long correspondence with the Kosmos Co., which I have not time now to detail, we have made an arrangement by which we shall be able to carry wool by the steamers at 35/.& 5% from all ports to London, and we are going to reduce the Thetis's freight to 30/.& 5%, hoping that with diligence and economy to be able to make both ends meet. I hope that this will put an end to all ideas of chartering sailing ships for wool, a course which would seriously endanger the mail service by steam.
 - 11. We should be very glad to learn that a memorial had beeng got up protesting against the increased mail service at a cost of £700 a year, no wish having been expressed for it on the part of the mercantile community, and the Legislative Council not have been consulted.
 - 12. With reference to the cable, I suppose that an error in the shipment per Pentaur was discovered after she left. I have

notified the Kosmos Co. and Browne Geveke & Co. about it, and enquiries are being made, but we shall not know for a few days whether any surplus bales have been landed. The owners of the Katherine are providing a Bank credit for her, and the others will doubtless be all right, but I shall cable to catch the last boat at Montevideo.

I am, Sir,

your obedient servant,

Managing Director.

Gudosures. Duplicates General Lowies goods for Oby dos"

Tormarks on accounts. Just of Conclosures.
That of Clients Cargo per "abydos"
Fut of Clients Invoices
Fut of Clients Invoices
Fut of Cargo Companys Freend of Guchang & 1600. Bill of Lading Cargo Obydon. (Jondon).

Bill of Lading Cargo Obydon. (Continue)

Bill of Lading Condo per "Obydon."

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London 11d Steptember 195.

Dupplementary Mail in fishow

I rotter to W. Co. Harding 15 Soft

for 16 16. Nielfol 13" "

Tint of tonchange \$600.

Letter for w. W. W. Southand 15 Soft.

Jondon 13th Sapt 1895.

61. Gracechurch Street.

Pentaur. Per

819. 10

London Ec. 8th Oct.

Sir,

My last was dated the 10th of September, and we have since received your despatch no.28 of the 16th August, as well as your telegram on the 18th ult., -Federal Eaglecrag Kennaugh Liverpool Gladys Hill Bristol please send 40,000 bricks 25 tons smithy coals Thetis Neko rittlings (88) tuchartig, which is understood. On the 19th ult.I cabled "Fictionist Prorhill Haglecrag Gladys Cocheaba Katherine Apeticible Maskiron', the last part signifying that a credit had been opened for the Katherine with the Anglo-Austrian Bank for £3500. If as the work proceeds, it becomes evid ent that this amount is insufficient, you must let us know.

- 2. Par. 3. The mistake in the Pentaur's shipment was discovered and rectified.
- 3. The Board very much regret to hear that you have been laid up, and hope that long before this reaches you you will have recovered your usual health. We are fully aware that the work you have undertaken has been more than one man could properly cope with, and the Board are only sorry that an application which Mr. Baillon has put in for a second clerk was not made before, as it has been granted most willingly, and a junior will be selected in time to go out with him next month.
- 4. Your remarks on the subject of the ships in Stanley have been duly noted, and we hope that they will lead to increased business for the Store. It is satisfactory that you have been able to contract for the work; you will of course take account of the time, and see at the end what the men have earned per day, as it will be very instructive. They ought not to ask more than it would have cost by day work, or owners and Underwriters will

W.A. Harding, Esq.,

Stanley.

- still grumble. I hope that these repairs will be carried out in such a way as to get us a good name with the Germans, so that the Islands may retrieve their character to some extent. As for Chaplin, if he gives any serious trouble over the ship, it will be advisable to get rid of him altogether, so you must see that he clears his Store account over his contract.
 - 5. I hear that the two petitions have been received and answered by Mr.Chamberlain.
 - 6. Captain Smith has been here, and has spoken very well of the place, saying that he does not consider our charges extortionate, although a little reduction in wages would be better for all concerned.
 - 7. The Board are exceedingly obliged to Mr. Packe for the valuable assistance he has given you over the mail, and wish you to convey their thanks to him.
 - 8. There are a number of passengers by this boat, and 27 rams in all, 12 for Messrs. Holmested & Blake, 10 for Mr. Bertrand, and 5 for Mr. Stickney. They are insured through to their destinations on the West Falklands, and the Captain and Mate have the usual certificates for gratuities, which they will present to you.
 - 9. The Thetis has arrived, and is nearly discharged; she did not get in until the 2nd inst.owing to head winds from the West-ern Islands. We shall load her out as soon as possible.
 - 10. I have to ask you to sign and return the enclosed copy of the despatch written for you by Mr.Packe, Being without margins it cannot be bound up with the year's despatches without cutting off some of the writing.
 - 11. Charles Watson goes out for us, and has signed an agreement for five years. His passage money has been advanced, and is to be repaid out of his first earnings.

I am, Sir,

your obedient servant,

Managing Director.

du voor

Gnelowers. Duplicates Despatch No 818, dated 10 Sept.

Letter dated 13 Sept 95 Tomarks on accounts Chints Invoices as follows 6. 1 Jacks Dros 6 .14. 4. 8 J.J. Jetton 28. 11., 4. Mora Stickney 4. 16. 11. a. 16. Lettors 32. 5. 7 Obrmarks on Stones fut of Conclosures Fronds of Genehangs floor Topy of anglo- austrian Dank's latter of criois to shy of latter from this bolonial office of Sept. - Moderatory school accounts of Buttando to by Watron's latter is show shed to Island for ter Oacks. Tristman's Invoices for Sparts parts left. Wook Obsports + contracts + brokers copies

A + bales & herp & hins Orchis

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To marks on accounts

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To marks on Stones

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Stockers accounts (repairs to clock) for

Various of Agreement & receipt

Signature

Signature

Linght return on wool Schooner Centain

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Jethers for the following

To talks

(2)

W. Contains

1. Jarding

8t october 1895.

Consignas Letter

General Invoices
List of Chients Invoices
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List of Cargo Hompany).
List of Cargo Hollands.
List of Cargo Hollands.

London 8" o ctober 1895.

61, Grucechurch Street,

Supplementary mail Per via Lisbon. No

London Ec 25th October,

Sir,

My last despatch went per Pentaur, and I have since received your despatch no.29, which arrived on the 11th inst., and your cables, "Townsend testamos ambassador caminiera foxglove bien taktschlag", and "Tanis rustzeug" (512), which arrived on the 10th and 23rd inst.respectively. The former is translated "Townsend is in treaty for Ambassador, cargo will be forwarded by another vessel the Foxglove, telegraph what I am to do". The word bien I have had repeated, but as it came the same, and is not in our code I can, only await Humphreys's confirmation.

- 2. 29, par. 3. We shall be glad to have the claims for damaged and broached cargo ex Thetis; I trust that in settling them you have taken due care that our liability is confined to the results of robbery and bad stowage, and that you have not admitted any for breakage or sea damage. We want to settle liberally, but not to meet claims that ought not to be put forward. There appears to have been a general looseness in all respects on board the Thetis, against which I am warning Captain Rees; for instance I hear that cargo was delivered without any receipt being given or asked for.
- 3. Par.5. The Board are interested to hear that the working men in Stanley as well as the Camp are taking up the subject of extravagance on the part of the Government.
- 4. Par.6. The estimate of the repairs of the Wasp, as far as it goes, looke prohibitive. The idea of turning her into a schooner cannot be entertained; she would be a mere toy.
- 5. Par. 9. We shall go into the question of shipping thoroughly with Mr. Baillon before he leaves, and it is only necessary to

W.A. Harding, Esq.,

- remark that in collecting the produce of the Islands, while we desire, as far as possible, to meet the wishes of our clients, we cannot sacrifice our own interests in doing so, more especially now, when the profits are so infinitesimal as to have almost reached vanishing point.
- 6. Par.12. The Board consider that you exercised a wise discretion in your reply to the Governor's overtures with regard to vessels in distress, not that we should object to co-operate with him or anyone for the good of the Colony, but, at the time, there can be no question that an appeal to the working men would have been inopportune.
- 7. Par.13. I forward for your information a copy of a letter I have lately written to Mrs.Booth, to whom I considered a full explanation due, more especially as Noble has been writing her for months that he had made certain arrangements, which had really only taken the form of proposals that you very properly rejected. As soon as he can get it out of his head that the Gompany is a spring from which he is at liberty to draw money whenever he wishes, regardless of the state of his account, he will be more likely to attempt by economy to put his affairs in order.
- 8. Par.15. The explanation with regard to the topmast is satisfactory.
- 9. The G.W.Wolff's draft has been accepted. I refer you to a copy of a letter from the owner, to which I cannot reply until I hear from you. If, as is most likely, you offered the Captain a commission, and he wishes to transfer it to Mr. Lawther, we must do it.
- nent for the blacksmith's work on the Katherine, and think that it is not altogether to be regretted that the carpenters have lost the contract, through their tender being too high; it may cause them to open their mouths less wide in future. It will be interesting to learn how much per day the Blacksmiths make out of theirs.
- 11. Par.19. I may here answer your cable about the Ambassador. We tried in every way to h get at the owners or underwriters
 of the ship, but failed, and can only surmise that Townsend has
 been able to make arrangements with the Captain. Captain Smith,

- Underwriters knew yet about the sale of the ship, which, as far as we can learn, has taken place. We can only hope that it is intended to take her away to the Straits or elsewhere, for we do not want an independent hulk in Stanley, although one of that small size would not do us much harm as far as wool is concerned. Messrs. Burgess & Co.lim. of Swansea have asked us to instruct you to remit to them through us by cable any money that the Captain may wish to forward: we have replied that we will do so upon their paying the cost of the cable, and low commission, which they have accepted. You will therefore have to deduct these from the amout of the remittance, and cable the exact sum according to the code words beginning on page 1091, prefixing the word "Burgess".
- 12. Par.21. I thought you must be aware that our goods out-wards are insured f.p.a., or for total loss only; the survey was therefore unnecessary. I mentioned this, I think, at the time when Mr. David Smith wished to make a claim on account of damage to a piano. It is to be hoped that the Tilton can be secured against springing any more leaks.
- 13. In case Mr.Baillon has not mentioned it, I have to inform you that the Captain or owners of the Catherina claims or claim salvage from the Thomas Stephens for the service rendered when she came in. It is considered rather an impudent proceeding, for there can be little doubt that the £30 was considered at the time to be sufficient recompense for the service rendered. If a receipt for this sum was taken it must be sent here; if not you must let us know anything about the transaction that can be of service to Messrs. Stephens. In such cases it is impossible to be too formal or careful about getting receipts in full, setting out the nature of the service, and stating that it is a receipt in full.
- 14. When a shipment of saalskins is made, a precise account should be given of the number for insurance. The 4 kegs lately received turned out to contain 139 only, consequently they were much over-insured.
 - 15. The Thetis is progressing, and will sail before next mail

leaves. We find Captain Rees to be a man well up to his business in every respect, and hope that he will go down with the clients. We gather from Captain Patmore that there never was a man who worked so hard for us as he did, or was so universally appreciated round the coast, and the appointment of a new Captain is, there therefore, not unattended with misgiving.

I am, Sir,

your obedient servant,

Managing Director.

Sull tolow.

Mulosures. Duplicates Despatch No 819 dated 8" oct 95. Ledger + Journal Bontins Ilmarks on accounts. General Invoice Goods for Gentaur" List of Parests in Franson's care Lut of Clients Goods per "Intan" Lut of Clients Goods per " Lut of Cargo (Company)" Elients reports & contracts as follows: 5 56 " "

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61. Gracechurch Street.

Per Neko.

Vo 821. Sondon Ec. 19th November, 1895.

Sir,

Since the departure of the last mail we have received Mr. Harding's despatches nos. 30 and 31, which arrived on the 8th and 14th inst. respectively. The mail per Tanis is not yet to hand.

- 2. 30 -6. It was unfortunate that the complete repairs were not carried out on the Katherine through the non-delivery of the owners' telegram.
- 3. Par. 7. It is not clear how we derive any advantage from taking away a quantity of damaged coal from the Priorhill in lieu of lighter hire, seeing that we are almost blocked up with coal already; the quantity of this is not mentioned. The principle that a transaction is legitimate because it saves expense to a ship might possibly be carried too far.
- 4. Par. 9. The charge proposed to be made for the use of the Sabino as a hulk, viz:£3.10/ or £4 per day was 500 much; coal is a cargo that will not bear many charges, and £2 or £2.10/., which would have all been clear money would have paid us. If you look back I think you will see that £2 was the charge usually made in former years for coals.
- 5. Par. 11. The Board are glad to be relieved of the necessity of buying a hulk they do not want, and if Townsend takes the Ambassador away no harm will have been done.
- 6. Par. 12. There is no grandmotherly regulation in the London docks about gangways being provided, and the recommendations of Coroners' juries are not usually of much value.
- 7. Par. 14. The Board wish you to explain to Mr. Nichol that they cannot regard him as an independent Colonist, and that they do not think that any advantage can accrue to the Company from

A.E.Baillon, Esq.,

Manager,

his taking part in attacks on the Government.

- 8. 31 1 & 2. The Board have read with interest the remarks on Mr. Mowat, and hope that he will turn out as well as he promises. Every effort should be made to work harmoniously with him, and evry possible support should be given him. With regard to the exclusive use of Lawes's dip, you are aware that I saw the makers immediately on receiving the despatch, and ascertained that Townsend had made some kind of arrangement in Sandy Point to introduce it. They are aware that a mistake has been made over this, as I was able to show them that he was a person of absolutely no influence or position in the Islands, and they have agreed to execute any orders we may send them, so that in the event of its being adopted, you may explain to our clients that they can pass their orders through us. I have arranged to ship from 500 to 1000 gallons by the Orchid, which may only be able to take the smaller quantity for want of room. It should be pointed out to Mr. Mowat that, although he may strongly recommend this dip, he should not make it compulsory until the farmers have had time to use up their stocks of other recognized makes. Action of this sort would probably bring all the dip makers in England in a body to the Colonial Office to protest against it.
- 9. 3 & 4. The remarks on ships' repairs have been read with approval; we shall like to know what Chaplin's contract actually yielded him per day. In future contracts the use of machinery should be included with the labour in making the contract with the ship, and I may mention that it is the opinion of people here well qualified to judge that our charge for the forges is not exorbitant, considering the cost of the plant and the limited time during which it is in use.
- 10.Par.5. We have always looked upon the Volunteer movement as ridiculous, but the Directors do not wish to bring any pressure to bear upon their men on the subject; they would rather leave it to their common sense.
- 11. The Board have explained to you that they do not desire to make a coaling contract with the Admiralty; the latter will never bind themselves to take any quantity, but would expect us to maintain a certain stock. You know the cost of the Ella's car

go, and can understand that 50/.would not pay; whether there would be an actual loss is another question, and if the coal is deteriorating it might be prudent to get what you can. We can never expect to lay it down to sell at 26/., for the simple reason that ships will not carry it out as ballast as they do to the Plate.

- 12. We shall look into the question of the New Zealand steamers, but do not anticipate being able to do anything. You are aware that Mr.Doxat is a Director of the Shaw Savill line.
- 13. Par.9. We want your report on the total cost for repairing the Wasp for which you could make a contract.
- 14. Par. 12. We were prepared to see large claims for broached cargo, but the total disappearance of whole cases of such goods as clocks, butter, milk, bacon; and pieces of wood, coils of wire, &c. requires the strictest investigation and explanation. Many of these things cannot have been consumed, and must be somewhere; the first thing you should find out is how the cargo was delivered, and whether receipts were not taken at each port for everything that went ashore: if not, it only proves that the alteration on board the Thetis has not taken place too soon.
- 15. As explained to you, a copy of no.31, with the exception of the first sheet, must be sent with proper margins, as soon as Mr. Harding has time to attend to it.
- 16. In anticipation of the arrival of the Thetis, you should write to all our clients asking them to have any scows or lighters they may possess in readiness for discharging cargo; this we have reason to ask, seeing that we have reduced the freights all round. Captain Rees takes a boat with him for discharging cargo; if unsuitable, you might sell it before he leaves.
- 17. Mr.Greenshields must be asked to make good his guarantee for W.E.Turner before the end of the year, the latter, apparently, having made no effort to pay his debt.
- 18. The Board have resolved to continue the agreement with Mr.Nichol for the present, subject to six months' notice, until they see whether an improvement in the state of the farm is likely to take place, but they have decided to give him £500 per

annum from the date of the expiration of his first period of five years.

- 19. We shall in future insure our own goods out against all risks by steam, and also clients' goods forwarded from Stanley that have gone out by mail; but the Thetis's cargo cannot be done except at a greatly increased premium, which would hardly be worth while paying.
- 20. Mr.Harding mentions thatwe"altered" the indent for coals and bricks: this was not the case. When the Celox was chartered I consulted you as to sending a little house coal, and, not knowing that we were so soon to acquire a large quantity, you rightly said that 50 tons or so could do no harm, and they were ordered. The order for bricks and smithy coals arrived long after the Celox had begun to load, and we managed as the case was urgent to cram in 25 tons of coal, but shipping the bricks was out of the question. This leads me to point out to you that when there are enough rough goods wanted to fill a sailing vessel, they should be indented for all together, and a ship will then be chartered; but the system of dribbling in little orders mixed up with those for steamer goods is a bad one, and should be discontinued.
- 21. The Thetis has been delayed by heavy weather in the Downs, but has been reported as passing Dewer yesterday with a fair wind.
- 22. In reply to your verbal request for leave to our Store-keeper, F. King, the Board have much pleasure, in consideration of his long and faithful services, in giving him six months' leave of absence on full pay for the purpose of visiting England, and in voting him in addition a gratuity of £50.
- 23. We have had to pay a claim for tallow damage on a bale of sheepskins per Thetis shipped from Port Howard, and must ask you to urge the man who stows the cargo to be careful to separate the tallow from other goods in future.
- 24. The freight on tallow per Thetis has been reduced 5/.per ton on this last voyage, in response to complaints of the heaviness of the rate charged; but it is not a paying business carrying it for less, and as the Kosmos offer us 20% off the tariff rate, weight, which brings it to 40/., as per enclosed extracts

from correspondence, you must arrange to send next year's shipment by steam, which will free the Thetis for bringing a cargo of wool. Lengthy correspondence on the reduction of freights on wool is enclosed, which you will have to study carefully, and endeavour to carry out without loss to us. I do not myself think that it will answer, and we must try for better terms yet, either a reduction all round to 25/or at least the removal of the 40% restriction. If you learn that it will be possible to arrange for a sailing vessel on moderate terms from Montevideo when we have exhausted the 40%, you can use it to bring pressure upon the agent, for under the new arrangement nothing has been said about not chartering, the sole stipulation being that we ship a minimum number of bales. Ascertain the views of the sheepfarmers about shipping by sail, which I have no doubt can be done at 30/.at a profit, though if the Kosmos can be made reasonable, it would not do to urge it too strongly for fear of imperilling the mail service. I have talked to you about getting the 60% as high as possible, which may be done when any of the schooners make an unusually favourable trip. I think the Roy Cove wool might come by Thetis, as Mr. Bertrand is never in a hurry, and you might fill up by arrangement with some of his neighbours. At all events, I hope that you will get a fair quantity in by her from the more distant ports, such as Port Stephens and Weddell, in one or more trips before she finally loads for England, and, not having coals, she may collect some on her first trip round. You must explain, if you find it necessary, that having made new arrangements which leave us a minimum of profit, we cannot reasonably be asked to disturb our own arrangements for the sake of getting any particular lots in quickly, although you will of course do your best to satisfy everybody.

25. As you are aware, Mr.C.A. Gorton has been engaged as junior Clerk, and I hope that, with this additional assistance, you will find that the office work is less laborious than hitherto.

I am, Sir,

your obedient servant,

Managing Director.

Fuel we food.

1 rotter for the following:

- & & Nichob

W. a. Standing (2)

- Sommer.

London 19th November 1895.

Guelosures.

List of Dargo. fr. NEko (Company)

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List of Invoices for Chients

Lighthins Invoices

London 19 16 November. 1895.

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List of Enclosures.

List of Enclosures.

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Morton's Invoice for Jacks returned bliento reports & Broker's copies 5 253 Tides Thetis" frees copies LI 22 " "

Per Supplementary mail.

No 822.

61. Gracechurch Street. Sondon E.C. 7th December,

Sir,

Since writing on the 19th ult.we have received no further despatches from the Islands. Yesterday the cable "Abydos rucklehne"(255 bales)dated Montevideo 5th inst.arrived, showing that the mail is up to date.

- 2. The Societe Commerciale Francaise au Chili have arranged to appoint us their agents at Stanley, and to have our name on their Charter-parties. You will observe from the enclosed correspondence that they will arrange a credit for any ship in which they are interested, which will be of advantage to us.
- 3. Some time ago you were instructed to send returns of our own coasting risks, which had hitherto been run by ourselves, for the purpose of insurance, and they came for the months of January and February after which there was a gap until August; this was pointed out, and Mr. Harding's reply dated 15th October is not explanatory, for it appears by the deliveries that goods were issued in the interval to Farm alone amounting to about £2500, to say nothing of Fencing and Buildings. To complete this return for the year an amount must be returned to be declared, and credited to the Head Office at the policy rate, viz: -10/.less 5 & 10 per cent. In future you will understand that any property of ours at risk by coaster is to be returned in the same way as the amounts for clients.
- 4. In making up the annual accounts you should give preference to those upon which we are paid here, such as Waldron's and Mrs. Bonner's. In future Mr.G. Bonner is to be supplied with copies of all accounts belonging to his mother, and if there is time it would be well to get her yearly account certified by him, but it

A.E.Baillon, Esq.,

Manager,

should then be transmitted by you to this office.

- 5. We have lately received an account from F.L.Humphreys & Co which includes the purchase of 1000 bags of flour. It may be of advantage to get this from the Plate instead of Chili, but it is a deviation from the standing order that has been in force so long, and the matter ought to have been reported. It is questionable, too, whether it was wise to get so much, seeing that the steamers are now running with greater frequency, and that flour is an article that deteriorates by keeping. In future please advise us of all orders sent to Montevideo, as a ckeck upon the accounts. We also observe that we are credited with a draft on J. Kirwan, and need hardly say that we do not desire to have any dealings in that gentleman's paper, or see his name in our accounts.
- 6. I have to draw your attention to the remarks I am making to Mr. Nichol on the subject of tallow, upon which, although they more immediately belong to his department, the Board will be glad to have your opinion.
- 7. You will bear in mind that the Thetis is on no account to be allowed to go alongside the jetty this voyage, or to be intentionally grounded. The Dock account for replacing the rivets which you will remember looking at is larger than we expected, and it is considered that the defects may have been partly due to her having bumped. It will take a little longer to discharge, the sum but the cost of this will be far less than we have just had to pay.
- 8. In a postscript to one of Noble's letters about the Wasp there is a remark about firebars for the Smithy boiler which may or may not mean that two new sets are required, but the size is not given, nor is there any mention about them in the Indent, we therefore await further advices. The same letter alludes to gauges up to 150 lbs., are these wanted, and what for?.
- 9. Aletter has arrived for you from the Colonial Office, and as I knew what it was about I opened it, and took note of the contents.

 I am, Sir, your obedient servant,

Managing Director.

Onclosures. Duplicates perfected No 821 dated 19" November. Telmarks on accounts, List of Cargo per Noho" (Company) Cemarks on Stones _ Dutiable Goods frer "Neko" List of Taleels in Dearson's case Chents Cargo per "Noho" Clients reports & contracts, as follows 8 34 wodell 2 2 8 " IN 4 " A / " 3.5 41. " 68 " 8 253. " Clients apales - reports as follows: wotrell 1 " (H) 19 " EN 12 " 15 " 59 Trides "Intain 12 chs Oil Thetis 128. Tides "Orchid Second of Exchange \$600

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S bale " "Orwhid Bills of fading goods per "Onchid" (3).

blientst Invoices goods per "Thetis"

Mors Williams 658. 1. 1. Baillow Stickney 195. 3. 8. Lacke Bros -6-166.14.0. 23. 14.2. do. 184.15.7. It Waldrow. 121. 9.4. Stickney Bros 316 5-8. Holmested Blake 486.5.5. G. Bonner 735 13. 3. Vere Dacke 434. 12.1. I.S. Telton 12. 18. 4. do 9. 16.1. Sertrand Telton 649. 10 3. Clients Invoices goods per Lacke Dros 6. Duchid" 1. 4.6 Dean - anson 10.16.11. I. Telton 4/3.18.10 a Sitaluga V Sackey 204.18.4 15. 4.1.

Dutrand Telton 12.19.11. I.I. d. elton 19. 1. 11. Dacke Bros 6-. 12. 12. 2. Mors Williams 16.15.4 Vere Dacke 34. 14. 11. Company's Invoice goods for "Orchido Clients Invoice goods _Naho Mbus Hansen - . //. _ Tolmested Blake 1. 3. 0. J.J. Felton 38.19.6 Baillow Stickney 13. 13. 6 Stickney Bros 3. 2. 5. I I telton 80. 14. 3. Is Bonner 160. 18. 8. Jacke Bros 6- 38. 6. 10. Vere Tacke 252.5.0. Bertrand Felton 10. 14. 4. Maldrow 81. 0.3. a. E. Baillow 69. 2. 11. Company's corrected Invoice Goods fr "Neko" Letter from the Colonial Office for a. & Baillow Themarks on claims on bargo per "Thetis" Ledger & Sournal Contries #1. 4. 9 Admarks on accounts Memarks on Stores Copy of correspondence with the Societé Vommerciale Française au Chili Mail tables (5). Letter for the following A. G. Nichol (2). Is Somo. Blake M'ashill Capt Sees. W. Co. IT anding Supplementary Semants on Stones Bradford's catalogues (two)
S/Lading photography for Migone p "NEko" London y Dreember 1895.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Tanis. Per

No. 823. Condon Ec. 31st Dec.

Sir.

Since writing on the 7th inst., I have received your despatches nos.32 and 33, which arrived on the 16th and 26th inst respectively, the latter in the record time of 26 days from Stanley. The Abydos mail will not arrive in time to be answered by this opportunity.

- 2. 32 par. 2. You are probably right about the desirability of making a change in the command of the Fair Rosamond. I assume that she has been credited with sufficient freight on the coal sent round, and that you gave her what you could on the work done with the goods from England ex Thetis.
- 3. It was wrong to make the draft on New Bedford in sterling, as you were instructed to reduce all American bills to U.S.currency some years ago, and did so in the case of the "Sterling". The American houses here will neither buy nor have anything to do with a sterling bill on the States, and we have had to send this one through our Bankers.
- 4. Par.5. Any action tending to clear the Sabino of coal is approved of by the Board.
- 5. Par.6. The Board cannot see the advantage of having a coal contract with the Admiralty as long as there are no other people in a position to supply them, and even then the advantage would be doubtful, as our experience has always been that the arrangement is a one sided one, as the Admiralty will never bind themselves to take any quantity. If desirable, you could make a contract with the Senior Officer for the supply of fresh meat, as, if I remember rightly, I did with Captain Kennedy.
- 6. Par. 8. The Eagle Crag's bill has been accepted, but we have been obliged to allow it 60 days, at which it should have been

A.E.Baillon, Esq.,

Manager,

- drawn in the first instance. Owners require at least that time to enable them to get a settlement with their Underwriters, and only small bills should be drawn at 30 days.
 - 7. Par.9. The reduction of the hulkhire for the Priorhill is approved, and even now seems very high. It will be interesting to hear what the cost of transporting the coal ex Gladys comes to, as it will be a useful guide in assessing the proper amount to be charged for hulkhire, though, as I said before, such a rate as £3 on coals used to be considered excessive.
 - 8. Par.12. If the Argentine flour is better and cheaper than that from Chili, you will have to cancel the standing order with Vorwerk & Co. But are you always sure of having room in the outward steamers?
 - 9. Par.15. The trouble about the towage of the Thomas Stephens shows how important it is to get proper receipts for all payments, whether by cheque or otherwise, of which please take note.
 - 10. 33 par.1. If the Sheepskins from San Carlos are on joint account between Bonner and Cameron, I can hardly object to their being consigned to Hoare; but it is understood that all Mrs. Bonner's produce comes to us, and if there was simply some payment to be made, we could have arranged that. I shall write to Mrs. Bonner and ask if she knows anything about it.
 - 11. Par.3. The owners of the Priorhill have returned the draft accepted, which is fortunate, as I saw her loss reported last week.
 - 12. Par.4. It was hardly worth while taking the risk of the small draft on the owners of the Bien, whom we do not know.
 - 13. Par.6. It is satisfactory to learn that the long delayed erection of the telephone is being proceeded with, but an explanation of the proposal to paint the poles in the face of what I wrote on the 31st July in despatch 816-14 is required. There are many thousands of miles of telegraph poles in England, but I cannot remember seeing any painted ones, tarring being the universal practice. Of course the suggestion about asbestos and luminous paint is imbecile. If not already done, they should be tarred without further reference to the Government.

- 14. Par.8. As soon as Mr.Anson's indent for baling materials came forward I though that he was intending to supply himself with the rest of his requirements from Stanley.
 - 15. Par. 9. Insurances will be noted.
- trand for a case of brandy short ex Concord about three years ago, except on the supposition that he is indulging as in a joke. Whether this is so or not, you will have to point out to him that the ship, and not we, as charterers, was responsible. If he likes, I will write to the owners, and tell them that a consignee, after a lapse of three years, has discovered that he has lost a case of brandy; but if the Captain was a prudent man, he took receipts for all cargo, and I am afraid that there would be little use in making a claim. It has been rather interesting to note, in connexion with the loss from pillage of the Thetis's cargo, what very erratic and extravagant notions some people have of what constitutes a claim on a ship, and how it should be recovered.
- 17. Par.11. Mr.Schlottfeldt has been properly treated as regards the survey fees: it is just as well that he should know that he has not a vested interest in them, and it may be the means of keeping him a little more in order. I should be inclined to let him go on most surveys still, as long as he behaves himself, but this must be left to your discretion.
- 18. Par.12. I hope that Mr.Harding did not take a bottomry bond on the Ambassador; such a course would provide us with no security at all until insured, and on a short voyage like that over to the coast she and the money might alike be lost before he got an opportunity of cabling us. He was instructed to be most cautious about the late owners, but , as the indebtedness only amounted to £100 or £200, he might have taken Mr.Townsend's draft for this amount, and left him to settle his own affairs with Captain Sivertsen. All we have to look after is our own protection, and, if cash comes into our hands, we have undertaken to have it remitted by cable.
- 19. Par.14. You should point out to Mr. Harding that the greater part of this paragraph might have remained unwritten, as it

- is founded throughout on a misapprehension. There was no "experiment" whatever made by the Board; the arrangement made for carrying on the business followed precisely the precedent that had been followed in my time for nearly thirty years, and before my time when Messrs. Lane and Forster were in Stanley. The whole of the work was left in the hands of your clerk, just as all my work was attended to by Mr. Langdon, and his by myself in turn. The difference was that the work of late years has grown heavier, although it has to some extent been lightened by the removal of all responsibility for Camp affairs: if this was too heavy for the shoulders of one man - and the Board all believe that it was so - it was for you or Mr. Harding or both to call the Board's attention to it, and another clerk would have been sent out with as much alacrity as was shown the moment you personally approached the Board on the subject. This I believe to be the opinion of the Directors, although I have not had an opportunity of putting the last despatch before them. I may mention, however, that the Chairman has been in to read it, and has again expressed his great satisfaction with the manner in which Mr. Harding has carried out his duties, and his regret that they should have been so unusually laborious through the influx of ships the last few months. You will please inform Mr. Harding of this, and explain, as you are certainly in a position to do after attending the Board meetings, that there has never atany time been a desire to overwork our staff, and that the additional assistance was given without any demur whatever.
 - 20. The South American Missionary Society ask that originals and not press copies of the subsidiary accounts may be sent with their accounts certified by Mr. Whaits.
 - 21.It is unfortunate that Mr.Harding has omitted to report about the rams that went per Pentaur, for they were insured through to their several destinations, and if they all arrived without loss a return is due by the Company with which they were insured.
 - 22. When a Banker in England finds that a customer keeps but a small balance he makes a practice of charging a commission for the convenience afforded. This ought to apply to the case of Dr. Keay, whose balance seems usually to be inconsiderable.

- 23. I have to draw your attention to a consignment of seal-skins from Mr.H. Waldron which have realized exactly nothing, and to ask you to suggest to him that these extremely retail importations are a trouble to us, and at the same time unprofitable to himself.
- 24. I have had a long conversation with Mr. Potter, Manager of the Shaw Savill line, and think that something may come of it. In the first place I must mention that the question of coaling the steamers may be absolutely laid on one side as not being worth the expenditure of time and ink. Mr. Potter told me that they could get 800 or 900 tons put on board and stowed by shore labourers in 36 hours at Rio, and at a price much under what it costs us to import. On the one hand we must bear in mind that the Kosmos steamers do not look to the mail subsidy for their profit, and that as the New Zealand boats could only serve us homewards, going out as they do via the Cape, any serious reduction in freights and passages might lead to the loss of the mail service by steam, which would be disastrous, as we know of no other line that could be induced to take it up. There is another fact of which we have to take account; Mr. Potter mentioned that their busy season in New Zealand corresponds with ours, and from about November to May the boats are so full of cargo and passengers that calling at the Falklands would not benefit us in the smallest degree. Having stated these reasons for not rushing blindly into a new project, Mr. Potter says, on the other hand, that their business slacks off later, and that he would be quite willing to let one or even two call at Stanley between May and September, if a sufficient inducement could be held out in the way of freight, either on produce, goods, or live stock. Your best course, therefore, will be to confer with Mr. Mowat, ascertain from him what commodities we could profitably import at a freight of about 40/.a ton, and make up a list for our guidance, with the quantities of each that it occurs to you to suggest. What rate of freight they would charge on rams Mr. Potter could not tell me right off, but he will go into the question. If this arrangement can be carried out, it will give us a good lever with which to work the Kosmos Co.as to the wool exceeding the 40%, which we are

entitled to ship under our agreement, as if they remain stiff, no doubt we shall be able to come to terms with the Shaw Savill line.

25. In further reference to the question of freights, I think that we should take up a sailing ship for rough cargo early in the Spring, with liberty to charter her home if advisable; we shall then be perfectly equipped with weapons with which to deal with Mr.Schlottfeldt.

I am, Sir,

your obedient servant,

Managing Director.

dure fool.

Please note that in the first line of this despatch I should have written "Mr.Harding's in place of "your".

Auplicates asper detailed list unclosed with same. Wook reports. - 8/1 ading by Srionds of Eachangh for Migons Aright broturn on Vallow + Iras /ste 18- 17/6. Wattern & corrected Inovice Timber plorihis blients apales & reports contracts & Brokers Cops Røybord. 190. " James 14W. 32 Mides " reports only. It W. 14 bales Skins "

Stading Butter for James

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Carron's directions us stools for Tarding tiret of Exechange floor repliers additional Somacks on Atores Tedger & Sournal Centries To huarks on accounts. 1 the following Ob 16. Staillow 1 W. Co. Harding Co So. Heichob (2) Ters Sacks. J.S. Goodhart. & Solahr. (2) Mors Itansen 6. A. Co. ansow. fondom 31 et December 1895.

Enclosures.

List of Cargo. p "Janis" Companye Christon Stores " Clientot Several Invoices Goods por Janis" Just of Dutiable Goods " "
List of Christo Invoices "
List of Duristo Invoices for James Carby Testailed Invoices Company Clientot

London 1 Lanuary 1896.

Supplementary Mail
Per Orcana. via Liston

Sondon E.C. 15th Jan. 189

Sir,

My last despatch dated the 31st ult., no.823, has been read and confirmed by the Board. We have since received your despatch no. 34, which arrived on the 11th inst., as well as your cable of the 3rd from Montevideo, "Federal Glengowan Sterling Glasgow". The message received at Lloyd's was almost unintelligible, but a news paper report, probably from another source, seems to show that the Glengowan is beyond repair, and therefore it is not clear why a credit is asked for. In any case it must be a long affair, and there will be time to make any arrangements that may appear necessary when we are in possession of the facts.

- 2. Despatch 34 40. The Board approved of the principle of contracting carried out by Mr.Harding with the Blacksmiths, and were unable to form a judgment as to the amount; but a question on the subject of the sum per day earned by the men has not been answered. They must not get it into their heads that a contract means quadruple pay; a fair estimate should, if possible, be made of the probable cost by day work, and it should be taken at that, their gain depending upon the extra amount of muscle they choose to put into it.
- 3. Par. 9. I am very glad to see that you have taken up the question of the Blue Book report upon shearing machines. I purposely refrained from writing to the Colonial Office until hearing from the Colony; but as soon as the reply of the Colonial Secretary arrives, I will address a letter to the C.O. on the subject, besides putting Burgon on to them. To go to public house gossip for materials to furbish up an official report is not a creditable proceeding.

A.E.Baillon, Esq.,

Manager,

- 4. 10. With regard to the Ambassador, it was right to object to treat the draft on Townsend as cash, as our understanding with Burgess & Co. was that we were to cable any funds placed in our hands. As I mentioned last mail, however, you might take Townsend's draft for the amount due to us, leaving it to him to settle the remainder with the Captain. It was not reasonable to expect us to take the risk upon ourselves without any consideration. Enclosed is a copy of a letter I have written to Burgess on the subject.
- 5. Questions relating to certain freight on Weddell wool and a lamp have been brought to my notice. I cannot see that there is any claim to be made upon us, although it would have been possible for you to be more explicit on the subject in writing to Mr. Williams; clearly he engaged Pallini, and there is no room for any concession on our part, especially bearing in mind the fact that we get nothing out of the Weddell produce in the way of commission. But with regard to the lamp, it is clear that it was a mistake in this office, as the lamp was ordered by and for Mr. Bertrand, and the shipping clerk gave the wrong port mark, and charged it to Weddell. It is odd that having copies of all orders for reference you did not see this, and still more strange that Mr. Bertrand has done without his lamp without complainig, though, as another incident makes it appear that he has just been taking stock of his last Concord cargo, he may before long find out about it. Of course you will transfer the lamp and the charge to Mr. Bertrand.
- 6. Should you have cargo offered you by outsiders again, like Mr. Mathews and others, you must not give them the advantage of the reduction for distant ports, but on the other hand charge them the old rate, which will help to increase the 40%.
- 7. Among the enclosures last mail there was a catalogue of Bayliss's for Mr.Packe. (This, I find, was posted.)
- 8. Do the Government care about accuracy in describing sheep stations? I see "Smith & Sharp(e)" for Sharp & Smith, and "the pe property of Mr. Charles Anson" in the official notices about scab.
- 9. In future we shall send £450 per mail in a draft on the Treasury.

10, By way of supplement to my remarks on the subject of the office work during your absence, the Board wish me to say that, without adding anything in the way of words, they desire that you will cause Mr. Harding's account to be credited with an additional £50 (beyond what you may have arranged for on your own account) as a mark of their appreciation of his services.

I am, Sir,

your obedient servant,

Managing Director.

Elia relovs.

(INCORPORATED BY ROYAL CHARTER 185

61, Gracechurch Street,

Per Supplementary mail via Lisbon.

10 825. London E.C. 18th Jan. 1896.

Sir,

Since writing on the 15th inst.we have received your cablegram "Burgess marzare maranalais pentawo stadtkind", which appears to mean that we are to pay Burgess £438.5.6, and that the Pentaur has 750 bales for us. It is not clear how with a maximum sum of £300 cash, Burgess's Captain has been able to remit so much, for you can hardly have taken a draft for 1%; however, the money has been paid, and we await you r despatch on the subject. It is a surprise that the number of bales is so small.

2. In Mr. Harding's remarks on Ste accounts dated the 11th of December, in reply to instructions sent to stop Noble's pay during his absence from the Colony, which had not been done, he says that Noble had assured him that he understood from you or at any rate took it for granted that he would be allowed full pay during his absence. This cannot have been the case, as far as you are concerned, for it would have been entirely without precedent and unauthorized. What he took for granted does not matter to us of course, though it is a pity that he decrived himself. Seeing that his pay had only a short time before been materially raised, and, I think, some concession made with regard to the passages of his children, it would not be reasonable to expect the Board to go out of their way to grant a privilege that no one had enjoyed before. You will have to put this straight at once.

I am, Sir,

your obedient servant,

Juar love.

Managing Director.

A.E.Baillon, Esq.,

Manager,

Cuclosures. Dupliedes Despatch No 823 dated 31 the 195. Replies to Remarks General Invoice Goods for Jamis"
List of Gargo for Jamis "Hompanys)
First of Gargo for Jamis" Holients)
First of Gargo for Jamis" Holients)
Tist of Jakels in Dearson's case Tist of Dutiable Goods & Jamis" Firt of Darrels by John Carey Firt of Clients Invoices (Suppliers). apales + contracts as follows: 7 20 bales Wood _Neko MY 15. " 7-1x 54. " L. 190. " Nako. HW 92. _ Indes -IB 54. bales HW 14. " H-W 4. Stain firt of Genelosures. edger + Journal Contries Kelmarks on accounts Societé Commerciale trançaise au Chili carter parties. Second of balhange. Bill of Lading Goods for "Jamis" (Jondon) Wood reports Watson's raccount for a 16. Baillon 29. 9. 1. Bulugh's school account four I I tellow Thetis's certificate of Centry for Capt Recs. Type Writer 6" account you De Me Reay Tyler's Invoice for Tacke Bros 6. Cliento afeales or brokers copies, 1. W. 14 bales Sheep Skins "Jamis"

1-B 54 " Bosmos damage to

Quindstone per Luxor" John Shearen account for I Noble \$1. 2.8. Letter for WW Burtrand undoing tellows tichet for Imperial Institute.

Letter for It Waldrow ronclosing & cllows ticket for Imperial Institute. Steel & Somes account, for W. a. Tarding fl. 6. 0. Gredit Rote from Motion, allowance of freight Corrected Joneral Invoice goods for dans" Topy of letter to Burgers 46- dated 15 Lany Whento Invoices Goods Shipped p "Janis"

Nine Dacke 124. 9. 11.

J. J. Letton 31. 6. 4.

Ob. 16. Baillow 6. 6. 11. Dean + Anson 4%. 6. 6. To Waldron 41. 15.4. Dache Bros 6-128. 9. 10 6. S. Williams - . 10. 6 edger + Sournal Contries Hemarks on accounts. (authority to kay Mackay attached). First of Guchange \$450. Letters for the forthowing : So Go. Nichol No. 17. Buckworth W.W. Butrand

Jondon 18"- Lany 1896.

The Falkland Islands Company.

61, Gracechurch Street,

Per Menes.

826. Vo

London, Ec. 11th Feb.

Sir.

My last despatch was dated the 18th ult., since which date your despatch 35 has arrived, on the 27th ult., and 36, posted in Montevideo in advance of the mail, came to hand on the 8th inst. We have also received the cablegram from Montevideo of 1st inst. "Thetis jacetamos herodot sportulant", and have despatched a long one, as per copy enclosed, with reference to the Chartres station.

- 2. Despatch 35, par. 9. I enclose copy of a letter I have written to the Colonial Office with reference to the correspondence on shearing machinery, and have placed Burgon & Ball in possession of the Blue Book Report and the correspondence, as to which they are also going to address the C.O. In the copy of Mr. Harding's first letter 1893 must have been a slip of the pen for 1894, as the Blue Book referred to the latter year. I was not aware that 1894 had shown such a falling of as compared with the previous year, and am inclined to doubt the accuracy of the statistics compiled by the Government.
- 3. Par. 11. The fire on board the Glengowan was unfortunate; it is not yet clear why you wanted a credit opened, as the vessel is clearly a wreck, and the proceeds must surely cover any disbursements. If the shell is sold, as it probably will be, do you think that an arrangement could be made with the Blacksmiths to break her up to any extent on such terms that the iron or steel would be worth shipping home?
- 4. Despatch 36, par. 1. I had already arranged with Mr. Cameron to have the JB bales handed over to us, with the concurrence of Mrs. Bonner. Mr. Cameron said that there was no reason for their not having been consigned to us in the first instance, as the

A.E.Baillon, Esq.,

Manager,

Stanley.

- * killing charges could have been adjusted separately. I will see that we get the Packe skins.
 - 5. Par.2. I have no doubt that the Board will sanction the shipment of £2000 in silver coin on the 24th prox.
 - 6. Par.4. It is satisfactory to hear that Mr.Mowat means to push the question of fencing. The way he is going to work seems to leave nothing to be desired, and we may all esteem ourselves for tunate in having such a man appointed, for with a Governor, if not actually hostile, at least not friendly to the sheepfarming interest, if the Inspector had chosen to make himself one of his creatures, it would have been disastrous. I hope that you have made him understand that we desire to co-operate with him and afford him all the support that lies in our power.
 - 7. Par.6. You have not clearly, even now, explained how the Ambassador's account has been finally settled, for I cannot see in the account any mention of bills on Sandy Point to which you allude. You have made a mistake in cabling the money to Burgess; have a 90 days' bill is not cash, and it was supposed that you would understood that you were to remit any money, i.e. cash that the Captain placed in your hands. The £450 bill, assuming that it would be discounted at 1%, and with a 5/. stamp, is only worth to us £448.12.1, and there will probably be some charges on the Sandy Point bills. It is not a large matter, and I shall not give ourselves away by writing to Burgess about the matter; but you will see that doing the business for 1% has not been a profitable transaction.
 - 8. Par.9. It is satisfactory to learn that flour is to be had more cheaply in the Plate, as prices have risen in Valparaiso.
 - 9. Par.12. If it is really true that the Volunteers have resigned, it is most interesting, and the end has come sooner than I expected. We have no information as yet about the Governor's action with regard to Poppy and others.
 - 10. I have also to acknowledge receipt of your two letters of the 10th ult. I will do my best to get you a good Cooper.
 - II. I note what you say about samples of dip. I do not know what course Mr. Mowat means to take with regard to this question,

while strongly recommending whatever he thinks best, not to restrict the farmers to the use of it, or to prohibit any of the well known and recognized kinds. He knows his business best, of course, and has probably considered what would be the effect of a prohibition, which would be sure to inundate the Colonial Office with protests.

11. Arthur & Co.lim.of Glasgow have asked leave to send you a Power of Attorney to sue a man named Dawkins for a large sum due to them. I have told them that there will be no objection raised by us, but that there should be a power of substitution, in case you are too busy to take it in hand yourself.

12.I have to point out that in shipping the sheepskins from Port Howard Mr. Harding only charged the steamer freight, and that you will therefore have to recover the local freight and charges yourself. Do not forget that in making out Bills of Lading for all but ourselves and Mr. Dean the through freight from the local port must be charged.

13. You are aware that there are some cases of Cooper's Dip which by arrangement were sent in to Stanley from Port Howard. Out of these are to be delivered all orders that would otherwise be shipped from here, and we are to pay Coopers for them as they are taken. But there is a question about the cost of handling and storing them in Stanley, for I have pointed out to Messrs. Cooper that in paying them the cost, £2, plus freight and insurance that we should have incurred here, we should get some return from them to cover the expenses that would not be incurred if the cases were put on board here once for all on the vessel that goes round the Islands. If you can estimate the actual cash out of pocket, I do not think that under the circumstances we need say anything about storage. I have told them that there is a sum of £7.10/.standing to their debit for freight from Port Howard; this they are prepared to pay, but as they tell me that they have been charged £9.15/.by Spearing & Waldron for expenses from Port Howard to Stanley, I have told them to leave the question open until I hear from you. It seems odd that S.& W. should have made this charge, if we did the work ourselves.

14. With regard again to the question of Noble, to which you refer in remarks on accounts, I have to point out that having granted him certain concessions to which he was not under his agreement entatled in the matter of passages, the allusion to his coming home after the death of his wife was merely an expression of our expectation that he would avail himself of those passages, as it stood to reason that a man in his position with a large young family could not possibly look after them himself. It was never intended to depart from the rule invariably followed, as it would be creating a new and inconvenient precedent, and considering the liberal manner in which Noble has been treated in several ways it would be unreasonable on his part to expect more. Naturally when on the point of departure he had to work a little extra to get things in order, but he has a good deal of spare time on the whole, and must take the rough with the smooth. With regard to the time spent here, he came up once to see me, and called at Hull on the way down, we paying all his expenses; this may have occupied three or four days, and then we saw no more of him until he was on his way to join the Tanis. It has not been usual for any of our principal men to claim anything for trifling services such as he rendered; but the Board det do not at any time wish to be beholden to people who think they have a claim upon them, and there would be no objection to your making him an allowance, if asked, for the visit to London and Hull at the rate of 10/.per day, which would be ample, seeing that we paid his travelling and other expenses. I may mention to you that considering certain episodes in his career Noble has been fully rewarded for his services to us: he sank and lost one of our steam launches through an act of pure folly; he misled us to

our

steam launches, and he cannot be held quite free from blame over the unsatisfactory outturn of the tallow and sheepskins at Goose Green last season. I do not mean to say that he is not a capable Engineer, but I daresay that we could find an equally good one with a little more ballast without looking very far.

- 15. Since writing about Dawkins I have received from Arthur

 & Co.a copy of their letter to you, with enclosures, and should
 like to know if there is any truth in what he says about having
 got all the Government contracts.
 - 16. As more sheepskins than usual are coming by steam, your cablegram in future should express the number of bales of wool only. Sheepskins are of secondary importance, and it is convenient to be able to let the Woolbroker's have precise information about the quantity to be expected for the sales.
 - 17. I have closed my letter to Mr. Nichol without telling him that the Board agree to the purchase of such rams from New Zealand imported by the Stock Inspector as may be thought desirable, and authority is granted to you to pay for them.
 - 18. We are just closing the insurance of the Fortuna for another 12 months, and I believe that we shall do it at 12 guineas per cent. this time. Bear in mind that she is insured for total loss only, while the Hornet is covered against all risks. If Rowlands comes home after the season, it is understood that the Fortuna is to be strictly laid up, and no one else allowed to take her out of harbour under any circumstances. We give our word to the Underwriters that she is commanded by Rowlands, independently of which we should not feel comfortable if she were in any other hands.

I am, Sir,

your obedient servant,

Managing Director.

Letters for the following:

- B. E. Baillow &

- B. S. Buckworth (2)

W. a. Marding

So Blake (2)

It Waldrow

London 11t -t, ebruary 1896.

Consignie's Letter Gnelosures.

General Invoices Goods for "Menes"
Suppliers Invoices & Suppliers
First of Cargo (Company)
First of Cargo (Clients)!
First of Lading Sugar por Menes
"" Sul of Lading Sugar por Menes

London 11th tebruary 1896.

The Falkland Islands Company.

No.827.

Per Supplementary mail 61. Gracechurch Street.

Sondon F.C. 29th February, 18.96.

Sir.

The Board have read and confirmed my last despatch per Menes, and have assented to the shipment of £2000 in silver coin by the next outward steamer. I have now to acknowledge receipt of your despatch no.37, which came per Orellana from Montevideo on the 25th inst., the mail per Herodot not having yet arrived.

2. Par. 2. I have already put Mr. Buckworth's order in hand; but must ask you to draw his attention to the necessity of being more precise in the smallest particulars, so that there may be no doubt about the correct execution of orders by people who are not supposed to be practically acquainted with the subject. He gives no spaces for his wires, the length of standards, 3 ft.6 in. does not explain how deep he wants them in the ground, the quantity of tying wire is not mentioned, the length and dimensions of larch posts are not mentioned, nor is the length of battens given or the description of wood of which they are to be cut. When inch boards are ordered the breadth ought to be given, and then, although the whole fence is ordered to be obtained from Bayliss, they say that they can only supply steel droppers, so that I must get what he wants from Watson. I have no doubt that by carefully looking up previous shipments of fencing for Packe Bros. & Co.I shall be able to make out all the items satisfactorily, but it will only be because I have some knowledge of fencing myself, and it is risky to leave so much to another's judgment. If there is anything wrong, we must not be blamed. I shall be glad if you will make a practice of scrutinizing all our clients' orders before you despatch them, for they leave a great deal to the imagination, every one of them, and it is unfair to put so much responsibility on our shoulders.

A.E.Baillon, Esq.,

Stanley.

- 3. Par. 3. Your report of the Thetis is unsatisfactory; I had no idea that she had been so much neglacted. As regards going alongside the hulk, I was bound this voyage to take the advice of Mr. Amor, to see if keeping her afloat would have the effect of lessening the damage to the rivets which showed itself so much after both the previous voyages. I should like you to ascertain for certain that she grounded in Gull Harbour last year; it seems incredible, for there is no mention of it in the log-book, and surely some report would have been made by Mr. Williams or someone else at Weddell Islands, and it would not have remained a secret for nearly a year.
- 4. You do not explain how Mr. Townsend proposed to pay for the coals; he can hardly have expected you to give them as a present on the ground that he had no money to pay for them.
- 5. Par.6. On the subject of frozen meat, I cannot give you this time an opinion direct from the Board, as we shall not meet before this mail has left. But I may say that from the little we have heard of Mr. Mowat there is a distinct impression that he is an enthusiast, and that it will not do to be carried away by his views. That sheep can now be sold even at 18/.in New Zealand for freezing we cannot be lieve, although we know that up to a short time ago most extravagant prices were given. Mention has been made of Nelson Brothers; is Mr. Mowat aware that in their last statement of accounts there was one item of £102,000 on the debit side of Profoit and Loss for loss on purchases of mutton in New Zealand? It is a fact that at the present time Falkland Islands mutton would barely command 21d.per 1b.; can Mr. Mowat or anyone else see how this price, which on a sheep of 65 lbs.comes to $13/6\frac{1}{2}$ d., is going to satisfy the sheepfarmer, the shipowner, and the buyer? Leaving the buyer out of the question, and supposing for a moment that the farmers are going to kill and ship on their own account, is there anything in it? Of course by the buyer I mean the man who will give a price for the live sheep, not the Butcher here, who is, doubtless, well pleased with the state of the market. I am sure that the Board will be glad to assist any well considered scheme for making freezing a success, but until such a scheme has been put before them, they will say, as they

have all along, that they will sell sheep that must be parted with at any price that is better than the boiling down one, but that they do not consider themselves justified in going into wild cat speculations. In writing to you somewhat freely on this subject, I rely upon your discretion in only imparting to Mr. Mowat such of my remarks as you may consider suitable, for the Board would be sorry to create the impression in his mind that they have any desire to oppose any of the suggestions that he may put forward for the general good of the Colony. I am afraid, however, that they will look upon this as well as the coaling scheme as not one that can be expected to answer from an £ s d point of view, which is the most important one after all. If they dissent from any of these remarks, I shall have much pleasure in telling you so. In your letter of the 16th January to the Colonial Secretary, you are somewhat inaccutate on more than one point. You say that the firm that initiated the frozen meat industry ceased to exist some six years ago. The Falkland Islands Meat Company was wound up in 1887. The actual operation of freezing, which I assume means freezing on board the ship, as I have not heard of any refrigerating works on shore, was carried on, when the Selembria was running, at Goose Green, Darwin, on the Eastand at Port Howard, Weddell, and Port Stephens on the West; I was not sure about Port Stephens, but Mr. Dean tells me that they killed there one voyage. There were, I believe, many more sheep killed at Goose Green than anywhere else; you may not have known this, but Mr. Felton ought to have remembered it. The failure of the arrangement for this year is no doubt due to the fact that the business does not pay. And you were a little rash in your assertion about the price of wool, judging by the records kept here of our own, which ought to be a fair guide for estimating that of the Colony generally; last year's was the lowest on record, but it was nearly run by the average price in 1886, when the Selembria was at work, since when until 1894 it was distinctly higher each year.

6. Par.7. I can safely say, in anticipation of the Board meeting ing that the Directors express their regret at hearing of Mr. Greenshields' unfortunate accident, and hope that he may have safely got over it, that is as regards his life.

- 7. If you have any means of communicating with P.Soutar, will you tell him that his relatives are anxiously enquiring about him?.
- 8. With reference to the insurance of the Fortuna, I regret to say that we have been unable this year to obtain any reduction in the premium; the loss of the Castalia is against her, while, on the other hand, the Hornet has run so long without loss that she is taken more freely.
- 9. I notice that no bones have been shipped for years. They are useful for dunnaging hides, and common ones I am informed are worth about £4 per ton. As we do not kill beef now, we have none of our own, unless a collection could be made in the Camp; but if you could buy Mr.Packe's beef bones at about £2 or £2.10/.you would find them useful.
- 10. I have not yet received the copy of despatch no.31, which I asked you to have re-written with a margin broad enough for binding.
- 11. There is wool of Mrs. Hansen's on board the Herodot, but you have not said whether they are the £5 or £10 bales, so that we cannot declare them properly before landing. Please give this your attention in future, as it is important.
- 12, I am again writing to Mr. Nichol on the subject of casks, but may point out to you that it is important in sending shocks to Goose Green, or in selecting them for coopering if done in Stanley, always to take the oldest stock first. The Cooper himself ought to know this, but a careless man will naturally select the newest, if allowed his own way, as this gives him the least trouble, and the consequence is that in the course of time the oldest get water soaked or rotten, and are condemned as useless. When our excellent and much regretted Cooper, Mc. Carthy, was alive, he could be trusted to look after our interests, but before his time I had a lot of trouble. You had better look up the subject of casks, and report, as there is evidently something wrong.
- 13. You have made a mistake in shipping Packe Bros. & Co's wool at 30/., as it should have been at the distant tariff rate of 25/ I hope that this has been only an oversight this time, and that

future lots will be shipped at the proper rate. In writing on the 19th November last, I gave you a copy of all the correspondence I had had with the Kosmos on the subject, and thought you would be thoroughly posted. At present we stand in this way; having shipped by Pentaur and Herodot 1141 bales (near and outsiders) at 30/.we are entitled to ship 760 at 25/., being 60 and 40% of the whole. You will have to estimate the total quantity that we are likely to have from near ports and outsiders, and then see how much you can safely ship of the other class without bringing us over the 40%. As I have said all along, I do not like the arrangement, and foresee difficulties in carrying it out; but the correspondence will have shown you how it was evolved, and it was the best we could do at the time. The difficulty chiefly lies in our not knowing before the end of the season what proportions of the two classes will be shipped. We want to do the best of our clients, but at the same time we are not prepared to lose money in paying up differences out of our own pocket if the 40% happens to be exceeded. I am going to write to Hamburg on the subject, and in the meantime all I can advise you is to try to corner the agent, by telling him that although we are prepared to carry out our promise of 4000 bales, we cannot undertake to ship more than the 40%, unless he is prepared to take all distant wool at 25/.on his own responsibility, and that failing such arrangement you will have to confer with the shippers as to chartering in Montevideo, in which case probably 20/.or 22/6 from Stanley would pay us, - something, at all events, less than the steamer rate. I rely upon your securing a full cargo of wool for the Thetis at all events, irrespective of all other arrangements. In the event of a deadlock, you will have to favout those who consign to us.

I am, Sir,

your obedient servant,

duar love.

Managing Director.

Conclosures. Suplicates Despatch No 826 dated 11." Jebry.

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Jondon 29" Tebenary. 1896.

The Falkland Islands Company.

61, Gracechurch Street,

Per Herodot.

Vo 828. London E.C. 24th March,

Sir.

My last despatch, no. 827 via Sandy Point, of 29th ult. has been read and confirmed by the Board, who have also perused your no.38 of 31st January, which arrived on the 7th inst.

- 2. Par. 2. The cablegram about the Chartres business has not been translated with the care that such an important communication demanded; we had it repeated to ensure correctness, and it was received by Humphreys, and, no doubt, passed on to you correct to a letter. "Masselare",£6750, you mistook for "Mascellare,£780, and you did not translate "Aplicaron" at all, although this formed a key to the whole proposed arrangment; as rendered by you the message was nonsense, and the consequences might have been serious had it not happened that the matter was deprived of urgency through an extension of time having been granted. I hope that after the departure of the mail you found out your mistakes, and sent the corrected message to Messrs. Anson, Blake, and the others concerned.
- 3. Par.3. The Board are willing to reduce the charge made on the Port Howard accounts when they learn that the wool from that station is either shipped through or consigned to us.
- 4. Par.4. The owners of the Gladys have accepted the draft without remark.
- 8. Par. 5. We were glad to learn from the cable that arrived on the 29th ult, (Greenshields rapetasser tell mother Memphis stahlen) that Mr. Greenshields had almost entirely recovered; this news was conveyed to Mrs. Greenshields through Mr. Cameron. and she has expressed herself as being deeply grateful and relieved.

A.E.Baillon, Esq.,

Manager,

Stanley.

- 6. Par.6 & 12. I think that you are right in assuming that the deck planking for the Fair Rosamond was overlooked; but if it had been stated that it was intended for her it would have gone per Celox. Without making a long story of it, you might have said that the present deck was so-and-so, (whatever may be the matter) and that a new one, estimated to cost so much, had better be supplied. The Board like to get information at times on the condition of their property.
- 7. Par.7. I hope that it may have occurred to you to ask for of the telephone assistance in the completion from the electric experts on board one of H.M.'s ships, and that this long protracted improvement in communication with shipping outside has been got into working order. No explanation has been given to the Board of the delay, or why outside assistance has never been sought, and it would really seem as though it were an undertaking solely desired by the Government, and that it was a point of honour with the Company to obstruct it as much as possible.
- 8. Par.8. Whether Mr. Bertrand made a claim or not for a case of brandy per Concord cannot affect us, unless he asked you as his agent to make it for him, and you neglected to do so. In that case I think we should be liable, but it is to be hoped that it was not so. As to the other claims, after considering your instructions and noting what you must avoid in the way of establishing any precedent detrimental to our interests, you must settle as fairly as you can, leaning rather to the side of liberality.
- 9. Par.11. Mr.Mowat's essays have been read with interest by several of the Directors, and the replies of the sheepfarmers to your letters on the Frozen meat question have received attention No copy of your address has been sent, and the Board would be interested to learn what is meant by Mr.Goodhart's allusion to "the Company's liberal action in the matter". The Board are inclined at all times to be liberal, but they like to know what they are being liberal about. As regards Mr.Mowat's proposed visit to England, the Board think it would be useful, and should be urged for two reasons; it would probably remove once for all any misconceptions he may be labouring under as to the profit to be derived from the frozen meat trade, and it would be a satis-

- faction to them to meet and discuss with him the subject of sheepfarming in the Falklands generally.
 - 10. Par. 14. I understand that the Salvage Association are not sending anyone out about the Glengowan, and probably she will be sold. We have not been supplied with information sufficient to enable us to judge whether she can easily be raised and made into a watertight hulk, and your remark that all our wooden ones are nearly played out is considered rather sweeping. Nothing has been reported to prepare the Board for such an announcement, and we should like a detailed report on all. Whatever may be the con dition of the Vicar of Bray, which certainly cannot be expected to hold any heavy cargoes, we expect yet to get a good deal of use out of the J.P.Smith, the Capricorn, and the Praecis, and if any or all of these are shaky, we have the Sabino ready at hand for use. It would be a pity to block up the harbour with yet another hulk, and the only legitimate reason for buying the Glengowan would be the fear that someone else might fit her up, as to which you are in a better position to judge than we are. Should it be practicable, you must get an estimate of the cost of raising and decking her. If breaking up were practicable, it would be the best way out of the difficulty.
 - 11. You will be somewhat amused to hear that C.Williams has, through his agents, asked Lawes's Chemical Manure Co.for the exclusive agency for their dip. They brought me the letter, and at the same time asked whether we were prepared to allow them to designate us as their agents, to which I at once assented. Morris Little & Son will, no doubt, regard this as a touching instance of loyalty on the part of their agents.
 - 12. The Brokers point out that the sealskins sent by Mrs.Han-sen are for the most part very small, and say that it is a pity to kill such young pups. The other lot are a very good one, and have realized excellent prices.
 - 13. In the last indent there is an order for 2000 Bayliss's posts, that is to say sufficient for 20 miles. Are these for sale or use? If the latter, there does not appear to be on record any proposal for future fencing, and although the Board thoroughly

approve of a liberal outlay in fencing, they like to know beforehand what is proposed. Can you, in anticipation of the explanation that Mr. Nichol will give, let us know anything on the subject?

14. The £2000 in silver coin will be shipped by this boat. It is understood that you want it to provide for the usual heavy payments at the time of the May mail; and as it is sent you, as well as the £450 by each mail on the Government, you must bear in mind that you are by no means obliged to provide passengers by that boat with any drafts they may find it convenient to ask for. You will see that we do not like sending cash and then paying the same thing over again, which it practically amounts to if you agree to turn everybody's cash into drafts on London, whether they are clients of ours or not.

- 15. I am glad to report that the wool per Pentaur and Herodot has sold at prices which have far exceeded our most sanguine expectations, and if the balance goes off at the same rate it will put us into a very good position indeed.
- 16. Mr. Kennaugh, managing owner of the Eagle Crag, has been to London to see me about the ship's accounts. It is the old storycomplaint of excessive overcharges. It appears that the cost of a new cap in the Clyde would be about £20, and the breakage of this has led to the ship expending within a small fraction of 30 times as much. I went into the question of repairs with him, and said all I could to show him that it was impossible to compare prices in Stanley with those here, and he readily admitted it, in fact was most reasonable in every way. His average adjusters had takeh exception to the account, and had told him that he had better see us, and especially to point out that in addition to the charge of £190 for the cap by contract there seemed to be an extra charge of £36 for the Blacksmith's shop, as well as wages, a portion, at least of which, they thought belonged to the cap. I said that I believed that we should learn that the cost of the cap was £190 and no more, and that if it turned out that either directly or indirectly any more than that sum had been charged, it should be refunded to the last sixpence, The Blacksmiths' labour appears to have been for repairing parrel, topsail ties, jackstays, crane pin, casting for capstan, and sundry menor re-

- pairs, but that such a list should have cost the large sum of £67 seems on the face of it to be outrageous. Mr. Kennaugh said that he had accepted the bill without question, and that he left himself in our hands. Seeing that the labour on the cap contract came to £85 only, and that there would be to add to that only the cost of the iron, it seemed to me that in charging £190 Mr. Harding had left room for a concession without putting us out of pocket, and in consideration of this, and of the undeniably high charges made for other items, I offered him a cheque for £25 to settle the matter, which he accepted, and the Board has since approved of the compromise. There are so many and such bitter complaints being made about our charges now, that I must again impress upon you the necessity of strictly scrutinizing all ships' accounts, and resolutely vetoing any "sticking on" on the part of the Storekeepers, which has been so often done on the fatally mistaken principle of making hay while the sun shines. You cannot help being aware that the name of the Falkland Islands is a positive terror to all shipowners and underwriters, and anything we can do to retrieve the character of the Colony should be done on all occasions. Manilla rope which costs a fraction over 3d.per 1b.is charged at 10d., and there are other items in the Store account overcharged in the same proportion. In making up the selling prices of materials, attention should be given to the question whether there is much loss or not in retailing; where there is, as in iron, it should be taken into account, but I cannot see that this touches the price of rope, and any decided drop in prices in England should be taken account of.
- 17. I enclose copy of a letter from the Colonial Office asking whether we claim the ownership of the Sea Lion Islands, and of my reply, which admits of no doubt as to our opinion. I shall be interested to learn whether the Governor is up to any mischiff over this question; you must see that he does not sell any sealing rights on our property, and, if necessary protest, but wait until our interests are attacked.
- 18. Your attention is also directed to the enclosed corres-

- 19. I have received this morning from the Registrar of the Scotch Exchequer a demand for £59.12.6, on a certificate given by Frazer to Mackay, who died on board the Abydos, that there was money to that amount in our hands. I have replied as per enclosed copy, but I wish you to report on the matter, and until I have satisfied the Scotch Court that there is no claim, you should hold the money, unless you have already parted with it.
- 20. I see that I have omitted to mention the prices got for our wool to Mr.Nichol, but you will of course forward him a catalogue, and call his attention to them.

I am, Sir,

your obedient servant,

Managing Director.

Ful " toob.

Du pli e ates

Enclosures

Despatch Nº 827 - 29 February) ager of fournal buties Remarks on accounts List of by closures Clientes projects as follows J. Robson & 8-11.1 al Baillon . 13.2 16. Waldron 1.10.4 me Bonner Buttand Fellon 4.15.6 Peretacke 488. 13. 3 Hohnested Blake 2.8.9 Clients affales as follows F 5 Bales Skins Decond of Richarge £450

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The Falkland Islands Company.

· 61. Gracechurch Street.

Per Supplementary mail via Lisbon. 10 829.

Sir,

My last despatch went per Herodot on the 24th ult., and I have now to acknowledge the receipt of your nos.39 and 40, which arrived on the 30th ult.

With reference to your remark that you attribute the lessened profit on Farm account "almost entirely" to the low prices realized for the Company's wool, the explanation might be deemed sufficient by a Board totally unacquainted with the affairs of their Company; but in the face of the fact that the wool of 1895 fell short of that of the previous year by 250,225 lbs., or more than 111 tons, it is feared that your anxiety to make the best of things has prompted you to reckon on too large an allowance for the Board's credulity. In short, it is a bad business, and all we can hope is that we have touched low water mark. As regards the question of wages, you are probably right in thinking that the amount expended is excessive, and we should be glad to know that you and Mr. Nichol, with the assistance of Mr. Mowat, had taken some steps to solve the problem.

3. If you have satisfied yourself that the chrges on Stores are covered by 15%, you are quite right to reduce the percentage, but we hope that it has been done with judgment, as there are certain goods that cost more than their English value to lay down in Stanley, and in the case of wood I know that the percentage hitherto allowed has been inadequate. With reference to this account, the matter of debts owing is a serious one, much more serious that we had any idea of until the lists of debtors was received, and it casts a doubt on the real profits in the Stores

A.E. Baillon, Erq.,

Manager,

Stanley.

to an extent that is disquieting. Owing to the intervention of the Easter holidays it has not been possible to examine the lists closely, but there are a few glaring instances that may now be mentioned. The two Blacksmiths, Chaplin and Ogilvie, owe us respectively £84.4.11 and £160.1.9, W.E. Turner £111.12.9, and Dawkins £16.8.10. As to the first two, who have both been long in our service, and have plenty of time to get over the expense of going out, it seems almost incredible that their accounts have been allowed to run like this, and difficult to excuse the negligence shown by all who ought to have prevented it, whether the Storekeepers themselves or those in the office over them. The Board would like to have your opinion as to whether these men have or have not got themselves into this position purposely, in order to insure their places; if so, their minds should be disabused at all costs. It rather seems to us that you have all been afraid to deal with them on account of the temporary inconvenience they might cause by making themselves obnoxious over shipwork. Whatever it may be, and the Directors at present know nothing at all on the subject, it will be your duty immediately to take steps to place the accounts on a better footing, and not to relax in your efforts until they have been extinguished, Credits must be stopped, and they must pay for things as they get them: if no other course is of avail, they must be sued for the debts, and made to understand clearly that the Board will not keep men in their service who are perpetually in debt to the Company. We cannot prescribe from here exactly what you should do, but it is sufficient to say that the accounts are to be brought on the right side as speedily as possible, and what steps you are taking you are to report from time to time. It is extraordinary that Mr. Harding did not stop a large portion of the money out of the contracts, for, although it is illegal to set anything against wages, it is not so with a contract. Do you not think that with all the extra advantages they have enjoyed they really have money in hand, and that withholding payment of their accounts is done purposely? As to Turner, who has been mad enough to give him credit for over £100 with the knowledge that he also owed us £200 for materials? This account must be stopped and put in Court, unless

- satisfactory security is at once provided. The last account mentioned, Dawkins's, is comparatively small, but such a man should not have credit to the extent of a penny, and if he owes us £16, and Arthur & Co.£160, is it not likely that he is also in debt all round the settlement? The accounts will be carefully scrutinized and remarked upon, in the mean time your serious attention is drawn to the necessity of restricting credits all round, and the Board rely upon your personl attention being devoted to this object. Whatever book profits the Store account may show, they are necessarily fallacious if half the accounts are bad debts.
- 4. The question of the Fortuna's insurance has had my attention, and I sounded the Brokers some time ago as to a return of premium on laying her up during Rowlands' absence; but have had no definite reply as yet. I am afraid that this vessel is too large and expensive for our work, and the question may arise some day whether we can continue to work as cheaply for our clients as we have been doing for some years. It is the same with the Fair Rosamond, but in her case this time the loss is for the most part due to expenses on repairs that have been debited to her working account in preference to charging the whole as capital. With regard to par. 2 of despatch 40, if the sails have not been taken into use they need not have been charged, and if the account did not look healthy, there would have been no objection to your halving the cost, if they were used, and charging the second half in 1896.
- 5. 40 par.3. The Board were already aware of Mr.Greenshields' recovery, and gratified at the intelligence.
- 6. Par.6. I regret to say that James Rae died on the voyage: the question of passage money therefore falls to the ground.
- 7. Par. 8. There is no need to say any more about frozen meat as the subject has been dealt with exhaustively; but I may mention that Spearing & Waldron made a loss on their purchases last year, low as the prices were, and that the same is the subject of a lawsuit between themselves and Mr. Cameron. You appear to have strangely misunderstood or overlooked my despatch 823-24, in which I intimated that I had had a conversation with the Manager of the Shaw Savill line, and asked you to make up a list to guide us

in giving an order in case they determined to send a boat to Stanley. In place of this you send a copy of a trial order Mr. Mowat has sent, and we can therefore do nothing, as we do not want to interfere with any business he may have in hand. It is not of much consequence to us, excepting that it may perhaps prevent any steamer calling at all, as it can hardly be supposed that the Company will send one in with fifty tons only.

- 8. Par. 10. I hope that you will not forget to go into the question of the Blacksmiths' contracts with Mr. Harding; what we want to know is, how much was paid, how many days the work took, how much was allowed for the forges and how many days they were actually used. If the Smiths' demands seem exorbitant on another occasion, you must give them the option of taking less or of doing the work on daily pay.
- 9. Par.11. Mr.Bertrand's order which included the lamp is enclosed for his satisfaction. I thought that you always kept copies of indents, as I remember having some made for you that you had not had time to get done in the office.
- 10. Par It will be a convenience to us if you will make notes of subjects that you are unable to attend to off-hand, as there are several upon which you have failed to send information that you have promised.
- (a) The wood indent, promised in 38-12 has not arrived, and the chartering of a vessel is still further delayed.
- (b) Referring to your 36-10 on the subject of tallow, we shall be glad to hear that you have had time to make a few enquiries.
- (c) In despatch 823-7 I asked for information as to the cost of transporting coal ex Gladys, but have not had a reply. The information should state the number of tons landed, the total cost of transport to and from the shore, and the number of days during which a hulk would have been on hire had she been taken for the purpose.
- (d) You took out with you a tin of butter from Lonsdale & Co. and promised to open and report upon it on arrival; the firm have written to enquire about it, and I have been obliged to say that you have probably forgotten all about it.

- 11. Since your return to the Colony have you been able to gather any more information about the towage of the Thomas Stephens?
- 12. We received a few days ago from Mr. Stubenrauch a three months' bill on the Eank of Tarapaca, and an intimation that another would be due in Sandy Point in a month's time, and would then be remitted, the amounts being £100 and £150 respectively. If this relates to the Ambassador, we shall finally in August get repaid for our advances which were made in January for a commission of 1%.
- 13. You will be pleased to hear that the Chairman, who has been very ill at Bath, is making a wonderful recovery, and is already able to move about a little.

I am, Sir,

your obedient servant,

Managing Director.

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Kere Oache 138.8.4. w-Jell 12. 9. 9. 9. 20. 17. 8. 16 Hiloson Mors Williams Objection d's Indent 1892. Cliento reporto + contracto + Oprokers copies IN 2 bales Shins "Hemphis J-B 10 " "Iterodot" £ 45. " Jedger T Sournal Gentries Temarks on accounts First of Genehange \$4,50. 1 etters for the fottring

J. S. Gordhart.

18. 4. Michol

Truight return schooner "Obydos" Ofentaur"

"Helodot" Rosmos Stamps Remarks on Stones

London 11th april 1896.

The Falkland Islands Company.

61. Gracechurch Street.

Per Memphis.

10 830. London E.C. 5th May.

Sir,

Confirming my last via Sandy Point I have now to acknowledge receipt of your despatch no.41, which arrived on the 20th ult., and 42, which came to hand yesterday morning.

- 2. 41 par. 2. I will see Mr. Crafer after the mail has gone, but I understand that the Undersriters have definitely decided to do nothing.
- 3. Par.4. An explanation of the discount should have accompanied the accounts of the Ambassador, for until the arrival of the January can book we knew nothing about it. From a bill received this morning for £147.10/.from Mr.Stubenrauch we gather that he has charged 1% commission for collecting.
- 4. Par 6. I am in communication with Messrs. Bennett of Liverpool about a Cooper, and hope to send him next mail. This is not urgent, and it is very important to take time to select a good man.
- 5. Par. 10. I send a copy of letter from Coopers about the dip sent to Roy Cove and Hill Cove, from which you will see that they say that it cannot deteriorate by keeping, which I think is only reasonable with such a poison as arsenic. You should explain to Messrs. Bertrand and Blake that we undertook to deliver the Dip as long as it lasted from the stock at Stanley instead of shipping orders out, that we have paid for it, and as they incurred expenses in sending it out in the first instance, we return to them the freight and insurance charged. The rather cheap sneer about the Company, which implies that we are doing a trick in charging these expenses, would probably have been spared had the "brother farmer" been in possession of these facts. If they can

A.E.Baillon, Esq.,

Manager,

Stanley.

- bring any reasonable proof in support of the assertion that old stock is weaker than new, I will endeavour to obtain a return of the money from Coopers, but as no guarantee is given as to age, and the transaction was carried out in perfect good faith on our part, I do not think that they will, on consideration, press their objection. Mr. Blake's order in his own handwriting is enclosed. As to its having been offered at home cost price, I do not think that touches the question, Mr. Blake did not accept it, and expenses at Port Howard and freight into Stanley have since been incurred.
- 6. Par.15. The Board have heard with regret of the death of Mr.T.Robson.
- 7. Par.16. It is disappointing to find that no one will ship wool per Thetis, and there will be nothing for it but to send her home with tallow and sheepskins again. As you only asked for a cable in the event of our wishing to get the tallow by Kosmos, I have not sent it. It appears strange that though people were so anxious to ship by any old wooden vessel at 30/. they now draw back when they have a fine steel one with teak decks offered at the same rate. I do not know that we have made any contract with Baillon & Stickney to carry their wool by steam at the reduced rate, or with anyone, for the matter of that; we have told them of our arrangement with the Kosmos, and are prepared to carry it out for their benefit as far as it goes. But I should really be disposed, if we find that our percentage is to be exceeded, and that we have to bear the loss ourselves, to send the wool of those who do not consign to us by the Thetis, if more convenient, whether they wished it or not. For all the trouble we have we make a very little out of our agency business, and if any of our clients thought they could better themselves we should relinquish them without a tear. One thing is certain, the arrangement must be amended next year, if the Kosmos are stubborn we shall have to look for some other way of getting the wool to England.
- 8. 42, par. 3. If the goods in Dawkins's possession are likely to go off well, would it not be better to buy them of Arthur's for the Store?
 - 9. Having been appointed agents for the sale of Lawes'sdip, as

- soon as we are able to have a stock of our own, I shall ask that the agent at Sandy Point may be requested to do no more business with the Islands.
- 10. Par.6. I will go into the question of the Indent as soon as the mail has left.
- 11. Par.7. The extract from Mr.Blake's remarks about Cooper's dip was not found enclosed, but as you gave a lengthy extract in your last despatch there cannot have been much to add to it.
- 12. Par. 8. The old bad habit of sending copies taken in the p press of documents copied in the office has been revived in the case of Creegan's report; if you want a copy for someone else you should send him the press copy, we prefer something that we can read easily.
- 13. Par. 10. The report you give of Captain Rees is most satisfactory. In further reference to the wool, I think that when the percentage has run off, if it does do so, you will be entitled to say to the owners of the rest, that the arrangement with the Kosmos has expired, that we have done the best we could for them at a sacrifice to ourselves, and that it must go if by steam at 40/., or that a vessel will have to be chartered in Montevideo. Those who will then have wool left will not be among the number who are in a hurry to get the wool home.
- 14. Par.22. I am glad to report that the Chairman is progressing favourably towards recovery, although he has not left Bath yet.
- 15. Referring to the remarks on claims for pillaged cargo, you must now carry out our instructions, and settle as reasonably as you can. There can be no doubt that the cargo was in a disgrace—ful state, and we have to bear the loss, though it is much against the Thetis; considering these claims and the reduction of freight, it is well that she is not owned by a poor man. Whether we can go on working for our clients on the present lines seems to me much open to doubt.
- 16. Referring to your letter of 6th ult., I shall certainly write the Kosmos about the favour shown to Schlottfeldt's personal friends.
- 17. Mr. Cameron is going on with his action against Spearing & Waldron, and if it had come off earlier, no doubt we could have

got his and Greenshields' wool for the Thetis, but by this time y you will have made full arrangements. S.& W.asked me to return the letters guaranteeing the bills for sheep; the only one I had was that signed by them and Cameron jointly, which having their signature on it I could not refuse, as the bills have been met; d but with regard to Greenshiels, I said that I had never had it, and in the event of your being asked for it by them, you had better return it direct to him, as I do not see what they have to do with it.

18. I have to draw your particular attention to the Remarks on the Balance Sheet, which have been prepared by direction of the Board, and are to be considered as part of this despatch. The Board desire your serious attention to the necessity of lessening the credits in our retail departments.

I am, Sir,

your obedient servant,

Managing Director.

There love.

Suplicates Aufatch No 829 dated 9" aprilo Jedger + Soumal Kentries Teparts on auounts. S " Skins O'entaur Remarks on Stories.

Chiento Invoices as follows:

10 Kilisort 1 (20. 14. 8. Mors Williams Oache Bros. 9. 1.9 Mon Hansen 149: 16.9 Dean Brandon 4. 17.6 Butrand Felton - 14.0 Verb Oacke 138. 8. 4

W. J. elb 12. 9. 9

6.9. a. ansow. 30. 14. 11. 1 IN 2 bales Skins Memphis Swond of Enchange \$ 450. Nous Goldie's Schooling account for WW Bertrand Copy for booker's letter Idated morapril (redip). Choto of bart shipped per Menhphis for Oache Clothy of letter from Watern It here dated 28 april Mombrandush from brokeson 6. with particular bliento apales + Drohero copies asfollows -1 4 bates Skins Therodot L 45 " "
FN 2 " " EN 2 "

-TB 10 bales Skins "It woodob" Broker's copies Company's skins per "Iterodot"
Cliento reporto + contracto + Brokers copies SI 61 tales Wook for Memphis" ENW J-B 228 Brokers copies bompany's Wood for Memphis Oredit note from Watson for Holmeited Thake Demaths on Balance shelt .- "/5" themphis" SmD. tedger + Sournal Centries Remarks on accounts. Holmested Blake's Indent for Dip per "Thetis" butting from Westminster Gazette on the green Chater's certificate of glass shipped per "Memphi for Mor Oache. (With Consignees letter) List of Careels in Cearson 6 cass. Furt of Enchange \$400 Mor Mathews letted dated 4 Lang returned Letters for the following: Dertrand w.w. 1/21 Saillow as _R. 16. 16 whole 121 J.S. Letton. W. a Standing Colonial Office first for 1896 per book Oost. London 5 + May 1896.

61. Gracechurch Street.

Per Memphis.

Vo 831. London E.C. 5th May,

Sir.

In continuation of my despatch no.830 of this date, I have to inform you that I have seen Mr. Crafer this morning, and have discussed with him the question of the Glengowan. He tells me that their experience (such experience as we cannot pretend to have.) tells them that when a steel or iron ship has been subjected to such intense heat as the Glengowan was, whatever may be the outward appearance of the plating the rivets are not to be trusted. The Underwriters, Mr. Crafer said, had several "pow-wows" at the Salvage Association office, and decided that it would be a waste of money to send out a special agent, as the ship would have to be sold for what she would fetch. I asked him how we stood as regards the advances of cash we had made in endeavouring to save the ship, to which he replied that no doubt we could protect ourselves, as ship and the remains of the cargo must be worth more than what we were out of pocket. As the whole affair is now in your hands, you must judge whether we are likely to be covered or not by the sale; in a late despatch you mentioned the advances as being about £550, but I cannot see from the accounts that they much exceed £450 to the end of February. I said that I believed that you had not heard from the owners, to which Mr. Crafer replied that you must not sell without getting your instructions from them, and not the Underwriters. He considered that no further expenses should be incurred, and said that the Mate ought to be dis charged. If you think that the property would fetch at auction much more than our advances, she ought, when the authorization arrives, to be put up, if not you should delay the sale until you are able to learn who will be responsible for the money, but if

A.E.Baillon, Esq.,

Manager,

Stanley.

you are of opinion that the whole property, including the hull, with masts, spars, rigging, sails, and cargo would fairly recompense us for our claim, let me know the exact amount of the account, and make that suggestion to the owners or Mr. Crafer, and I will follow it up here. I do not think that I can give you any clearer instructions than these.

2 Regarding the freight question, it is a pity that you did not make it more clear that you wanted a cable under any circumstane ces. The best course you can now follow is this. Assuming that you are shipping the tallow by Thetis, you may find towards the end of the season that you have run up to the 40% for distant cargo. In that case do not order any more room from Mr. Schlottfeldt, telling him why, but calculate as nearly as you can how many bales you will have left, and cable them by 5th June mail, prefixing the word "Shaw". This will mean that you will have ready for a Shaw Savill steamer from New Zealand that number of bales, and I will at once see Mr. Potter, and try to arrange with him to cable out for a boat to take them. You will have to be sure that we have fulfilled our obligation to the Kosmos as regards the 4000 bales promised, though there can be little doubt under this head, and your cable must indicate the date when you will have them ready, as in the event of engaging room we should have to pay dead freight on any not filled up. We are under no obligation to our clients to ship at any particular time, and considering the cavalier manner in which we have been treated over the Thetis, I should not be inclined to stand on ceremony. If any of them desire an immediate shipment, it will always be open to them to pay 40/.by Kosmos. I would not mention the Shaw line to Sclottfeldt, as we must have a way open for retreat in case of failure; I would merely say that we are compelled to try to make other arrangements. If the business comes off, it will provide us with a splendid lever for working the Kosmos in future.

I am, Sir,

your obedientservant,

Steare love.

Managing Director.

61, Gracechurch Street,

Per Iberia.

Vo 832. London Ec 20th May.

Sir,

My last despatch went per Memphis on the 5th inst., and we are without any further advices from you; but the Abydos delivered the regular mail with your duplicates on the 12th.

- 2. With reference to the Glengowan, I send you copy of a letter received from the late owners, which seems to clash with what Mr. Crafer told me. I have written them again, and meanwhile can only advise you to be careful not to act without authority.
- 3. We have obtained a concession on Mr. Packe's freight per Memphis, which we hope will be appreciated; in connexion with this subject, are we not charging him an exorbitant rate for simply landing his goods at Sulivan House? Unless I am mistaken we are getting 13/.a ton for this service, more than we carry goods for all round the Islands.
- 4. I have inspected the Jewellers' place at Thavies Inn, and as far as I can see it is respectable enough. But before executing the order, I wish you to have the opportunity of revising it in the light of recent instructions sent you about credits; for it may occur to you that with the restrictions lately imposed, people will be much less inclined to buy ornaments when they find that they have no money to pay for them, and cannot get the credit they have hitherto enjoyed.
- 5. Your attention is drawn to the Remarks on the stock of Stores enclosed, to which you are requested to reply item by item: it is feared that this account is far from being in a healthy state in more ways than one, for in addition to the heavy debts there is the large stock of goods which we keep solely for the use of ships, which cannot be less in value than £8000, or more

A.E.Baillon, Esq.,

Manager,

Stanley.

than a quarter of the whole, the teak wood alone runs into more than £400, and yet there is an order at present in hand for at least 1500 ft.more. It will be useful to remind you that the demands of the Carpenters and Smiths should be most rigorously scrutinized and cut down; they revel in huge stocks, from which they can draw at all times exactly what they want, and what does it matter to them what money is locked up?

I am, Sir,

your obedient servant,

Managing Director.

The re love.

Doby of booker Tochhews letter dated 13 May Themarks on Stock of Stores at Stanley Letter for To E. Wiehol

London 20 1 May 1896

64. Gracechurch Street,

Per Tanis.

No 833. Sondon Ec. 16th June,

Sir,

Confirming my last via Sandy Point, I have now to acknowledge receipt of your nos.43, which arrived on the 1st inst., and 44 and 45, which caught the Bresil at Montevideo, and were delivered on the 12th inst. Your cble "Federal Queen Scots Kennedy Maclean London saintenoch mackay Company Glasgow fothered pass Balhana Gibson Clark Glasgow Totmes sposevole" arrived on the 21st ult, and in reply we sent on the 30th ult.the following, "Fictionist Queen Saintenoch".

- 2. 43 4. We are sending the deck planking for the Fair Rosamond, as she must be put into a sound condition; but it seems either that she was in a state bordering on wreck when she was bought, or that there has been great extravagance in repairing her. Probably both have had some influence in making the repairs account so heavy, a criticsm of which was expressed at the Gener-Meeting. I cannot too strongly counsel you to look into all details of this kind too minutely, and not allow yourself to be led by the foremen into expenses that could be avoided; my experience of their ways tells me that they will always spend as much as they can.
- 3. Par. 9. You have misread my remarks about the fencing posts from Eayliss, I said nothing about the quantity ordered being large. What I told you plainly enough was that the Board had had no proposal for future fencing placed before them, and asked for information on the subject. Here is an opportunity of working off those Nandubay posts, which have been in stock so long.
- 4. Par. 14. The Exchequer people at Edinburgh are satisfied with the explanation given as to Mackay.

A.E.Baillon, Esq.,

Manager,

Stanley,

- 5. Par.15. I will see Mr. Eichelbaum about the runners on the arrival of the Totmes.
- 6. Par. 16 and 44 14. The accounts of Captain Rees are uniformly satisfactory, and we are much pleased with him. With regard to the management of the Thetis, however, the Board are by no means pleased to hear that you are loading her home so early that Mr.Blake's tallow cannot be shipped by her, and that she can do no more work on the coast. It appears to us strange that having our instructions and remarks on the shipment of wool for the season before you, not forgetting what was said as to the relative cost of running the Thetis and the other vessels, you did not in laying out your plans for the season, provide for at least one full cargo for her from the West in addition to what she brought on the return journey after delivering the stores. It has never been explained to us why there is apparently so much more difficulty in moving her about the Islands than there was with the Orissa, a much less handy vessel in every way. If the Thetis cannot be managed so as to make her pay, she will have to be sold, for we should never entertain the idea of running her backwards and forwards between here and Stanley only; it would be far cheaper to charter.
- 7. 44 2. Your explanation about the Eagle Crag is full and sufficient; I do not think I shall reopen the question with the Owners, but if they do, I shall be able to tell them more than I could before.
- 8. Par.4. Your remarks about Cooper's dip are noted; possibly when Messrs. Blake and Bertrand get copies of letters on the subject they may be content to try the plan suggested for softening the mixture. As regards the delivery, however, I have referred again to your despatch 41-10, and I note that you say that you actually delivered 67 cases out of the old consignment. You must surely be aware that the whole of the stock in our hands previous to receiving the Port Howard lot was paid for long ago, and that therefore you delivered our own dip, and we paid Coopers for it over again. This does not look a very intelligent proceeding on the part of somebody, but the moral of it is that we must on no account accept consignments; they are too great a strain on the intellect of the Storekeepers.

- 9. Par.5. I think that you had better put it to those of our clients who raise an objection to the charge for the Customs officer that it is rather ungracious to do so in the face of our having reduced freights to an almost unremunerative point. It seems reasonable that those for whose account the man is placed on board should share the expense, but it is a case that ought to be governed by precedent. Please let us know how the charge was dealt with in the case of the Concord when she went round the Islands, and also who has paid the charge when a vessel like the Celox has taken cargo for us to Stanley.
- 10. Par.6. The Board think that there would be no objection to letting Sarney have a lease of the Dairy land, as we can never make use of it. The details must be left to you to arrange, but you must understand that he takes the place exactly as it is, and that we go to no expense whatever either as regards buildings or fencing.
- 11. Par.7. Note has been taken of the casualties to shipping; the Owners of the Bankville have accepted the Master's draft upon them.
- 12. Par.9. The owners of the wool left behind will have no cause to regret it I believe.
- 13. Par.11. I do not think that it is actually a matter of pure conjecture how many tons a ship could put out a day; but it appears clear that it would have cost less than landing. I thought that a calculation might have been made somewhat in this way:-cost of landing atso much a ton,£ s. d.,cost of discharging tons at tons per day and reloading, equal to so many days' hulk hire at £- per day,£.s.d.,difference so much.
- 14. Same par. It is a question how far you are to be a slave to your Storekeepers; I think that your taste and judgment ought to be worth something. If you consider that the Irish butter is as good as the foreign stuff, I, personally, should be inclined to back your opinion. I take opinions from the West Store with a large discount. For instance we are told that knives procured from the first cutlers in Sheffield, and probably the world; Joseph Rodgers and Sons, do not compare favourably in price, quality,

or appearance with those supplied by a Birmingham middleman, who is not a manufacturer at all. Our credulity may be great, but it does not run as far as that.

15. Par. 13. The Chairman desires to thank you and the office staff for your kind enquiries. I regret to say that he has been advised by his doctor to retire, and that he has accordingly not sought re-election this year, his place being filled by Mr. Montagu Hughes-Hughes, lately one of the Auditors.

16. Par.15. I will go inot the matter of the clengowan when the mail has left. It is impossible just now, owing to the press caused by the incoming and outgoing mails being so close to one another, and increased by a Board and General Meeting on the same day.

17. 45 - 4. It will be much better to have nothing to do with Nilsson any longer; we hope that you have not allowed him to get into debt, but should his account be on the wrong side you must take steps to recover the balance without delay.

18. Par.5. I am sorry to hear that the telephone wire is so weak; it was purchased from Electrical Engineers of good repute, and believed to be the right thing, perhaps it has not been strained tightly enough, or too much. As regards the battery, I presume that you refer to the one connected with the transmitter for I believe the bell is rung by a magneto-electric current, as in the telephones here, and requires no battery.

19. Par.6. It is quite possible that the Board may send out a lathe, but how do you make out that it would be a good investment? None of our machinery hitherto has proved a good investment, and I believe that if we had a small shop with a couple of anyils, a hammer or two, and a forge driven by hand, and if we gave out that we could not undertake large repairs, but would do what we could in a small way, we should be many pounds in hand at the present time.

20. After much delay and trouble we have at last got a Cooper through our Liverpool friends, who is reported by them to be a most excellent workman and a good character. He is to arrive to-day with his wife and two children, and I hope that you will find him an improvement on the late one. His wages are high, but he has no return passage, and I had much difficulty in getting him

even for this. You should get the house ready for him as soon as you can, and see that in the meantime he is put up comfortably.

- 21. We have chartered the Westbury for a cargo to Stanley, and she will load at once. Unless the indent just brought includes dip for next season, there has been a foolish oversight in saying nothing about it; fluid dips are not taken by the steamers, and I do not care about shipping too much by the Thetis, so hoped that it might have been possible to get the season's supply off now. Some of Lawes's will go certainly, a nd perhaps some from Ness.
- 22. By copy of enclosed letter from the Kosmos Co.you will see that they disavow taking wool at less than the tariff rate from outsiders.
- 23. The General Meeting was hold yesterday at which the Report, which is enclosed, as usual, for your private use, was received and adopted, and a vote of thanks to the staff was passed, which be good enough to communicate to those interested.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures. Duplicates & Despatch No 832 dated 20 May Tomarks on Stock of Stores fist of Conclosures. Tedgel + Sournal Centries To branks, on accounts. Clients Invoues as follows -Vere Oachel 690. 1. Oache Bris 6. 2. 14. _B. Stickney 31. 10. It It older 11. 0. S. J. Letton 20. 14. 8. Sharp South 9. 3. 7. Swond of Enchange \$450. HP. It bobb's account for 6 4. a anson Cheque for \$ 5 in favour of 10m Redmond Jedger + Southal Chitrus Toppemarks on accounts

Int of Garrels in Gearson case

tomplanys 44 report.

Mis, Biggs letter to J.E. bobb 14" May. William Boyan's agreement.
Dopy of letter from the Hormon to 21thay.

- First of Enchange 1450

Menyorandum about remittances Letter for the following anson 10. G. a. (2). Stake R. Dean Brandow. Suckrowth RA Goodheart S. Daillow a.s. Biggs W. Jondon 16t Sune 1896.

The Falkland Islands Company. (INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Supplementary mail via Lisbon. Vo

London, Ec. 4th July,

Sir,

Since writing per Tanis no further despatches have arrived from the Islands, but we have received three cables as follows:on the 19th ult. "Fothered Nederland Huygens Amsterdam", on the 21st ult. "Menes rutina" (321 bales), and on the 1st inst. "Herodot ruckstand" (267 bales.) The Totmes arrived on the 20th ult.

- 2. I have heard from Miss Biggs that after receiving the money forwarded to her she was taken ill, and that the departure of the whole of them was deferred until another opportunity. You must let Biggs know about this, and tell him that we cannot under any circumstances comply with any further requests for money, should they be made, unless remitted by himself through us. You must also write Vorwerks by the first chance, if you have not done so already, that the credit opened for the Biggs family has been cancelled and the money remitted direct. This is, of course, subject to any further arrangements that may be made.
- 3. Ness & Co.ask if we keep a stock of their dip in Stanley. I have replied that I believe so, as we should stock anything likely to be enquired for of that description.
- 4. I enclose copy of a letter from Mr. Murray about Noble's boys, to which I have replied that if he refuses to keep them any longer, and Mrs. Booth agrees to take them, I will transfer to her the payment I have been making to him, but that I decline to take any further responsibility in the matter. I wish that you or Mr. Nichol could induce him to take a little more interest in his family than he appears to do.
 - 5. In your remarks in a late despatch on the telephone you

A.E.Baillon, Esq.,

Manager,

Stanley.

said that one or two cells for the battery had been broken, and that you were indenting for a complete set. These will be sent, but I may point out that in the invoice for these stores two spare cells were charged, which according to your account should just replace the breakages and leave the set complete. I believe that these cells are connected with the transmitters, and have nothing whatever to do with the call bells, however, I am in communication with Paterson & Cooper about them. I send the Telephone book you have asked for.

- 6. With reference to your request for the measurements of Mr. Cameron's bales of sheepskins I regret to say that they cannot be obtained, so you will have to make a reasonable charge for bringing themin and storing them, unless you can get the measurements of similar ones from him. There has been another error in the Totmes shipment, in sending the Keppel and Carcass wool at the 25/.rate, notwithstanding that these lots came in by outsiders, and were therefore chargeable at the full rate. This is so easily understood that there is no excuse for carelessness, however great the hurry. I have given notice to the Kosmos Co.that we shall pay them the difference, and as both lots are consigned to us, it will not be as awkward to set right as if the wool had been going to some outside consignee.
- 7. When next reporting on stores, let us know how the lubricating oil sent out by Fenner answers.
- 8. We are in communication with Mr. Huygens, who is to arrange a credit for the Nederland in London in time to cable out to catch the Tanis.
- 9. Wool catalogues are sent showing prices obtained at the sales on the 1st inst. They are not remarkably good, but the fall seems to have been arrested.

I am, Sir,

your obedient servant,

Managing Director.

Mulowes Duplicates Pupatch No 833 dated 16 June Tolmarks on accounts firt of Cliento Cargo, Tit of Company of Cargo First of Dutiable Goods tit of Carrelo Deconds of Grehange \$450. General Cargo fo "James" Counted General Inoue Bradford's Inorice for anson Burn to Charty harty Ship "Westbury" Whint reports contracts + Throker's copies abydos 41. " 114 " S 110 " Totmes 110 abydos Ithmes WP 41. " H.TB. 156 . abydos Totmes Rry bort 244 " pur espes 1 3 /12. abydos I grew esprey tomperin word report for abydos tomarks on accounts. Itmes bopy of Mourrays letter dates 29" Sune First of Enchange \$450. Clints Invoiced goots per Oache Down to Vere Vache J. J. Feltow 28. 1. 2. Jean anson Letters for the following bichol Bertrand + Waterow. Indon 4 July 1896

61. Gracechurch Street.

Per Luxor.

No 835. London, E.C. 28th July,

Sir,

Since last writing you via Sandy Point on the 4th July, we have received your despatches nos.46 on the 14th inst.47 on the 23rd.and 48 on the 24th. Your letter per Menes posted in Montevideo arrived on the 17th inst.and the despatch should also have been sent there for transmission, as it was delayed six days, and a cheque was presented of which we had had no advice.

- 2. Despatch 46 par. 2. From what you say about the Nederland it appears that the credit on the City Bank will probably be too late to be acted on, but it will not matter, as we hear that Mr. Huygens is good enough.
- 3. Par. 3. The draft on account of the Pass of Balmaha has been accepted.
- 4. Par.4. The documents relating to the loss of wool at Teal Inlet will be dealt with by our Insurance Broker.
 - 5. Par.5. Hassall & Co.are writing direct to Mr. Anson.
- 6. Par.6. You do not mention from whom the rotten tallow staves came, or whether they were old stock that had been lying about for years, in which cases the bad condition is explained.
- 7. Par.7. From the accounts given by you and Capt. Rees there does not seem to be much ground for anxiety about the Thetis's bottom. As regards what you say about her cargo, it appears that the arrangements made for her have not been carried out with the judgment that you were expected to exercise, and we are more or less confirmed in the views expressed in 833-6. We don't want her home before the autumn, and she certainly ought to have brought the tallow for Mr. Dean and Holmested & Blake. Why you got so much produce collected by the schooners that there was

A.E.Baillon, Esq.,

Manager,

Stanley.

- nothing left for her passes our comprehension. Had you sent her round for the Port Stephens tallow, the Weddell wool, and the Hill Cove tallow, would she not have done it more cheaply than any other schooner would? She could then have gone to Goose Green, and would have arrived in London about the time she ought.
- 8. Par. 9. With reference to the remarks on debts in the Store I have to point out that the goods ordered by Turner were supplied on the understanding that Greenshields was responsible to the extent of £200; still these supplies would not have been shipped had we not been under the impression that the orders had been sent with your cognizance, and had the Store account, of which we knew nothing, been transferred to the office ledger, we should have seen that it was undesirable to continue to supply him. Nothing more remains to be done or said with regard to this man, except to get his account reduced whenever you have a chance of doing it, not forgetting that he has used our money to supply himself with luxuries pretty extensively. With regard to Chaplin and Ogilvie, I still say that something substantial ought to have been taken out of the contracts, because the understanding was that the monthly payments should be made out of wages, and when a windfall like the Katherine turned up a much larger sum ought to have been deducted, in fact would have been offered if he had been a man of principle. The Board have discussed this question fully, and have been helped in their decision by your candid remarks on the subject of the terrorism exercised by these men when they think that they have the whip hand of you. Whatever may the temporary inconvenience or loss, you are to let it be understood that you are master and not they; should they, as you express it, show the cloven hoof, and it becomes necessary to put them down sharply, do not hesitate to do it, even at the risk of being obliged to tell shipmasters that owing to misconduct on the part of the Smiths you are obliged to defer taking their work in hand until you can supply yourself with labour either from Montevideo or England. This is putting an extreme case, but it would be better borne than the feeling of servitude to a couple of blackguards that has now become a sort of nightmare to you. If you think it desirable, you may give them six months' no-

- tice whenever you like, and may depend upon our looking out good men to take their places'. In such a case, you will have to proceed against them for their debts, if you cannot make a safe arrangement, so that they cannot dispose of their furniture and god goods which they have bought with our money. I do not think that you are correct in saying that we could not find a suitable man when a third Blacksmith was asked for: I have not had time to look the matter up, but I think that our idea was that it was premature at the time to set upa third one, particularly as he would probably be contaminated and spoiled by the others. With reference to your criticism of the use of the word fallacious as applied to the book profits when bad debts are taken into consideration, if you will look at a good dictionary I think that you will find that it was rightly used. In conclusion on this subject, I am quite aware that the amount of bad debts written off has been very small, but as it has only been usual to treat as such the accounts of persons who have died or left the Colony the amount transferred to Profit and Loss does not represent more than a very small proportion of the bad or doubtful debts. What such are may be judged to some extent by the allowance of 25% made by Messrs. Dean, when we took theirs over.
- 9. Par. 10. The letter from the Shipmasters was inserted in Fairplay, but I have not heard of its being in any other paper. Is it to be understood that Noble's name was attached with your concurrence? If not, he should have signed as a private individual, and not added the name of the Company.
- 10. Par.12. Note has been taken of the views of Dr. Eastment on the Doctor question. I only suggested the possibility of putting his name forward in case he liked the idea; as far as we are concerned it would be better not to join the Government in partnerships of any sort. Now would be a favourable time for agitating again for a second doctor for Stanley.
- 11. Par.16 and 48-8. We shall have to adjust the freights with the Kosmos here, and I fear we shall have to pay for the privilege of carrying other people's wool to some extent. Note has been taken of your remarks on this subject. We have had to alter the rates in some cases in consequence of mistakes made by you in classifying the shipments. in some cases. How you can pass

the remark made by Nilsson instead of answering him at once yourself is only explained by the suspicion that you have not even yet taken in the terms of the arrangement with the Kosmos CQ. The answer simply is that we made no arrangement with them for any reduction on wool brought in by outsiders, which therefor pays the same freight as before. This is quite clearly laid down in the correspondence of which you have copies, and will be found in my letter of the 4th September, 1895. In the face of this you have entered at 25/.wool brought in by the AllenGardiner and Hadassah, and now put this absurd question of Nilsson's, although when you shipped the wool per Memphis you put it at the correct rate of freight.

- 12. Par.17. The accounts of the Glengowan were sent to the owners, who after keeping me waiting a long time have just returned them, asking me to settle them with the Salvage Association. I have therefore nothing to report by this mail.
- 13. Desp. 47-1. Your remarks on the subject of cargo are noted, and I have only to remark that it is a pity that you have had to deprive the Thetis of freight, which would have been very useful to her. It is not clear why you were obliged to give this wool to the Kosmos, but perhaps you were under a promise for a certain quantity. In that case, how could you have looked forward to giving it to the Thetis at any time?
- 14. Par. 3. Mr. Mowat did not say anything about the Governor having kept his word to him, but when did he to anybody? I am letting Mr. Mowat have what cash he wants.
- 15. Captain Lübke called specially to report on the coals, and I regret to say that his Chief Emgineer pronounces them absolutely useless for steaming purposes, not worth 1/.a ton. I think that furnaces have to be specially constructed to burn anthracite.
 - 16. 48-4. The order for jewellry will now be executed.
- 17. Par.6. Again I remark with reference to this paragraph about the delay of the Thetis, why could she not have gone round and swept the remainder of cargo up herself?
- 18. Par.7. I will make enquiries about the materials for casting, and endeavour to get a book on the subject.

- 19. I have to report the sailing of the Westbury on the 18th inst. I regret to say that the wood turned out to be too much to go below deck, and that a portion was shipped on deck. I had arranged that nothing but deals and planks that would not suffer from exposure should be shipped in this way, but owing to the stupidity of people who ought to have known better they actually put some bundles of match lining with it, and I am afraid that unlesz you can get it promptly dried it will not be worth much. A further quantity was shut out, and I am trying to send it by this steamer. Wood is a most difficult thing to arrange for, as long lengths cannot be taken long after there is plenty of room for packages; however, I do not think that the stevedores have done their best for us, and I shall employ different people next time.
- 20. I have lost the run of the chronometers, and shall be glad if you can give information. There was always a spare one in my time that was kept for use when a schooner went to Montevideo, it was by Eirch of London, and was originally bought for the Black Hawk. When we bought the Great Britain her chronometer came into our possession, and I think that both of these were kept wound by Rowell the watchmaker for an annual payment. The one taken by the Thetis was, I think, the Orissa's, and Captain Patmore afterwards had the Great Britain's, but if so, where is the Birch? By one of your remarks on accounts you appear to have bought one from Rowlands, on the ground that there was no spare one for the schooners' use. I can only say that there certainly was one, as mentioned, and the question is whether it was returned by Rowell before he left the Colony.
- 21. I have said several times that cheques from Stanley give us at all times a good deal of trouble, and must now lay down the rule that none must be drawn for less than £2, as these small sums are the worst of all. Such cheques at those for a few shillings for some Chicago packing Co.are an absurdity; even if they do ask you to collect their debts from Williams, you are not by any means bound to do it, and to thus facilitate other people's little dealings. Any sum for less than £2, which is the minimum for which we draw a cheque here should be remitted by post of-

fice order, deducting the commission. Some of the Board are of opinion that we should not undertake this remittance business for nothing, except in the case of important clients who keep a balance in hand, but that we should charge a small commission, say something less than the Postoffice rate. Please state your views on this subject.

22. In further reference to the frei ght question, it seems to me that from the numbers already received we must abandon as hopeless the attempt to continue on the same lines for wool next year. We shall have to pay a difference to the Kosmos Co.ourselves, and our schooners will have made but small profits, unless things turn out differently to what I expect. We have done our best for our clients at considerable expense to ourselves, but we cannot go on losing money. Had any of the clients helped us by shipping a full load by the Thetis, the business might have turned out differently. I shall propose to the next Board that we put before shippers by an early mail the option of shipping by steam or sail, steam at 40/. & 5%, sail at 30/. & 5%; I do not see that anyone can do better for our friends, if they can, let them. When we know how many bales approximately are arranged for, we will charter accordingly, and endeavour to meet the wishes of all as regards time as far as we can. I may here mention a rumour that has reached us that Mr. Curtze of Sandy Point is going to make a bid for the West Falkland wool carrying by means of a steamer, which he intends to work in conjunction with the Kosmos, who are supposed to be cutting under us, and are prepared to carry from Sandy Point at a still lower rate than they allow us. This may be only an idle story, and I would not say much about it, but keep your eyes and ears open, and try to find out what foundation the report has.

23. I enclose copy of a letter from the Shaw Savill Co.who have consented to let one of their steamers call towards the end of the year with rams and sundries from New Zealand, on condition that we give them the Goose Green sheepskins. I do not know how the resrictive and obstructive tactics of the Governor will affect this project, but I will give you plenty of notice by cable or otherwise of the probable date of arrival, and I think that you should have the skins ready in one or two schooners about

the time, so that they can be loaded without delay. I do not think that the proposal to anchor lighters in Port William is a practicable one.

I am, Sir,

your obedient servant,

Managing Director.

Lesi- of In closures per Ludoi - 28th July 1896

Duplicates. Despatch No 834 League + found Inties Report, Valuation Sale. Le 85 Bales lovol be Cibydos · Solmes W.Fell 40 " H.B 156 Ray Coul 243 34 5 110 TR Elelilo Inoquer - Dlan + anson & James 21.15.8 , 7.17.0 8. milh It Fullow - 15.4 28.1.2 Packe Brothe , 394.15.5 Vere Packer 11. 9.10 Charle Party & Westbury 2 de Change - Clown agus for £450 afsale Brokers Copy of Bales book b. hel this 11-B 156 5-5 1114 In Surphis 121 \mathcal{B} "Totales TR 105 JR 10

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Remarks on Stores

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List of Enclosures per Lurois

General Invoice Company's foods

Sufficer Proofees

List of Clients Invoices Sufficer

List of Clients Cargo

Remarks on Stores + additional Remarks

Of Rading for 23 Kep +18 Bays hails

List of datiable foods

London 28th July, 1896.

Per Sufflem Intary hail 61. Grucechurch Street.
No. 836 Pia Kiston London, E.C. 15 Gugust 1896

Since whiting you per Euroi no further despatches have arrived from the Islands but we received a Cablepan the Islands but we received a Cablepan from you on the 12th host. It desal had had Brown fankinson Condon hedo Riusato' (104 Bales!) her Brown flustion of the Bales! here for distrust the Captain's Drafts on them for distrust had of the hasta and we shall cave you to that Effect as follows, Desinata Brown for kinson.

2. - We hotier in Humphreys lass account that you have been getting Copper love and porous polo from them . - Why is this when we are Sending them our also?

3. The Lawes' Chemical manue Co. D. wish you to advance to Mr. In owat, in the Sound of his applying for Same, the amount requisite for the passage of himself and family to England, debiting them with Same.

4. lor are Sending Copies of further Correspondence on hobles family affairs

a. l. Baillon Est., In an agen, Stanley. and you must settle things in such a manner that we may have no further trouble over them.

5 lose have again written the foresum sur on the Steam Shearing apparatus question but they shelve is in the usual manner.

6. lose have placed the Glengowain account in the hands of these they have faced in fetting any have hor succeeded in fetting any settlement or instructions but hope by here thair we shall be able to write definitely on the matter.

for THE FALKLAND ISLANDS CO.

Walter & Gles. For Managing Director. Duplicates Duplatch No 835, dated 28 July Somarhs on Stones (replies to) Suly Sofy of letter from Shaw Savil 25 July list of Chints Invoices for "Juson" Semants on Stones for Juson" List of Dutiable Goods for Juson"

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Company o rowerted General Invoice & Westbury Woodlaghan's account for Bertrand fr. o. d. Jedger + Journal Entries

Tokmarks on accounts

Joseph of Enchange 1400.

School of Wards + Wilding's letter dated 5 alegast borth duplicate scripts attached Jetters for the following:

Jetters for the following:

W. W. Bertrands

fondon 15th August 1896.

TAL CHARLER 1831.

61. Gracechurch Street.

Per Osiris.

Nº 837.

London Ec. 7th September, 1896.

Sir,

Confirming our last despatch dated the 15th ult., I have now to acknowledge the receipt of your no.49, which arrived on the 24th ult., and nos.50 (in duplicate) and 51, which came to hand this morning.

- 2. 49 2. The owners of the Nederland have accepted the draft for her disbursements.
- 5. Par. 5. The Board are glad to see an increase in the Store sales for the first half year.
- 4. Par.5. We have not yet been able to learn anything about the insurance of sealskins, but will endeavour to do so. It is not clear, however, from Mrs. Hansen's remarks what the insurance should cover; is it from the time the skin is safely on board the cutter's dinghy, or from the time the shot is fired? It may be difficult to define this properly.
- 5. Notwithstanding that the small question of a coil of wire has been settled, and that this was the last one, you are still keeping us out of the full return of claims that we have asked for so long.
- 6. Par.7. I will write Coopers about the dip, and find out the most they will allow. We are rather amused at the complacent way in which you propose to give up our commission on what has been an unusually troublesome business entailing a lot of correspondence, and do not see why we should forego it because our clients decline to receive old stock from the makers. The amount that we shall get from them will probably be much more that this, but it will not come out of our pockets.
- 7. Par.11. The remarks and explanations on Store accounts will receive due attention.

A.E.Baillon, Esq.,

Manager,

Stanley.

nose Head, and from what he tells me I judge that there would always be a serious risk in allowing any vessel, however good the moorings may be, to lie there at night, or in doubtful weather. I shall therefore not send the moorings asked for, and as the loss of the Fortuna would be an irreparable misfortune you must not under any circumstances allow her to go there, but collect the wool by means of the Fair Rosamond, instructing the Captain that he is to go to a safe anchorage every night, half a mile off, as I understand from Rowlands. This may cause a little delay, but it must be insisted on; an exceptional place demands exceptional precautions, and we cannot risk the loss of any vessel. I do not know that it may not be needful some time or other to make a slight additional charge for Dunnose Head, if the delays are very serious; I hope not, but should it be necessary Mr. Duckworth will only have himself to thank for selecting a place for his station with noregard for a safe anchorage.

- 9. Par. 13. The payment to the Roman Catholic Clergyman is approved by the Board.
- 10. Par.16. It is satisfactory to learn that the Thetis is bringing Mr.Blake's tallow after all, and that she has a full cargo. With regard to hermovements on the coast, we still do not understand why she has been unable to do equally as good work as the Orissa, which could not compare with her for handiness, and yet managed to do one or more coasting trips between her arrival and departure.
- 11. Par.17. I take it from your explanation that the dip delivered to Messrs. Blake and Bertrand was supplied out of Messrs.
 Cooper's stock, as intended, and I thought you would have known
 that any orders referred back from here were to come from that,
 according to arrangement with Coopers. As you say, no harm has
 been done, as we have not paid for the same twice over. The old
 stock taken over and paid for of course bedongs to the Store.
- 12. Parl8. I wrote last mail to Mr.Goodhart that the charge for the Customs officer was quite in order, but that I doubted if he had really paid his full share. On making enquiries here I found that this charge was sometimes paid by the consignees,

- sometimes by the ship, but in the latter case it was always considered in fixing the rate of freight. As we had actually reduced the freight there was all the more reason for the separate consignees bearing each their own proportion.
 - 13. Par.25. The Board are much concerned to hear of Mr.Nichol's state of health, to which however he makes no allusion officially, and we are glad to hear by a later private letter that he
 is somewhat better.
 - 14. Despatch 51 par.6. We shall deal with the freight per Thetis when she arrives. I am afraid that if Captain Rees declines the coasting we shall have to look for another master. How, otherwise, are we to get the cargo landed round the coast? At the present freights transshipment to schooners would be a positive loss.
 - ther advance to Mr.J.Robson, and feel obliged to decline it. It seems that you have overadvanced already, for against the £243 owing by him, we have only a bare £100 in produce, and nothing to look for in addition. We do not look on the prospects of this small farm as being at all bright, or expect that it will be cleared in five years, and the produce must at the best be so inconsiderable that it is not worth while risking anything over it. You assume correctly that it would not be consistent on our part to bolster up any of the small farmers, as to whose probable success we have always expressed our doubts. If Robson fails to carry on at so early a stage of his enterprise the end will have come sooner that we expected; but it will be a useful object lesson to the Government. You must do all you can to protect our advances, without throwing away good money after bad.
 - 16. Par.11. I do not know why you discontinued the practice of giving cheques on the London & River Plate Bank. It was a convenient way of dealing with remittances that had to be made to Montevideo, and the Bank have for a long time had a standing order to take our drafts on London against cheques on them. As the majority of these cheques are given for the convenience of small Storekeepers, we ought not to do the business for nothing, and on lowing at the rates of exchange in Montevideo, which seem

- to fluctuate mainly between $51\frac{1}{2}$ and 52d, I think that you would generally make a profit if you charged a commission of 2%, which would be under the Postoffice rate, or if you established an exchange of something like 521d; but I should like you to work this out yourself, and decide what is best to be done. The practice of being obliging to opponents may be carried much too far, and even to the general public, who are not opponents, if we lose by the consideration shown them; this occurs to me through noticing a draft for £600 at 90 days just received on account of Frazer, and on the same statement a request to pay on his account £472.10/. cash; if the one is drawn against the other, without any exchange having been charged, it will be obvious to you that it is a loss to us. When you take a bill in an exchange transaction, and not for an account on which we have made a profit, you should certainly take account of the bill stamp, 1/.%, and charge a suitable rate of exchange.
- 17. I enclose copy of a letter lately received from the Kosmos Co.complaining strogly of the arrangements made for wool this season. It arrived during my absence from the office, and I have not replied to it yet, but I think that I shall find that you, on your part, have also expressed dissatisfaction with the insufficient tonnage furnished on several occasions. At all events look into the matter, and report as to the truth or otherwise of Mr. Pepper's complaints.
- Mr.Mowat, but have postponed a decision until next meeting. Most of the Directors are averse to doing anything but sell sheep out and out for a price, but are not satisfied with the offer of 4/6d made by Spearing & Waldron. We assume that most of the farmers would prefer to consign their mutton to us, rather than send it direct to salesmen, whom they would have to trust entirely for their money, without anyone on this side to look after them. They would certainly save the commission of 2%, which is the recognized merchant's charge, but on the other hand security for their money is probably worth this. I do not know whether Mr.Mowat fully took in this side of the question.
- 19. If the Kosmos Co.will not meet us further in the matter of wool freights, we are going to see what can be done with any

of the other lines running to the Plate or round the Horn. Mr. Mowat writes me that we ought to be able to get cheap rates from the Plate, as steamers there take wool at very low freights after the wool season. I am afraid that in this case, as in others, he is rather too sanguine.

20. As I have only just returned to the office, I cannot go fully into all the papers received by these two mails, and it may happen that things will turn up after this boat has gome that I should have attended to, both in the case of this despatch and in the letter to Mr. Nichol. If so the omission will be remedied next mail.

I am, Sir,

your obedient servant,

Managing Director.

The food.

21. We have taken legal advice as to the Glengowan, and the result has been that you have been authorized to sell the property, and pay ourselves out of the proceeds. I believe that you got this authority before; if you feel sure that the property, allowing that the coals are valueless, is worth more and would fetch more that our claim, then sell; but if you have your doubts you had better wait, and let us thrash out the question as to who is responsible, in the event of the property selling for less than we want. A copy of a letter from Sterling's Solicitor is enclosed.

Su.

Enclosures. Suplication of letter dated 15th ang flit of Emelowers Goods for "Westbury"

Jedger + Journal Centries

The on accounts. Holmested Blake Tere Oache Do 16. Hichol 239. 2. **4**. 8. 6 South 10. 2. Darwin fibrary 7. 1. Butrando Felton Holmested Blake 162.8.11 6 S. ao amon 122. 5. Dean - anson 35 12. J. J. Felton - 17. (- · 14. - Systrand - Telton Dean - anson -: 18.11 Mors Bonner 139. 19. 1++G 6066 167. 16. 17. 11 J. J. Selton . Tere Vache Sund of Enchange \$450. 26. 13. 1. Copy of letter from the Common to dated 15" Aug.

Of tale Sharp of South's Speep string per abydos

Sopy of letter from the Colonias office Stanley

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It may Clark's receipt for \$12.10.0 to be repaid

in Stanley. Jedger + Sournab Centries Homarks on acounts. First of Brehange \$450.

To by of letter received from Mailay through Ince

Colonials annual Mated 31 aug (3).

Themarks on Stores, 1 etters for the following :- To Tolake (2) R. E. Michol (2) Dean Brandon J. J. Mowat. (71. 96. St. Buckworth Vide Oache

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Supplementary mail via Lisbon.

London.E.C. 25th September, 1896.

Sir,

My last despatch dated the 7th inst.no.837 went per Osiris, and no mail has since come to hand.

- 2. Your cablegr am, "Tanis riottare (25 bales) nichols arrive portland inform family" came to hand on the 25rd inst., and I fear denotes that Mr.Nichol's state of health has become worse, which it is needless to say the Board will much regret. The information was at once sent to Mrs.Nichol, Mrs.Bertrand, and Dr.Nichol. Of course it will be necessary for you to do all in your power to see that proper arrangements are made for carrying out the Camp work in the coming season; more it is impossible to say we cannot just now, as it is impossible to tell upon the information we have whether Mr.Nichol will be able to return to the Islands, should it be desired; but if not steps will have to be taken immediately to fill his place, as the three sections cannot possibly be worked to advantage without a head.
- obtained by boiling down for tallow to try the experiment of freezing on our own account, and negotiations have been opened with Speaking & Waldron for the charter of a refrigerated sailing vessel to go to Goose Green, where she will ship mutton at a freight of lad. per lb. for London. We cannot, however, close until we hear the number of sheep that we can safely supply of a suitable quality, and in deciding this question it must be borne in mind that we only wish to freeze such as we should inevitably have to boil down. In Mr. Nichol's absence it may be difficult to get an authoritative statement, but you must do your best, and it will be well to ask Mr. Mowat's kind offices in the matter, as the

A.E.Baillon, Esq.,

Manager,

Stanley.

decision has been mainly the outcome of his visit here. The ship I hear will carry some 15000 carcasses, and it will be a question whether this number can be got in the East, and also whether they will all be taken from Goose Green, or whether she will go to San Carlos also. We do not wish to interfere with Mr. Cameron's place in any way, and should be content to freeze our own sheep alone, but should the state of tension between him and Spearings prevent any killing at San Carlos, we should be willing to deal with as many at Goose Green as we are able. When you have ascertained what we can do, send the number of sheep to be expected from our own places by cable, prefixing the word Sontuoso, and shouldit, af > ter consultation with Mr. Mowat and the farmers concerned, be deemed possible and desirable to kill for others add as a third word the number of foreigners available. In making this estimate I think you might take account both of Lively and Speedwell, if it is a fact that the latter islands has now a clean bill of health, and that no danger of infection is to be anticipated. We do not propose to supply on either of the schemes sent out by Spearing & Waldron, but strictly on our own account, and as we should, of course, ship only such sheep as are likely to be saleable, we should not agree to the commission of £12.10/.per 1000to an outsider for selecting them. In connexion with this I sent ye you on the 22nd inst. the following cable, "Deckmantal Freeze Abonado", meaning, "we have decided(to)freeze on our account, "which I hope went down by the vessel sailing that day for the Islands.

- 4. Messrs.Walter H.Hindley & Co.would like to send out a selection of their goods in the shape of a few bolts of canvas of different classes and qualities, such as repairing, Coker, tarpaulin, &c. They say, with some apparent reason, that they usually ship only one class, but that there must be a demand for these different qualities from time to time. It would only cost a few pounds, and if you approve it shall be done.
- 5. I forward a copy of a letter from the Board of Trade on the subject of Mr. John Dean's complaint that the Shipping Master declines to ship men to work afloat and ashore, and I believe that he is forwarding you the original. I think that it would be well if you could, in temperately discussing the question, bring

that official to see the error of his ways, if, as I assume, there is nothing in the Colonial Act, any more than in the Imperial one prohibiting the ratifying of such an agreement between owners and their men. You might ask him to quote the section upon which he bases his refusal, pointing out that as Shipping Master he cannot make laws for himself, and show him that in the case of outlying islands worked by local vessels such an agreement is eminently necessary, and that the stipulation which he proposes to enforce for extra pay while on shore would only be reasonable if the men found themselves in food as other shore men do. In the event of his remaining obdurate, the only course I can think of is to hold him or his office pecumiarily responsible for any loss occasioned by his illegal action, appeal to the Governor, and in the probable event of his supporting his official sending a memorial to Mr. Chamberlain on behalf of Mr. Dean as his agent. It would be better to do that than to ask either Mr. Dean or us to make representations here, because that would entail a waste of time in referring the question to the Governor. We could, however, support the memorial if necessary.

- 6. Calvert & Co.have asked us what report we have on their dip, but I regret to see that Mr.Nichol has not used it as the greater part caould not be found in Stanley. This should not be, it is not the first time that things have been mislaid or lost, and it ought to have been known that the dip was specially sent for trial, as it was mentioned in more than one of the letters to Mr.Nichol, if I am not mistaken.
- 7. I notice that we have not received this year the few bales of wool from the stragglers shorn at dipping time at Darwin and North Arm, and until I know that we actually have the last wool in I cannot make up the season's accounts. The last wool was shipped on the 6th April, whereas in former years it has been customary to receive from 12 to 20 bales much later. Please enquire into this, and find out whether any has been kept back, and if so for what reason. Although you were acting strictly according to instructions in cabling 23 bales of wool, it is practically of no advantage to us to get advice of so small a quantity, and you need not waste a telegram in future on any less than 100 bales.

- 8. I enclose copy of a letter to the Colonial Office asking that instructions may be given which will prevent delay in despatching the Shaw Savill boat when she arrives. I have no information about the date of her sailing from New Zealand, but when I saw Mr. Potter, the Manager, a few days ago he told me that she would probably be in Stanley in November, and that she would most likely be the Mamari. I am sorry that Mr. Boyle, who is shipping the rams recommended by Mr. Mowat, and the sundry Colonial produce which I ordered, has not given me the list of what he is sending, as he promised. We arranged in conversation, and I made no note at the time, as he was to send me a copy. It will be mainly potatoes, hay, oats, &c., and very likely Mr. Mowat will be able to tell you about it, as he brought Mr. Boyle here. You will make arrangements for shipping the skins, and receiving the sundries as may be most advisable. I think that the former should be ready in a schooner or schooners, which will bring the other stuff ashore, for I do not think that the Mamari, which is 360 ft. long, will be allowed to come inside the harbour, or go alongside the Great Britain.
- 9. I send priced catalogues of the woolsales on the 24th inst., and regret to say that the market is still anything but bright. Some lots were bought in, as the offers were unreasonably low.

I am, Sir,

your obedient servant,

Managing Director.

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The Falkland Islands Company.

61. Gracechurch Street.

Per Ramses.

No 839.

London Ec 20th October, 1896

Sir,

My last despatch of 25th ult., no.838 went via Sandy Point, and I have now to acknowledge the receipt of your despatches 52 and 53, which arrived on the 5th and 16th inst. respectively. The Tanis has not arrived yet with the general mail.

- 2. 52 2. A commission of 5% on the Solveig's business would not have been too much, seeing that you took a bill on Norway.
- 3. Par.4. Our wool brokers deal with us, not with our clients, and we see no reason for putting them in personal communication. We shall, therefore, not ask them to post priced catalogues direct, but shall get 15 copies each sales, and send them to you to be forwarded to your customers.
- 4. Par.5. Messrs.Cooper will allow Mr.Bertrand 2/6d.per case on the dip he has taken, in consideration of its being hard; this is in lieu of the proposed sacrifice of our commission, and is to Mr.Bertrand's advantage. As Mr.Blake asks for a greater concession than they are disposed to allow, they will replace it with new dip to be sent per Thetis, and wish the hard stuff to be returned to England at their expense by the first vessel that will carry it at 50/.per ton. This applies also to any other caked powder that may be in our possession, for which they will give us fresh in exchange. I have undertaken not to charge them local freight in consideration of their undertaking.
 - 5. Par. 6. The box has been sent to Mrs. Herford.
- 6. Par.7. From the date of Mr.Anson's letter to me, it appears that here was not time for Hassall & Co's communication which him they told me they were sending to reach them. I have, therefore, not written them again on the subject yet.

A.E.Baillon, Esq.,

Manager,

Stanley.

- 7. Par. 8. Mr. Mowat's letter to the Marlborough Express was certainly injudicious, as he must have forgotten how small the world is; there can be no doubt, however, that there is a certain spice of truth in it, mixed up with some exaggeration, and there is a certain advantage sometimes in seeing ourselves as others see us. No one can doubt that there are abuses in the Falkland Islands ways that urgently need reforming.
- 8. Par. 9 and 53-8. The delay in the erection of the telephone to the lighthouse, the materials for which went out more than two years has more than once been the subject of adverse criticism by the Board, who think that more diligence might have been displayed, and they are not surprised to hear that the Government have been worrying. Have you, when difficulties were encountered consulted with the Government, who are, after all, our partners in this business? Have you taken an opinion as to whether the trouble caused by erecting the posts in the sand can be got over by putting up the extra posts you propose? Would not stays of some kind be more likely to prevent the working, or again, would it be absolutely impossible by changing the course a little, or digging deeper holes, to get a solid foundation for the posts? It is assumed that you are on speaking terms with some of the Government people, and we hope that all these points have been fully discussed. When once the line is up, and the posts properly secured, there seems to be no more reason for the wire breaking that with that of the Store telephone, which I put up in 1880, and of which no portion had given way up to 1891, whatever may have been the case since. Speaking of this reminds me to ask you if it is a fact that this telephone, which in my time seemed almost indispensable, has fallen into disuse? The posts and other extras you ask for will be sent.
- 8. Par.10. The Board have again discussed the question of the Wasp, but have not come to any conclusion, mainly because we can find no answer to the question put last year as to the soundness of her fastenings. They are not alluded to in the reports made by Biggs, and considering that she is a composite vessel, and that the frame fastenings are over 12 years old, and may have been subjected to oxidation and galvanic action, they are as likely as not to be more or less eaten up, and if the restoration of the

boat as a steam launch is sanctioned, we are as likely as not to hear, after a lot of money has been spent, that the bottom is in imminent danger of falling out. Assuming, however, that the hull is sound, we are confronted with the cost of a boiler, and further expenses, which were formerly put at \$390, but have now been reduced to \$250, although it is not quite clear that these sums are for the same work, and that the latter sum is not for the damages sustained in the gale. Knowing how estimates are invariably exceeded, we should be very sanguine to think that the vessel could be turned out for less than \$1000, and then what is she to be? A tub that will steam 7 knots. The whole course of events in connexion with these launches has been most unsatisfactory. It was reported of the Sissie that new engines were urgently required as well as a boiler; these were bought at great expense, and then we found that owing to incorrect dimensions having been sent home, the engines would not go into her. Then it was discovered that, after all, the engines with a little repair were fit to go on for some time longer, and as a matter of fact, are going still. The only excuse for putting the misfit into the Wasp is that otherwise the engines cannot be used, but the question is whether it will not be better to face a first loss than go on spending more money. For, after all, what do we want with two launches? We had none at all until 1884, and it has only through the accident of the amalgamation of two firms, each possing a launch, that we have them in duplicate. The Wasp cost over \$5000, and the money since absorbed by her has been enormous; the Sissie cost less than 2500, and has always been the most satisfactory of the two. An opinion has been expressed that when she is absolutely played out, another might be found here and sent out, and that this course would be better than trying to convert the Wasp from a failure into a success, an attempt that is certain to end in fresh disaster.

9. Par.11. The Board have considered the proposal to convert a portion of Marmont Row into dwelling houses, and are disposed be to sanction it. They wish you, however, to ascertain that the estimate is a fair one, and would like to have the work done by contract, provided that you are satisfied that the foreman can be relied upon to insist on its being properly done. I think that

there can be no reasonable doubt about this.

- 10. Par.12. The Board much regret to hear that Dr. Lastment has determined to leave at the end of the third year of his engagement, though they can understand his desire not to fall too far behind for want of general practive. With regard to Mr. Nichol I have to express the great regret the Board feel at the news of his serious illness; we consider that there was no alternative but to send him home, and we hope that with treatment here he may be restored to health. Meanwhile his absence will entail care on your part to see that proper arrangements are made for carrying out the season's work, about which we trust you will not meet with much difficulty.
- 11. Par.13. I think that the despatch per Menes was received with F.I. stamps on, and therefore cannot have been posted in Montevideo. It certainly came in the same day as the Kosmos mail.
- 12. Par.15. Unless I am mistaken you did not send us a copy of your letter to Lloyd's on the Pilotage service. When any interesting correspondence of this kind takes place, we should like to have copies.
- 13. Par.19. The chrometer was placed in Rowell's hands as a watchmaker, and therefore an expert in the mamagement and winding of such instruments. As Natt does not fulfil these conditions, I suggest to you that you should again take charge of the chronometers, as I used for along time to do, and you will then be less likely to forget that we own them. If you can sell the one you bought without loss you had better do so. This reminds me to ask what has become of the chronometer that belonged to Captain Doughty. His wife's representative has asked us for the one sent home by Eowlands, but Sterling & Co.have given us the name of the maker and the number of the one belonging to the ship, which this one turns out to be, and we shall keep it until the ship's account is settled.
- 14. Par.19. The Board is of opinion that we should make a charge as commission for the issue of drafts and cheques not on account of our men or our clients, distinguishing, in fact, those who make a convenience of us in business, as they find it cheaper than buying post-office orders. It is considered that it should certainly not be less than 1%, but that anything less than the

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post-office rate would be reasonable. You had better, therefore, frame a scale of charges. As regards the Bank of Tarapaca, we do not see our way to making arrangements that might not, through a sudden fluctuation in exchange, of which you could know nothing, result in loss to ourselves.

15. Par. 20. We have renewed the arrangement with the Kosmos Co.for next season, with the important difference that the 40% limit is to be abolished, and the Board, who discussed the question yesterday, are of opinion that it would be hopeless to expect to get better terms elsewhere. A copy of Browne Geveke & Co.'s letter is enclosed, to which I replied that we accepted their terms, excluding the Shaw Savill shipment, even if it happened to be later than 31st December, and with the further proviso that we must have a cargo for the Thetis. This has not been answered, but there is no doubt that it will be accepted. While on this subject, I must once more try to get you to understand the arrangement, which from the numerous mistakes made this season, has evidently not yet been properly grasped, simple as it is. First with regard to your question whether the agreement applied to wool consigned to others than the Company; all arrangements for the carriage of wool from first to last have been with regard to wool shipped by the Company, regardless of consignment, and it is difficult to understand how you can have questioned it. The near ports, for which we agree to the 50/.rate are our own, and those laid down in my letter of 19th July, 1895. To these were subsequently added the wool brought in by outside schooners mentioned in my letter of the 4th September. The numbers of these two classes for 1892 and 1894 were detailed in the latter, and repeated in the Kosmos letter of 9th September, accepting the arrangement. At the foot of this letter my figures were set out, showing that in those two years the near and outsiders were 60% and the distant 40% of the whole, and upon these figures the agreement was based. The whole of the correspondence was copied out for you, and how you can have gone so utterly wrong, if you read the whole attentively, as you have in 53-12 is an enigma, which I cannot pretend to explain. It may have occurred to you that in establishing a differential rate against outsiders our object was to get as much work as possible for our own fleet; if

it did not, then this revelation may tend to clear up some of the obscurity of which you complain. Thus with Nilsson; you ask how you could deal with him, asmed as he was with a copy of Mr. Harding's circular of 8th November. The answer is easy. We were prepared to bring his wool from New Island to London at 35/. & 5%, and would have sent for it; but as he chose to bring it in himself, the port from which we took it was Stanley, ignoring any previous carriage for which we had not contracted. Anclosed you will find a statement of all wool up to the present time, exclusive of that by the Tanis, the copies of other consignees' Bills of Lading not having been sent, as they ought to have been: in this account note has been made of all the cases in which you have gone wrong. There is only one possible case relating to outsiders in which a concession might reasonably be made, that of a schooner arriving a day or so before the steamer, and not putting her cargo through the Great Britain; when this occurs, as we have only a certain amount of labout to expend, and no storage or steam has been used, then it would be fair to reduce the charge to32/. 2 5%. If this was the case with Nilsson, there is room for a concession. In future you must let us know of all these cases. With these explanations, and a reperusal of last year's correspondence, I am sure that all will be clear to you.

- 16. Par.23. Biggs's money was cabled to the States; we are always pleased to do anything to oblige an old servant like him.
- 17. Par.6. It is satisfactory to hear of the supersession of Henrichsen, which has been so delicately carried out. Ennenga is a better man for the post, and should Hans, after six or nine months, rest again feel equal to the burden of command, it does not follow that you should be in too much haste to oblige him.
- 18. I hear that the bull arrived safely in Stanley; this you ought to have reported, as well as his subsequent landing at Hill Cove, if it had taken place before you last wrote. We ought to be in a position to give the Insurance Co.as early information as possible.
- 19. I must again point out to you that copies of Bills of Lading for cargo by the Thetis ought to be sent without fail by the mail following her departure. I think that there has been a mess about these sailing Bills of Lading three times. On one occasion I remember you sent them unsigned.

- 20. There is an order for a tram truck and rails for one of the jetties as to which we require information. In the first place, it should have been stated whether the points are to be right or left hand, and a description of the rails should have been given. But the chief question is whether they are necessary or not. There is a tram truck on the beach, or was when I left, that could not be used for Goose Green, for which It was intended as a refuse carrier, and, with some adaptation, this might be used to replace any truck that has worn out. Again, when we took over the Meat Company's plant at Goose Green, there were a number of trucks, all of which cannot possibly be wanted, and one of these might be converted for use in Stanley if necessary. When you wish for any improvement of this sort, it should be submitted for the approval of the Directors, not put down as an ordinary Store order. A drawing of various kinds of tram rails is enclosed.
- 21. W.& A.Gilbey are once more anxious to get us to take up their agency at Stanley, notwithstanding that I have told them that the field is absurdly small, and well filled up. I have agreed to send you some price lists, but declined to ship samples until I hear from you that you can do anything with them.
- 22. We have recovered from the Protection Society in which the Thetis is enrolled £41.12.11, towards the losses on the voyage last year, but we are asked that in future you will send proper vouchers, for I was only able to put before them the statement of amounts credited to our clients'accounts, which you had not even signed.
- 23. Mr.Dean sends a mortgage, which he will be obliged by your having registered, and returned to him.
- 24. The Thetis arrived on the 11th inst., and has turned out her cargo in fair order. There has been some heat among the sheepskins, and damage by sweat, and better ventilation will be provided. The cargo was discharged under survey, and it is reported to us that the loose skins having been stowed on the top of the casks the latter became heated in consequence, and that it thin would have been better if a few loose staves had been placed under the bales, so as to cause a little ventilation. There was no Bill of Lading for the bones, which should also have been on the Manifest.

25. The Thetis will load after she has been in dry dock, and take a cargo round the Islands as usual, under the command of Captain Rees, who has done very well for us. From the explanations given by you as well as by himself, we gather that the reason why she did not make an intermediate trip round the coast was that you had already arranged to get the distant wool in by other vessels. This time, however, with plenty of time before you, we hope that you will be able to get a cargo for her to bring it into Stanley after she has done the round, say from Weddell, Port Stephens, Roy Cove, or any of the distant ports. By asking beforehand you will surely find someone or more who can promise her freight into Stanley for the steamers. After that I hope that we shall get her home with wool, for Mr. Greenshields has agreed to give his, and I have no doubt that Mr. Cameron will do the same. Perhaps with Petaluga's, or some other wool, we can get a full cargo with which she can sail, say about June. The freight will be 30/. & 5%, with which Mr. Greenshields expresses himself satisfied.

26. I forward for your consideration some correspondence with the Kosmos Co.regarding complaints about a short supply of wool, as to which I shall be glad to hear from you. You will observe what Mr.Schlottfeldt says on the subject, and I am greatly in hopes that you will be able to contradict him point blank. I also wish to to do what you can in the matter of this most unsatisfactory mail service. There can be no reason for increasing the number of mails, especially if it leads to a more irregular delivery of letters from the West, and I think you ought to get sufficient support to warrant your petitioning for a return to the old order of things, which was much more regular and satisfactory. The increased vote was for the purpose of getting a bet ter line to take up the service, not to obtain an increased number of boats of the same class. If placed before the Secretary of State in a reasonable way, with statistics of failures to bring the West mail, the petition ought to succeed.

I am, Sir,

your obedient servant,

Managing Director.

P.S. I enclose a reply to a letter received from Nilsson, complaining of his account having been closed. The Board consider to that there is no cause for their interference, as they authorized the step you took, but think that a little more time might have been given. No action for recovery of the amount due should be taken for three months after receipt of this mail.

78.6.

Gnelosures. Duplicates Despatch No 838. dated September 25" Replies to remarks on Stores. Wotes on remarks on balance sheet. List, of bash payment since last mail Totient Inoviers, as follows :-16. 12.0. Sectrand + Felton 12. 5. 5 W.D. Benney 20. 8. 4 8. 15.0. Dean anstr 68. 6.4 You Orache 165.1.4 a. C. Saillow 15.19.3. Armeted Blaker. 12. 4 Darwin fibrary 11. 5.1. I.S. Letton 29.17.1. J Sobron Cliento reporto + contracto as tollows :-Wood_Menus 53. Sterodot SI 73. 25 Orchid 280. Second of Enchange \$450. Copy of letter from the Rosmos & dated 26th Sept.

Shints reports or contracts as follows:

103 bales Wool Heho. T.F. 5 bags Itain "Orchid"

R 65 bales Work

Nemes

TT 2 bl. Old by Many Wood reports.
Dients afeales + Brokers copies as follows:

14W. 53 bales Wood Mens. DS 68 " "Iterodot"

1 bales Wool _"terodot" " Menes" 5 76 £ 103 T.R. / " F. 285 " R 131 " Iterodot TB 125 " SI 500 . Specification of goods shipped by Doller for Butrand Donorson o catalogue of thucks for I. I. t. etton It orsly's receipted account for I.S. Felton fedger + Sournal Entries. " W.W. But " W.W. Butrand Hemarks on accounts. first of Goods to be shipped from How Zealand. Seadow Bros Indoice for Pere Oacher \$18. 15. 0. Ofeales for 2 bals Old Metal per Oretico for I.S. Letton boby of letter from Browne Geoche 6- 14" Och. I. M. Dean's Heed for registration Particulars of Woob freight 1896. Jetters for the following (3). J. S. Goodhart. w wt Bertrand (2). a. 16. Spaillow · Vere Oache. 16 4. a amon 1/2 Blake. Dean Brandon 1.17. Buchworth. & Hileson fondom 20° betober 1896.

The Falkland Islands Company. INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street,

Supplementary mail Per via Lisbon. No

840.

Sir,

Confirming my last despatch per Ramses on the 20th ult., I now enclose duplicate of same. There have been no later advices from the Islands since that date.

- 2. I forwarded at Mrs. Bertrand's request on the 16th ult. the following cable on her husband's account, -"Tell Bertrand wife awaits Nichols". This I omitted to confirm by the Ramses. We have since received, on the 23rd ult.your cable, -"Federal Elliot Bowen Llanelly Eaton Hall Balfour Williamson Liverpool Marta returned Dardara", (damaged beyond repair). The word "Babada" might have been used, and Williamson left out, and for the matter of Liverpool that Balfour and Williamson too, as there is only one Baton Hall among sailing vessels, and we have Lloyd's register here. We are making enquiries about Mr. Bowen, and shall cable to catch the Ramses; as regards the Liverpool firm, we are their agents, and no reply is needed.
- 3. Captain Rees tells me that he thinks that some of Bonner's fencing was mislaid about the hulks; this you may have found out, if so, it ought not to have occurred. I wrote about this on the 28th of July, and the remarks ought to have been answered.
- 4. In further reference to the freight question, I think that still more clearly I may put the case of wool coming in by outsiders by saying that, according to the arrangement in force up to this year, such wool was carried at 35/. & 5%, and that our negotiations with the Kosmos did not extend to this class, the freight on which consequently remains the same, and is still 5/.cheaper than they will carry for outsiders. With regard to your remark in 53-12 that you take it that the arrangement only applies to wool consigned

A.E.Baillon, Esq.,

Manager,

Stanley.

to us, will you kindly explain why you sent the heart and club marks through at 35/.2 5%? Did you think that the Kosmos was to have 30/.and the Thetis 5/? But if so, why did you estimate in your statement of approximate freight earned by the latter that she would receive 10/.not 5/.on these marks, as you clearly did? Be good enough to answer this, for it looks as though you proposto squeeze two sums of 30/.and 10/.out of 35/., and we want to know how it is to be done.

5. I have to report with the greatest regret that Mr. Nichol died on the 4th inst.at St. Thomas's Home. Soon after leaving Montevideo a great change for the better occurred outwardly in his condition, the bleeding that had troubled him so long ceased, and he began at once to pick up in condition, so that on arrival, although not so robust as I remembered him, he looked very fairly well. After examination by the surgeons it was decided to perform an operation on the 3rd, and he only survived it a few hours. I saw him the day previous, and he told me that all pain had left him; it appears, however, that the malady was of a worse nature than was anticipated at first, and that under the most favourable circumstances his life could have been prolonged only a few months. At this date it is too early to give you any instructions as to the disposal of his property, for I cannot say anything on the subject to his relatives until after the funeral beyond intimating, as I have already done, to Mrs. Bertrand that I will ask you to carry out any wishes that may be expressed. I think, however, that I am right in saying that in the event of the Government authorities intervening in any way it would become your duty to see that none of the papers or letters on business, which belong to the archives of his office, should pass out of the possession of the Company. I do not anticipate any interference, but should it take place, you must be at hand to protect our interests. With regard to the work this season, although there has been no Board meeting since Mr. Nichol's death, I have had the opportunity of seeing several of the Directors, and the feeling is that if Mr.Blake could be induced to take temporary charge for a few months, he would be conferring a great favour upon us, and you are authorized to arrange this if possible. We look upon this as important, not so much with regard to the routine work of the

season, which the Superintendents can carry out well enough, but it is in dealing with the rams to arrive from New Zealand, and in drafting and selecting the stud flocks and the rams to be used in them and the ewe flocks generally that the Board are anxious to be assured that the Company's interests are in the right hands. We are of opinion that considering the money we have spent, our wool ought to command as good prices as anyone's, and it is a standing grievance to us that, as a matter of fact, there are one or two people who beat us regularly, year after year, by at least ld.per lb. As regards the future, I think that there can be no doubt that the Board will go to New Zealand for the new Manager, but upon this point I cannot speak with authority, and it will be better, therefore, for you to keep your own counsel on the subject, merely letting people know what has been actually arranged, without disturbing their minds with speculations as to the future. It will be only fair to Mr. Blake to tell him all you know, so that he may be assured that we are not asking him to undertake a permanent place, and you can freely discuss the subject with him in all its bearings. Should he agree, cable "Trullo", which will mean "Blake will go", should he decline the word must be "Trumfar", signifying "Blake will not go".

- 6. I am glad to report that the condition of the Thetis's bottom is much better this voyage, there being a marked absence of corrosion in the rivets, which you will remember seeing last year. A few heads were affected, but very few, and she will have cost far less than any year yet in the way of repairs. I had an opportunity of taking the opinion of Lloyd's Surveyor, who was in the dry dock with me, and it is very decidedly in favour of keeping her afloat at all times; Mr. Amor, the Dock owner agreed with him, and they both said that it is much more necessary to be careful with a steel than with an iron ship: you will therefore have to discharge her by lighter again, notwithstanding a slight increase in expense and loss of time.
- 7. The pheasants by the Ramses have been insured for sea risk only; it would have been impossible to get them done against mortality except at a huge premium.
- 8. In getting together the goods for our clients this time, we are struck with the minuteness of some of the orders, which are

altogether too retail. Our suppliers put up with it, but do not like it, and say so. I think that next year we must go to some of the Stores for these little items. Fancy sending down to the Potteries for a few dozen mugs and flower pots.

9. Since I began this I have heard that Mr. Nichol made a will before the operation, and a Solicitor has called with reference to getting his affairs wound up at Stanley. I do not think that there can be much property there of in Darwin, but whatever there is you should ascertain and let us know as soon as you can. His account should be balanced and transferred to London. In connexion with this, you should let us know whether any expenses in the way of caretaking are being incurred. An inventory should be tak en of all his as well as the Company's property and furniture in the Manager's house, and they should be compared with the lists which are understood to be on record in your office.

I am, Sir,

your obedient servant,

CHIV.E.1000.

Managing Director.

Shirts Invoices Goods her Planses"

Bertrand Feltow 146. 0. 11.

Baillow & Stickney 19. 3. 8.

Oache Bros 6-17 4. 12. 9.

Perc Gache 1-. 11. 1.

Idenarks on Accounts

Jirst of Enchange 1450.

Letters for the following

J. Felton Holg.

Co. 6. Baillow."

fondom J Brovember 1896.

The Falkland Islands Company.

61. Grucechurch Street.

Per Tanis.

No 341.

London.E.c. 50th November, 1896.

Sir,

My last despatch was dated the 7th inst., and we have since redeived your despatches nos.54 and 55, on the 16th and 26th inst.respectively, the latter having come forward in a remarkably short time.

- 2. On the 11th inst. I sent you a cablegram, as per copy enclosed.
- 5. 54-5. Messrs.Hassall & Co.state that the goods ordered by Mr.Anson have been shipped by this steamer.
- 4. Par.7. I have arranged for the passages of the servants for Dr. Reay.
- 5. Par. 8. The insurance on sealskins has had our attention. On enquiry I find that it must run from the station only, as the Underwriters are not prepared to entertain a proposal for the risk in small cutters and dinghies.
- 6. Par.9. You are undoubtedly right in your remarks about the expense of landing fencing, and I think it will be better to make out the Bills of Lading to Stanley only, leaving it to you to arrange for the local freight. I think that it is, or should be, understood that the rate of 45/.covers delivery by a schooner that gets some return freight in wool, or has while on a trip to go into or pass by the port where the goods are to be landed, and that you are by no means required to send them at once, or specially, unless there is enough freight to make it pay.
- 7. Par.10. The Directors have discussed the proposal to advance \$2500 to Cull at some length, and are not prepared to sanction it. Unless we misunderstand your statement, it seems that he is proposing to start with a capital of \$2500, and to engage to pay out of the earnings of the Island \$250 as well as interest

A.E.Baillon, Esq.,

Manager,

Stanley.

- each year, besides providing for the necessary expenses of the station. The Board do not think that New Island is large enough to enable anyone, however good a manager, to do this, and are of opinion that he must fall into arrears. Although he offers as security a charge on the stock, which in itself at boiling down price is insufficient, surely Nilsson has arranged for a prior claim, in the event of default being made in payment of any of the the instalments. Whether he has or not, complications are sure to arise, and as the business in any case is extremely small, and New Island is an expensive place, owing to its distance from Stanley, to fetch produce from, the Board would rather not have anything to do with it. It seems to us that the price given by Cull is far above the value of the property.
- 3. Par.15. No doubt people who thought Mr.Mowat was going to do wonders in the freezing business are disappointed. I believe that even now he is too sanguine. When I remind you that on the 24th March last,(323-9)I wrote you that his visit to England would probably remove once for all any misconceptions he might be labouring under as to the profits to be derived from the frozen meat trade, you will understand that our disappointment is not as keen as it might have been. When we have a little more information about the sheep to be shipped by others, we shall probably be able to arrange with Spearing & Waldrom for a vessel to go to Goose Green.
- 9. Par.13. Your draft in favour of the London & River Plate Bank was at 50 d/s; as all bills from the Plate and Chili are at 90 days you had better fall in with this custom in future. As regards cashing drafts on England, bear in mind that the Bank rate is now 4%, and that you ought not to take them at less than 5%.
- 10. Par.19, and 55-9. Your remarks on the complaints made by the Mosmos Co.are noted, but you do not say anything to confirm in anticipation my suggestion of 23th September to Mr. Pepper, so I was probably in error.
- 11. Par.20. The Board have expressed their belief that no better arrangement for the carriage of wool is practicable at present; we have to look at the question of mail carriage as

- Mr. Mowat believes that if we had 2000 bales ready about the middle of May, -a month after we hope to have sold a good deal of our clip- Lamport & Holt would carry it home for 20/.a ton.
 - 12. Par.21. We shall be glad to have the Inventory and valuation of the Glengowan; if made before the 26th October you have omitted to send it. It would put us on a better footing for approaching the Salvage Association with an offer.
 - 15. Par.22. The Roard have considered your remarks with reference to the rosehouse you have erected, and offer no objection on the understanding that it is your private property, and that the Company are not asked to pay for it.
 - 14. Par.24. The sailings of the Shaw Savill steamers from New Zealand do not appear to be at regular dates, and I gave you by cable intimation of the probable arrival of the Mamari as soon as I was informed by the Manager here.
 - 15. Par.2, despatch 55. From what we can learn from Brown Jen-kinson 2 Co. there is no doubt that you will be instructed to sell the Marta by auction.
 - 16. Par.5. You acted with prudence in standing by and allowing the Government to buy the 250 tons damaged coal ex Elliot, though whether it was a good bargain for the Colony, and whether the Governor is entitled to spend Colonial money in this way without consulting his Council is another question. The less damaged coal we buy ourselves the better.
 - 17. Par.5. I have not yet had an opportunity of consulting the Board as to the Dairy, but I shall suggest to them that we might go as far as spending C200 on the dwelling house, but that we ought not to go to the expense of fencing the land in again. It is not of sufficient extent to provide feeding for more than a few cows, and I assume would only be wanted for an enclosure to drive them into for the purpose of milking. I do not know what charges, if any, are made for depasturing cows on the common land. The Government ought to make it as easy as possible, in view of the benefit a Dairy would be to the settlement.
 - 18. Par.8. It is satisfactory to hear that the Westbury has delivered her cargo in such good order.

- 19. The Board have always been opposed to a contract for coal on the Admiralty terms on account of the absence of reciprocity, and I doubt if they will be disposed to change their minds. The difficulty has always been that while they bind us to have so many tons in stock, they will not engage to take any unless quite convenient to the ships, and it has happened more than once that we have laid down by their wish a quantity which they have allowed to lie in our hulk for years, and then when they have taken some they have complained of the age. They ought to be made to see that they are our sole customers, and that unless they will buy, say 400 or 500 tons per annum for certain, it must happen that we are left with old stock. As regards Captain Meane's report, you ought to point out to the Senior Officer, when you see him, that after all it is very different from coal that has been exposed to the air since its arrival, for lying in a hulk with hatches on it keeps its quality very well. We have given them the benefit of cheap coal through having purchased the Sabino's cargo, and have allowed our own shipment to eat itself up in interest. It occurs to me that had we added together the cost of the two cargoes, and divided it by the total number of tons of coal, we might have arrived at a price that would have given a fair profit on the lot, so that it would not have mattered whether you sold the Ella's or the Sabino's. If we now sell the former at cost price, without considering five years' interest, it will not be aprofitable business. I do not think that it would be practicable to ship smaller quantities of steam coal that can be carried by a small vessel direct from a South Wales port; we could buy Welsh coal in London, but at a high price, and the quality with trans-shipping and lightering would suffer.
- 20. Par.12. All I can say about the idea of putting up a huge jetty is that it is simply monstrous, and should be opposed with the utmost vigour, as being totally unnecessary, and beyond the means of the Colony.
- 21. Par.17. It has been suggested, by Captain Rees I think, that the missing casks of Calvert's dip were sent away as Ness's or Little's through the numbers not having been observed: if this was the case, it points to the desirability of more care being taken.

- 22. Par.18. Mr.Nichol informed me that there was very little wool left after the stragglers had been shorn, and that it would come next year. It will not be advisable to retain any in future, as all the wool for the year should be shipped.
- 25. Par. 20. The reports from the Farm Overseers seem to be satisfactory.
- 24. Par. 22. Notice has been given about the loss of sheep-skins per Hadassah, and when the documents arrive a claim will be put forward.
- 25. Referring again to par.20, I have to point out to you that stallions were sent out for the purpose of improving the Company's horses, and that without explanation it does not seem quite the thing to devote ourselves to improving the stock of other people, when the horses sent away would have provided so many more useful animals for our work. You do not mention the price obtained, which was an omission; but price is a secondary consideration compared with the importance of getting up our working stock. Any future deliveries of stallions outside our farms would be better made in exchange for a certain number of good working horses, for which the demand has been insatiable for the last thirty years to my knowledge.
- 26. The members of the Biggs family who are returning to the Colony landed in Liverpool in a destitute condition about a month ago, and two of them came here to ask assistance. Understanding that their father wished to get them forwarded, I have advanced them C15 altogether, and they left in the Orissa a fortnight ago, with the intention of staying at Montevideo until this boat arrives, Messrs. Humphreys being instructed to see to their passages down in case their father has not arranged for them. Miss Madeline Biggs is the leader evidently, and I take her to be a capable and intelligent person, without whose lead the other sister and the cub would have been badly off.
- 27. The boiler has been ordered for Goose Green, but we ought to have had particulars of it early in the year, so that it might have been shipped by Thetis; it will take two months to build, and I must try to get it on board the next steamer, although it will be a difficult and expensive thing to handle.
 - 28. I send you some correspondence with reference to the Dar-

- win Church, which the Baptist Minister has been trying to annex. I think that the facts I have stated are correctly set out, and you will understand the position.
- 29. Now that the Sabino is empty, we shall have to decide what to do with her, and you had better let us have your ideas as to stationing her at North Arm or Darwin as a receiving hulk for wool, to give the schooners better despatch, assuming that she is not wanted as a hulk in Stanley. Perhaps the Marta will be a good hulk, though rather small for general use, but if the Vicar of Bray is getting past use as a coal hulk the former would be of a useful size to replace her. With regard to getting a hulk round to North Arm, where she would be more useful than at Darwin, if anchored in the outer bay, would any of the menof war entertain a proposal to tow her round for a moderate sum, when making a tour of the Islands?
- 50. Er. Doxat has written to friends in New Zealand about a successor to Lir. Michol, and some time will elapse before we can hear of a likely man. On looking through Mr. Nichol's agreement I was surprised to find that no return passage had been provided in it for himself, and of course his wife was not mentioned. This you ought to have seen and pointed out, though I do not think that the Board would have raised any objection, and it was manifestly an oversight; still it is as well to remember that a passage home is not a matter of right with all the Company's servants, and you should inform yourself as to who is and who is not entitled to it. The Board have considered the question of the termination of Mr. Nichol's service, which of course occurred on his death, and they have decided to pay Mrs. Nichol the equivalent of his salary for one quarter from the date of his decease, the 4th of November, and to present her with a return passage to the Islands, as she wishes to return to her father's house, a course which she appears to think sufficiently liberal, and as a matter of fact is so. She has asked to be allowed to retain possession of a desk and arm chair which Mr. Nichol used to use, and if of any value should replace them; I have not had a chance of mentioning this to the Board, and cannot myself give away the Company's property. As far as is consistent with the collection of

- wool, which nothing should ever be allowed to hinder, you must give Mrs. Nichol all the facilities you can for going to Darwin and collecting her property, which she wishes then to take to Roy Cove. I thought that perhaps you might know of a cargo of wool b to be got between that place and Mill Cove, and so could make the trip a useful one. You will of course see that all papers and letters on the Company's business which may be found at Darwin are handed over to you, and you will have to make suitable arrangements for the care of the house, pending the arrival of the new manager. The bedroom furniture I understand was Mr. Nichol's property, which is perhaps just as well, so that you will have a chance of substituting for it something comfortable, but not unnecessarily ornate. I do not think that I can add anything more on this subject, except to say that we must have an account of how Ifr. Nichol stood with us, so that we can pay over the balance due to his estate if asked to do so here.
- II. Captain Rees has asked me to impress upon you the necessity of having the Thetis's boat put in order before his arrival.
- 52. It is almost time to remind Nr.H.Waldron that his account would be improved by the transfer of some of his Patagonian profits, as promised when he was here. If he cannot reduce it, I do not think that we ought to execute all the orders he sends.
- 55. I observe that you buy potatoes from the S.A.M.S. at 7/. per cwt., while those which we send from London cost with freight and insurance 5/9d.per cwt.
- 54. The Thetis has turned out the tallow one cask short, and although every search has been made, it cannot be found. Is it possible that it was left behind at Goose Green? It was one of the 10 casks upon which a special report was asked for, as being probably of better quality than the rest. The Brokers say that they can find no appreciable difference, or if there is any it is slightly inferior.
- 55. The advice notices about cheques were a mistake, and I ought not to have sent them, as they have in more than one case been presented here through Bankers, which was not intended at all. Their use will, therefore, have to be abandoned, and after all it is of no business of ours to spend postage on advising remit-

tances, which can very well be done by the senders; we forward cheques when the mail comes in, and there our duty, either here or in Stanley, ends.

56. The Thetis passed the Downs in an easterly gale on the 27th ult., and must have had an excellent run out of the Channel, as we have heard nothing of her since. When I last saw Mr. Greenshields he was willing to ship his wool by her at 50/. & 5%, and I believe that Mr. Cameron's can also be got, but before next mail I will try to see him on the subject. It is left to you to settle with Captain Rees whether she delivers the San Carlos cargo herself, or trans-ships it. I do not think that it would do to send her there on the way out, but it has occurred to me that she might take Bonner's goods round, and deliver last, beginning then to stow wool for England at San Carlos, and calling at Salvador for Greenshields'. Perhaps Petaluga will also send his, and then if you can get the Speedwell, and other odd lots you may by arranging in time ahead get a respectable cargo together without having to send her for a coasting voyage, as she will be rather late this time'. 5/.a ton is a consideration after all, and surely some will be glad to take advantage of it. She has been very well stowed this time, and carries a larger cargo than she ever did before by about 60 tons. Capt. Rees is a most economical man, and we are fortunate in every way in having got him. I think that you might reasonably ask our friends on the West to do all they can to assist in discharging; you are probably aware that we only undertake to put the goods above high water mark, an arrangement that was made when we first began sending a ship round the Islands, being an extension of the custom of only putting cargo over the side. I hear that some people not only give no help, but expect our sailors to stow their goods away for them in the sheds; this is intolerable, and should not be countenanced. If they will help us, it is right that we should help them, but if the they try to put too much upon us, we must stick rigidly to what we are bound to do, and no more.

37I observe that you have credited the schooners with freight on wool at 10/.per ton, whereas the arrangement was that cargo from the near ports was to pay 5/. It does not matter much, as it

is only robbing the Farm for the benefit of the schooners, and perhaps you will say that the former can afford it. At the same time it is a mistake.

I am, Sir,

your obedient servant,

Managing Director.

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The Falkland Islands Company.

61. Gracechurch Street

Per Supplementary mail via Lisbon. No

Sondon Ed 19th December, 1896.

Sir.

Since writing you per Tanis no further mails have arrived from the Colony. Letters by the Abydos were delivered the morning after the departure of the last mail, as usual. We hear that the Tanis has put into Las Palmas in distress, so that it is almost certain that the supplementary letters sent by the French mail will be in time to catch her at Montevideo.

2 In the Bill of Lading per Tanis one crate containing four fowls was entered; this was a mistake, as we shipped 12 Minorcas for Mr. Buckworth, and have since ascertained that they went on board. As these fowls were insured against all risks, and it is likely that they were lost in the gale, which seems to have done so much damage on deck, you must obtain a certificate from the agent in case of loss, unless you took the precaution of getting one from the Captain.

3. The Board have considered the question of expenditure on the Dairy, and are not inclined to exceed the sum I mentioned in the last despatch,£200, as in the event of the speculation being unsuccessful, we can hardly expect the man to carry it on at a loss, and the money will have been spent for nothing.

4. We have received your cablegram dated 9th inst.from Montevideo as follows: - "Sontuoso trocatinta trestesse(sic) mamari rosskamm", which we translate "can supply 11,000 (wethers) others 5000 Mamari has 185 bales". It is a pity that she could not take all that you expected to have ready, and with regard to the number of sheep that we can give, the last Board decided that we ought only to send those that we might otherwise have to send to Goose Green, the value of the mutton being probably much about

A.E.Baillon, Esq.,

Manager,

Stanley.

the same as that of a fleece of wool, and therefore no catch whatever. The Board thought that we should probably not need to part with more than 5000, and if so, and the other farmers can only send 5000 more, probably there will be no freezing at all, an eventuality that we should regard with comparative indifference. We have also received your advice of 176 bales by the Osiris, which we suppose must be wool, as you were not to cable sheepskins, if so, you have probably had a schooner at one of the stations just as shearing began.

- 5. On reading the report on the coals ex Elliot, I think I ought to point out to you that condemnation of these cargoes, except in extreme cases, is not liked by Underwriters. When I was in the Islands, I always used to insist upon their being sent on, and in one instance I remember the whole cargo had been under water, the ship having been scuttled in Sparrow Cove. This having been a most unusual case I asked the Secretary of LLoyd's what he thought of it, and received his entire approval, although the course I took was opposed by all concerned at the time. The fact is that the shipmaster is always glad to get an excuse for selling, as his freight is insured, but you will find, if you enquire, that the Underwriters are, on the other hand, in favour of forwarding. As the latter course suits us personally the best, you should always endeavour to carry it out. It was my experience that when coal had once been heated and afterwards turned over there was not the slightest risk of fire again, even if it had been saturated with water, and I was always able to quote the case mentioned, that of the Eugenie of Hamburg, as an extreme instance of this. You will find that, when a Captain says that he will take his own course an intimation that he must judge for himself, but that you will report the case to Lloyd's usually causes him to climb down. It would be most inconvenient if a precedent for selling cargoes of coal on the slightest excuse were established, but it will come to this if you do not put your foot down.
- 6. Strong complaints have been made about the delay in shipping the remainder of the Weddell and Spring Point wool this season. I have replied that I believe the fault lies with those

- responsible for baling the wool, and that if it had been ready at the proper time, no delay would have occurred, but it will be as well to get your explanation of it. I have pointed out in the cases of the Spring Point lot the tonnage would be too small to send for unless there was a chance of filling up at a neighbouring port, and I suppose that the same remark applies to the Weddell shipment as well.
- 7. In forwarding a list of regular payments made by this office for the Colony, I have to remind you of an order sent out
 long before I left the Islands, viz: that such amounts are to be
 debited in the Stanley books at the time they are payable here,
 without waiting for the London entries.

I am, Sir,

your obedient servant,

Managing Director.

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