

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61, Gracechurch Street.

Per 843.

N^o X Abydos.

London, E.C. 12th January, 1897.

Sir,

Confirming my last of the 19th ult., I have to acknowledge the receipt of your despatches 56/7 on the 29th ult., 58 per Mamari brought by the Magdalena on the 4th inst., and 59 posted in Montevideo to hand yesterday. Your letter of the 3rd ult. and cablegram "Trullo" have also been delivered.

2. Desp. 56 par. 2. I have been unable as yet to do anything about the Elliot's draft, as the owner declines to pay until he has referred to the Captain. If, however, there is any treaty with the United States under which we can arrest the ship we shall do so. You ought, however, to have sent evidence in the form of a statutory declaration as to the charges having actually been incurred and as to the account being a correct one in all respects, as you will see by enclosed correspondence that Mr. Bowen demurs to the amount as being altogether out of proportion to the work done. It certainly does seem large, and you must get a declaration put into proper form and sent without delay, in order that we may be properly armed for a dispute. It would be well also to give full details of the Blacksmiths' and other work. Is it possible to stop a ship's papers at the Shipping Office until she has settled her accounts?

3. Par. 3. All that I can say now is that wool clipped one season should not be kept for the next.

4. Par. 4. Is it possible that you are not aware that a copy of a note of protest is absolutely useless for recovering an average claim or one for total loss? The copy of the extension is what is wanted, i.e. a declaration by the master of the ship and others of the circumstances which led to the claim. The note

A.E. Baillon, Esq.,

Manager,

Stanley.

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is referred to in the extension, and a copy is in no case required; it simply fixes the date on which the Master appeared before the Notary. Before we can put forward the claim on the Hadassah skins Nilsson's extension of protest must be sent. If he is in a place where there is no Notary he can declare before a Magistrate. It would be well for you to make yourself acquainted with the procedure in case of Insurance claims and other details in connexion with your appointment as Lloyd's Agent, a want of knowledge of which is scarcely creditable.

5. Par. 7 and 57-21. It is satisfactory to note that the coals ex Ella are all bespoke, but it was not necessary to assume such an apologetic attitude on the subject of their age. You should tell the Navy people that they are our only customers, that the Ella's coal was sent out expressly for them, but that shortly after its arrival we bought a cheap cargo and were able to let them have a corresponding reduction on their coals for some years; when, then, after enjoying this for so long, they are the last people who ought to grumble at the age of the coal which has been set aside specially for their benefit. You might also reasonably point out that the coal has been under hatches all the time, and should not be looked upon as having been exposed since its arrival. Then as to bags, you have gone as ~~wring~~ as you possibly could, I am sorry to say. During all the days of the competition between the Deans and ourselves there was one thing upon which we resolutely declined to alter our ways, even to gain business, and that was the delivery of coals to men-of-war. The terms invariably were that the coals were to be taken by the ships themselves, we sending a man to tally. Look up one of the old contracts, and you will see how they were expressed. When once you begin to put labour on coals you do not know where you are. Bags were never heard of until we bought the Great Britain and her coals, and had to bag them for the Kosmos, but that was a different matter. Why do you presume to alter a custom of forty years' standing, and introduce a precedent that must be most inconvenient some time or other? You can only remedy this by putting your foot down.

6. Par. 12. The letter to Lloyd's was a very proper one, and if you have had any answer we should like to ^{know} ~~know~~ what they say.

7. Par.8. You sent the Glengowan's chronometer home, but retained the one that was the Captain's private property, which was exactly the reverse of what you should have done. If you thought we had a claim on the Captain's private effects, why did you part with the remainder? The instrument must be sent by the first opportunity to be given up to Mrs. Doughty.

8. Par.9. The figures given in your no. 53-12 would be more correctly described as a practically correct version of the incorrect freights charged by you last season.

9. You have omitted to reply to the question asked in 839-8 about the use of the Store telephone.

10. Par.12. As to Bills of Lading by sailing vessel your remark about having four sets of ~~Bills of Lading~~ is not clear. You have to follow the custom observed during my 20 odd years' residence in Stanley, which is, I believe, the custom of the world, that is you give the Captain a copy of each for himself, and he signs three for you, one of these you send with the ship, another follows by the first mail, and the third you keep in your office.

11. Par.13 and 58-8. Your remarks on the tramway are noted, but would have been better timed if sent in explanation of the Indent. With reference to your remark about the order of April 1890 having been executed without the necessary information, you are in error. If you will refer to my despatch 501-17 of that date, you will see that I sent not only an explanation of matters connected with the jetty in the despatch, but a separate memo on the subject, and on turning up the indent we find pinned to it a sectional drawing of the bridge rail required with a note of the weight per yard. Every detail required was given, as compared with an unexplained indent for "light tramrails". If these were for repairs, naturally they ought to be of the same class and weight as the rest, and therefore further particulars were asked for. You do not say if the points are to be right or left even yet, nor whether they are for a new line or to replace worn out ones. The rails will now be shipped, but the points must wait until more details are given; if for the last named purpose naturally they must be identical with the old ones. I am sure that when I left the Colony there were many more trolleys at Goose Green than there was any use for.

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12. 57-18 and 58-11. I am afraid that there is nothing in your replies to the Kosmos complaints that will have the effect of altering their opinion that the arrangements for the supply of wool were not made with the judgment that might have been expected, and it is disappointing to find that you do not allude to the suggestion that Mr. Pepper had been incorrectly informed, which I made in my letter to him of 28th September in your defence. Wishing to prove that you are far-seeing, careful, and methodical in your arrangements, the correspondence was sent to you for your consideration and report. It is somewhat vexing to find that in place of rebutting the complaints made against you, you simply reply that you are very tired of the subject.

13. 57-21. I should have mentioned in par. 5 that no time has been lost in looking for a ship for a cargo of coal, and that we are on the point of chartering. As small vessels are scarce we shall probably have to take one carrying 800 tons, but if the ships are coming down as regularly as you say this will not be too much.

14. Par. 23 and other reports from the Camp. The Board are much pleased to hear that things are looking so promising for this season, and hope that we have really turned the corner.

15. Par. 24. I wrote Mr. Packe at the time about the delay of his woolpress, for which we were in no way responsible, as everything possible was done to hurry it on. I now enclose for his information copies of all the correspondence relating to the subject, which let him have without fail; a comparison of the dates will show him that there was no blame attaching to this office. It is just the same with other machine makers, and in fact with everything that has to be made to order, see, e.g. the iron dip ordered by Mr. Bertrand for the Thetis and not supplied yet by the makers, Williams & Sons, and the boiler for Goose Green promised for this boat, but not ready. As regards the latter we can hardly complain, for the order only left the Islands in September, I think, instead of much earlier in the year. Mr. Nichol explained that he thought that such things were to be had ready-made.

16. 58-6. I enclose copy of a short letter to the Colonial Office, asking leave to state our objections to the proposed jet-

ty before the scheme is sanctioned, and we shall do all in our power to defeat this project. The letter to the Secretary of State enclosed in despatch 59 is excellent.

17. Par.7. The subject of the Wasp was discussed at the last Board, but no decision was arrived at. We are going to enquire as to the practicability of getting a hull for the new engines that would be more suitable ^{than} for the Wasp, or possibly another boat like the "Sissie".

18. Par.10. The information about the sheep available from other farms is not definite enough. In place of saying that you would have no difficulty in getting quite 5000 between five stations named, you should have stated exactly the number promised by each. It was in that way that I worked the Selebria, with which vessel the Goose Green work went absolutely without a hitch. Precision in such matters is all essential. You do not mention Cameron and Greenshields as probable shippers, though they will certainly have some to send. Writing at midday today, I cannot yet tell you whether there will be a vessel or not, but I expect to see Mr. Cameron any moment, and then we shall decide what is to be done. The Board will not kill more than 5000 in any case, and with the boiler at Goose Green in need of tender treatment, and further the absence of a permanent manager in the Camp, it does not seem wise to undertake any more killing at Goose Green than can be helped.

19. 59-2. As the mail only came in yesterday there has been no time to look into the accounts of the Mamari's rams, and probably they will be better understood when Mr. Mowat arrives. I may however mention that Messrs. Pyne & Co. have not made it clear why they shipped us 150 rams in the face of our very distinct order for 100 only, and that we are absolutely in the dark with regard to the consignment by Dalgety & Co., no information having, as yet, reached their London office even. You ought to have reported to us about these; they are not even mentioned in Pyne & Co's letter to you, a copy of which they sent direct. Their draft on us was totally unauthorized, but we have accepted it, on the understanding that if found desirable we are to sell the extra 50 rams on their account. As to the two rams you have bought by Mr. Mowat's advice, he knew perfectly well that we do not want to be

bothered with little experimental odd lots, which would be more suitable for a farm the size of Bender's. They give trouble in keeping them apart for breeding, and these Leicesters should be sold, if you can find a customer for them. It is not likely that at any time this breed will be found suitable for the Falklands. There should have been a statement of disbursements on account of the Mamari, accompanied by vouchers.

20. Par.3. The Marta and her cargo, being two separate interests, should have been sold in two lots at least.

21. Par.5. The Board having assented to the alterations in Marmont Row, you can proceed with them, on the understanding that they are contracted for under the original estimate.

22. Par.7. The telephone wire cannot be run through pipes or underground unless insulated, which would be expensive probably, and need at all events wire to be sent out from here. But as the cause of the breakages has been diagnosed, I can suggest a remedy. I have seen in many places, especially near the sea, telegraph wires carrying streamers of cotton or bunting at certain intervals, doubtless for the purpose of warning the birds that would otherwise fly up against them. I may, remark, however, that as far as I can see the flight of the birds is confined to those places where the sand is loose, which seems strange.

23. Par.12. If, as you suggest, you have been suffering from mental aberration it is a serious matter; but it occurs to me to suggest that as you charged the freights correctly while in that condition, it would almost appear a pity that the attack was not more prolonged.

24. Par.15. I have been making some enquiries about a Doctor, but have heard of no one as yet; after the mail has gone I will go into the question.

25. Par.16. I assume that Mr. Mowat will be able to satisfy Messrs. Lawes that the amounts you have disbursed on their account are correctly stated; but you should bear in mind that when money has to be collected here vouchers or some kind of proof should be supplied.

26. Mr. J. Dean reports that the Shipping Master has made the Master of the Richard Williams pay his crew 10/. a month extra for working on shore. Can it be possible that he has had the

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audacity to interfere with freedom of contract as between ship-
master and seaman?

27. There were some pheasants sent out by the Ramses, and you have according to custom failed to report whether they reached Stanley alive or not. These, as well as the fowls sent per Tanis, were insured, and if information has not already been forwarded it must be attended to without delay.

I have now seen Mr. Cameron, and it has been arranged that a vessel capable of freezing 10,000 carcasses is to go to San Carlos, where she will receive sheep from Messrs. Cameron, Greenshields, Bonner, Felton, Petaluga, and any who may wish to ship, and that we agree to send across to San Carlos on our account, not exceeding 5000 in any case, sufficient to fill up the ship. It is possible, and perhaps to be hoped that we may not be called upon for any at all. I have yet to arrange a date by which the ship is to be ready or the arrangement void, but I have given the outline of what has been decided as nearly as I can. In all probability she will carry our steam coals to Stanley.

29. The mail having arrived so lately, there has been little time to examine the enclosures, and no remarks will be sent this time in reply. I must, however, call your attention to two matters; some loose sheets have been asked for to complete the Journal, and they have been sent, but they are not to be used as an addition at the end of the book, as it is not considered correct that the accounts of any Company should be recorded on sheets that cannot be properly bound up with the volume. It would have been better, of course, if there had been room in the old Office Journal for the whole of the December entries, but failing that it will be much more regular to carry the entries on either to a new Journal, or to spare pages at the end of an old one. It is to be understood without question that it is ~~in~~ correct to add to or tear out any leaves from an office book. If a new Journal is wanted it should be asked for without delay. The other matter is the neglect to carry out the alteration in the manner of dealing with the Bills Receivable account, for which the excuse given is simply frivolous.

I am, Sir,

your obedient servant,

Edw. J. Love
Managing Director.

Enclosures

Duplicates

Dispatch No 842 dated 19th Dec/96.

List of Enclosures
Ledger + Journal Entries
Remarks on Accounts

Corrected General Invoice goods per "Janis"

Shinto Apeles reports + contracts

⬠ 13 bales Wool. "Janis"
MV 10 " " "

Shinto Apeles reports + contracts

L 4 chs Sallow "Shetis"
W & J 1 " " "

WP 7 " " "
⬠ 14 " " "

Shinto Apeles as follows

H-B 15 bales Skins "Shetis"

H-B 12 " " "

S 21 " " "

⬠ 15 " " "

JR 1 " " "

TR 2 " " "

MV 3 " " "

DS 1 " " "

W & J 3 " " "

R 8 " " Orchid

L 4 " " Shetis

WP 1 " " "

HW 3 " " "

Z 6 " " "

J.F. quantity of Bones "Orchid"

Shinto Invoices Goods per "Janis"

J.F. Hummel 4 19. 6

Bertrand Felton -- 11. 9

A & E Bailow -- 5. 0

Osaka Bros Co. 18. 19. 3

J.F. Waldron 146. 18. 10

Bailow Stickney 27. 3. 4

Dean Anson 6. 18. 6

Capt Jugellie -- 15. 6

Dean Brandon 47. 4. 11

Capt Howlands -- 5. 0

Bertrand Felton 2. 10. 5.

Cake Bros & Co	48. 8. 0
Mrs Bonner	30. 15. 2
Stolmsted & Blake	43. 8. 7
A. Oitaluga	25. 4. 5
Peru Cakes	332. 4. 2.
<u>Clients Invoices per "Orchid"</u>	
Stolmsted & Blake	10. 9
Peru Cakes	1. 17. 0.
J. S. Filton	15. 3
Cake Bros & Co	13. 0. 7
Mrs Williams	184. 15. 7
Mrs Bonner	651. 4. 0
Baillon Stickney	382. 0. 7.
Cake Bros & Co	519. 19. 4
Stolmsted & Blake	815. 15. 1
Cake Bros & Co	506. 13. 3
St Waldron	219. 6. 1
Wm Bethune	8. 6. 7
Dean Anson	30. 7. 5
A. Oitaluga	200. 15. 9
Peru Cakes	965. 9. 9
Bertrand Filton	630. 4. 11
Stickney Bros	214. 17. 4

Clients Invoices per "Orchid"
 J. S. Filton 395. 13. 4.
 Second of Exchange \$450.

Wool reports


- Copy of correspondence with Hayward Tyler re Peru Cakes' wool-press.
- Mrs Goldie's schooling account for J. S. Filton
- Stindley's Invoice for Cake Bros & Co 12. 15. 0.
- Copy of letter to & Postcard from English Petroleum Lamp Co dated 7/1/97
- Memorandum from ^{Book 500} J. S. Still & Co postake relating to goods for shipments.
- Replies to remarks on Stous
- Copy of letter from Reynolds dated 9th Jan'y 97.
- Copy of letters from the English Petroleum Lamp Company dated 9th Jan'y 97
- St Waldron's report & contract 13 cks Saltw Janis
- Copy of correspondence with W. Bowen re barque "Elliot"

Remarks on Accounts
Ledger + Journal Entries
Remarks on Stores

Trust of Exchange £450.
Copy of letter to ~~Cyprus Co~~ dated 1st Jan'y 97.

Letters for the following
returned { Capt David Pees. J. J. Felton
(2) Mrs R. E. Nichol A. E. Baillon
R. E. Nichol Esq (deceased)
Mrs Tansen. R. Blake (2).

Copy of letter from Watson Gow Co dated 27/12/96.
Blind reports + valuations

D-L 4 chs Fur Seal Skins Janis
GP 1 " " " " Abydos
enclosed in  8 " " " " "

letter
London 12th January 97.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Supplementary mail
via Lisbon.
N^o 844.

London, E.C. 22nd January, 1894.

Sir,

My last despatch went per Abydos on the 12th inst., and I have since received Mr. Harding's letter of the 18th ult., stating that you had left for Darwin on the 15th.

2. I am now able to inform you that the "Opawa" has been chartered by Spearing & Waldron as a freezer for San Carlos, and that she is to be at Cardiff on 1st prox. to receive 800 tons Steam coal for us, and sail as soon as possible, her cancelling date at San Carlos being the 20th May. It is possible that we may ship the boiler for Goose Green by her, but at present they are asking more freight than the Kosmos. The coal is Albion, double screened, at 11/1½d, said to be a high class coal on the Admiralty list, better than Powell Dyffryn, and almost equal to Harris's, which could not be got for two or three months. Coal is on the rise, and since we bought, the same coal has been sold at 11/9d. With freight at 21/. it will be laid down more cheaply than has often been the case.

3. We have made enquiries about steam launches, and find that when the time arrives there will be no difficulty in getting one as good as the Sissie for half the money you propose to spend on the Wasp; you may therefore consider it to be finally decided that the original arrangement to make a lighter of her is to be carried out.

4. I have to recur to the subject of freights on wool, and to point out, once more, that 30/. is to be charged on

(a) Wool from our own stations, and from Lively Island, Fitzroy, Berkeley Sound and Stanley.

(b) Wool from any part of the Islands brought to Stanley by vessels not owned or sailed by us.

A. E. Baillon, Esq.,
Manager,
Stanley.

On the other hand, 25/. is to be charged

on wool brought from ports not already mentioned, i.e. distant ports, when carried in the Company's vessels, but not otherwise. This has been clearly explained so often, that it is a matter of wonder that it has to be repeated, but by this last steamer there are three lots of wool brought in by the Richard Williams and Chance which have been shipped at 25/. Owing to the constant blunders the settlement of freights with the Kosmos for last year will be a most difficult matter. It is most unpleasant to have to make so many complaints on this subject, and it is imperatively necessary that these mistakes should cease.

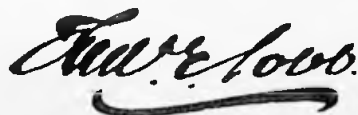
5. In further reference to the question of bridge rails and points, I notice that the gauge of the West Jetty line is 2ft. 3in as stated in the invoice of 1890 to which you drew attention, and yet the indent for new points gives it as 2ft. 2in. It will be necessary to clear up this before the points can be shipped, besides giving the information asked for in my last despatch.

6. You will remember that Mr. Spearman left the Islands owing us an account, and I regret to say that he has not even had the courtesy to answer letters that have been sent him asking for a settlement. You will now have to put the matter before the Judge, who will probably be able to tell you officially what steps are necessary to obtain payment of an account here which has been contracted in the Colony. I have made some enquiries here, but can get no definite information. Any letters you may have acknowledging the debt would be of service.

7. This despatch is sent to try the Naval mail service reported by you in a private letter.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures

Despatch No 843 dated 12th Jan
 Ledger + Journal Entries
 Remarks on Stores
 List of Cargo per "Abydos"
 " " Papers
 " " Shirts Cargo "
 " " ^{Invoice} Dutiable Goods per "Abydos"
 Demand of Exchange £ 1450.

Leading General Cargo per "Abydos"
 " 140 cases Bitter
 English Petroleum Lamp Co's Invoice £ 44. 11. 5.
 Books corrected Invoice £ 17. 4. 8.
 Wool reports
 Corrected General Invoice Goods per Abydos
 Copy of letter to the Colonial Office dated
 6th January omitted from last mail

London 21st January 1897.

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The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail
via Lisbon.
N^o 845.

London, E.C. 29th January, 1897.

Sir,

My last despatch was dated the 22nd inst., and sent via Lisbon for the Magdalena. We have since received your cable from Montevideo of the 27th inst. "Ammon Stahlstaub", meaning 1250 bales, which is satisfactory.

2. I have written the Admiralty asking whether they would be prepared to consider a coal contract, but have only received at present the usual formal acknowledgment. If you will refer to my despatch home 471-11 of 15th January, 1889, you will see the lines upon which you would be at liberty to make a contract with the Senior Officer, and the next one, 472-7, will also afford you useful hints. No doubt you can put your hand on all the papers referred to; they are not in existence here. The history of that contract was that owing to an unprecedented and unexpected rise in coals or freights, I forget which, it was found that we could not carry it out except at a loss, and the Admiralty cancelled it, as I believe they had to do with the Plate contracts as well, or all the Contractors would have been ruined. Bearing this in mind you must stipulate for termination at not more than six months' notice; in other respects the contract was a safe one. I am reminded by this that there was a contract made at the same time for provisions, which as far as I know is still in force. Is this the case?

3. With regard to the telephone, I enclose copy of a letter from Paterson stating the precautions that are taken in the Highlands; I have also seen the Indiarubber Company on the subject, but neither they, nor any other electrical people, as far as I can learn, make anything specially for scaring birds, though they also spoke of bunches of heather. In Scotland I have seen

A. E. Baillon, Esq.,

Stanley.

square discs of tin or zinc, painted white, suspended on the wires at short intervals; these you could have prepared in Stanley from old linings, and can at least see if they are efficacious or not. It is a wonder that some sportsman who has been in Scotland has not seen the difficulty, and suggested the remedy.

4. I enclose copy of a letter from the Kosmos Co., in which they state that they will withdraw the permission given to their agent to support the scheme of the new jetty. I have not put it before the Board yet, but I may say that I think that they are reasonable in asking that all possible despatch may be given to their outward steamers. I said in reply that as we had lighters with an aggregate tonnage of not less than 250 between the three I could not see any difficulty in discharging with good despatch, but that I thought that much of the delay was due to the obstruction offered by the Government, and that I understood that owing to the absurd craze about smuggling discharging after working hours was not allowed. As regards the wool, I do not consider that you are justified in declining responsibility for the number of bales for which you engage room, for it is really not fair to the Kosmos to send them away with space to be filled in Montevideo for which they could have got cargo at good rates in Valparaiso if it had not been reserved for us. Speaking from my own experience, I cannot see any difficulty in giving positive orders for room, more especially as you have three schooners of an aggregate tonnage of 294, while in my time there were only two with a tonnage of 152. This is leaving out of the question the Thetis, 303 tons against the Orissa, 176. You know where the wool is lying pretty approximately, lay out your plans accordingly, provide that all the schooners come in with full loads, estimate the length of their passages as nearly as you can, making allowances for delays through bad weather or other causes, and when you have arrived at the number of bales to expect by a certain date, take off a fair discount according to the estimated distances the schooners have to go, and give the result as the number of bales you guarantee. In the early part of the season you may be bolder than later on, because you have a lot of wool near at hand. I am not speaking theoretically, but from the actual experience of a good many seasons.

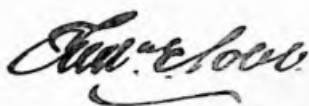
5. I hope that you have remembered to send by the first mail all those accounts upon which we receive payment in England, such as Mrs. Bonner's and others. You have not yet sent the final balance of Mr. Nichol's account, so that we are not in a position to send a statement to the Solicitors who have his affairs in hand. In doing this, I hope that you will have remembered to keep the last three months' salary out of it, as that should be settled with the widow personally.

6. I enclose a copy of our Inspecting Engineer's report on the new boiler for Goose Green, which is now ready, and will be shipped by the Opawa. It was out of the question getting it ready for this season's work, and I have therefore taken advantage of a cheaper freight than I could get by steamer, although this is far more than it would have cost if sent by Thetis.

7. I am informed that the sheepskins per Mamari are badly heated and damaged: I have been hoping to get particulars, but must now close without sending them. I am afraid from what I hear that they have again been baled too soon; if so, it is too bad of the people responsible for this after the numerous warnings that have been given. The reason is, I think, that the Goose Green people are glad to get them out of the way, and will not understand that they must have the Spring winds through them before they are safe. Another thing I may mention is that, as they come by weight, it is by no means so necessary to bale them up as tight as the wool.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures

Duplicate despatch No 844 dated 22nd Jan'y 97.

Copy of letter from the Cosmos Co dated 21st Jan'y
 Copy of letter " Paterson & Cooper " 26th "
 Credit note from Cochs (4 bales puberum) £8. 8. 6
 Corrected General Invoice Goods per Abydos
 Messiter's schooling account for Bertrand £47. 1. 8
 Copy of letter from St Barringer re boiler
 dated 24th Jan'y.

Clients Invoices Goods per "Abydos"

Wm J Robson	22. 17. 4
Holmsted Blake	20. 19. 0
Bertrand Felton	10. 10. 0
Pack Bros Co	10. 10. 0
Pitaluga Co.	10. 10. 0
Stickney B.	26. 4. 0
Cowdery J. S.	4. 19. 6
Baillet & Co.	1. 10. 10
Dean Brandon	20. 7. 7
Pure Pack	279. 17. 6.
St G Cobb.	- . 12. 9

List of Cash payments since last mail
 Remarks on Accounts
 List of Exchange £450.

London 29th January 1897.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail
via Lisbon.
N^o 846.

London, E.C. 5th February, 1897.

Sir,

My last despatch was dated the 29th ult., and I have now to reply to your despatch no. 60, receipt of which was briefly acknowledged on the 30th ult.

2. Par. 2. The Board have read your account of the state of affairs in the Camp, and are naturally concerned to learn how the place has run down since your last visit to Darwin 2½ years ago. It is a pity that you allowed so long an interval to elapse before again visiting the Camp, and it is desired that you will in future go there at least once a year. With regard to the matters you bring before us, I may tell you that the subject of stone buildings has had in the past careful consideration, and the result arrived at years ago was that unless stone is actually on the spot and easily quarried, and unless there is a good supply close at hand of fr^{sh} water sand, and, further, unless the distance from a beach is so great that the transport of wood is difficult and expensive, the wooden building is cheaper. If you build a stone house on the old plan of laying the stones with mud, and pointing with lime inside and out, it is hardly possible to keep it dry, and an application for wooden lining is sure to be made before long; if, on the other hand, you build it throughout with mortar composed of lime and fresh sand, and with a damp proof course of a suitable material, the cost at once becomes prohibitive. The stone building has the further objection of being fixed on the spot for ever, while a wooden one can be transported, if at any time it is considered advisable to do so. The Hillside house is an example of one at a distance from an anchorage; but had it been a wooden one I question whether it might not have been moved when we took up and fenced our freehold. The new house at

A. E. Baillon, Esq.,

Stanley.

Tranquilidad is now mentioned for the first time; it must be understood in future that when it is proposed to erect new buildings leave must first be obtained from London. What is this house for, what is to be done with the old one, and where is the new one to be placed? As regards the question of private horses, it is one that will have to be dealt with by the new Camp Manager. Unless the making of butter is carried to an extent that is an abuse, that is to say unless large herds of cows are kept, eating grass that ought to be reserved for sheep, it is a small matter. Probably the women make butter for the single men, and there is no reason why they should not have a little perquisite of the kind for their trouble. Further information on this point should be obtained. On the subject of killing cattle for hides to be used for making gear for sale, I think I detect a favourite subject of C. Smith's, which may be a good deal exaggerated. I made a rule that no hide should be taken off without his consent, as Capataz, and threatened to prosecute anyone for stealing who offended. If it has been allowed to go on without any report having been made by Smith, he is to blame: such a practice should not be countenanced for a moment.

The samples were sent by [unclear] state G.B. was at home the chemist's [unclear] to have [unclear] and no [unclear] was made in the [unclear] to [unclear]

3. Your remark that the water question at North Arm will have to be gone into again is not understood. Samples sent home were submitted to an analytical chemist, who pronounced them absolutely unfit for human consumption; is it possible that after that they have been used for drinking? Storage should be made of rain water as in Stanley. If I am not mistaken, the report said that that at the settlement might be used for cooking or washing, but that the other was too bad for anything. I have not time to look it up, but you have the reports.

4. The Board are very glad to hear that Mr. Blake was shortly going to Darwin; his services in drafting the breeding stock will be invaluable, but as regards reforms generally we shall derive advantage not so much from what he will do himself in the limited time as from the advice he will be able to give the new man at once on his arrival. We shall be sorry to hear that you have not gone out with Mr. Blake, for with the able assistance you have in the office, there ought to be no difficulty about it.

5. There is little excuse for the buildings at Goose Green being short of paint, for it is, or used to be difficult to find employment for the staff there in the Spring. No doubt Noble understands his work, but he is a wild sort of man who wants controlling. It has been hinted to me that he has taken to drinking; I hope that there is no foundation for this. A man in charge of steam should be beyond suspicion.

6. The case of Christopher Smith appears to be this. He has been in our service a long time, and has saved money all the time, so that he has been able to start his sons in Patagonia, laying out for them as far as we are able to learn over £1000 in cash, while according to your report he has £400 yet to pay in order to acquire possession of the property, presumably freehold land and ^{and} stock. He now finds that when he has paid the purchase money, he will, owing to his investment not being immediately remunerative, be hard up, and being somewhat crippled by rheumatism would like to take a pension to which he is entitled, the amount which he can claim being £46.10/. per annum. But he does not think he can live upon that, and would like more. That, I think, is a fair statement of his position, and it becomes a question whether the Company, being after all a commercial undertaking and not a charitable institution, would be right in meeting his wishes. It occurs to me that the sons, for whom he has laid out the savings of his life, are the people who are bound to support him in his old age, or at least provide the supplementary support over and above his pension which will allow him and his wife to live in comfort. You might find out whether they are in a position to do this, and if not why? If the speculation is such a hopelessly bad one, why does he throw the remaining £400 into it?

7. I have always believed that St. George's stock would turn out well, and I am sorry to hear that old crippled mares have been selected for him, it is not giving him a fair chance. Is not C. Smith responsible for this?

8. Par. 3. Unless you tell me where to look for an old saddle tree said to have been sent home the year before last I cannot help you I am afraid.

9. Par. 5. I have already told you that Mr. Cameron has agreed to ship his wool by Thetis, and I think that it will be politic

to arrange to get it away before there could be any question of the Opawa being able to deliver it as early as the Thetis in London,as to which there will be no difficulty.

10. I am in communication with the Admiralty about coals,and send you copy of the correspondence.

11. Those interested,including yourself on our behalf,will have to take steps to obtain an alteration of the scab Ordinance or a more liberal interpretation of its provisions. I think that you should call the attention of the Governor in the first instance,and then of the Colonial Office to the Judge's construction of the word "liable". Any one smoking in a railway station is,I believe,"liable" to a penalty of forty shillings,but if everyone who offended against that bye-law were fined in the maximum penalty there would be a good deal of money spent on the indulgence.

12. Par.8. The seizure of the Martha Gale ought to show the C.O. how dangerous it is to dress a man in Hurst's position in a little brief authority.

13. Par.9. The progress report is satisfactory; but as your last despatch of 9th December stated that Mc.Call reported that the wethers were shearing well so far with fleeces both of better weight and quality,the remark that the sheep were "still" shearing rather light owing to the weather requires some elucidation.

14. I have the pleasure to inform you that the information given to me about the condition of the skins per Mamari was incorrect and exaggerated; there were some bales damaged,but by sea water,not heating.

15. In my remarks on accounts of 29th ult.I inadvertently wrote ninety for thirty with reference to the trumpery little bill you got from a missionary,with this alteration the remark still applies.

16. I now enclose a copy of the arrangement about freezing at San Carlos,as settled with Spearing & Waldron. You are to understand that we are not in love with the business in any way; but we saw that if we held back the whole thing would have to be abandoned on the East Island as well as on the West,and understanding that there are some farmers on our Island who wish to

test the meat market, and endeavour to get some return for the outlay on Mr. Mowat's mission, we agreed not to stand in the way, for which we ought to get due credit, though we probably shall not. At the best we hope to do something better than boiling down. It is arranged to ship the tallow from San Carlos with the meat, which is not an infringement of our agreement with the Kosmos, as it must be looked upon as part of the meat, the skins, however, will eventually be shipped by steam. You should arrange for the consignment of as much of the meat to us as is possible, if not all. I fancy we should be better able to deal with the whole cargo than a part, and as one of our Directors has the consignment of a good deal of mutton from New Zealand, the owners may rely upon their interests having every attention. As regards the killing at San Carlos, it is to be done on the same terms as before, being the Port Howard terms. Mr. Cameron could not tell me exactly what they were, but they are on record. Of course I foresee the inconvenience of delivering wethers at San Carlos after all our sheep ought to be settled for the winter, but our Camp people must make the best of a bad job.

17. You would save us much trouble if you would explain to people coming home the nature of a Bill of Exchange, when you give them one for cash. Holders usually keep them for a month, and then present them, either asking for all the money down or a little on account. This was the case today with Bound, and I should suggest your giving on another occasion a cheque for sufficient to carry on with for a month, and the balance by a bill. Sometimes I am told that "Mr. Baillon said it would be all right". The expression is a vague one, and I invariably understand the statement to be a lie.

I am, Sir,

your obedient servant,



Managing Director.

18. Since writing the foregoing I have seen Dr. C. N. Foley, who has engaged to go out by the mail of 6th April to relieve Dr. Eastment.

Duplicates Enclosures

Despatch No 845 dated 29th Jan'y /97.

Remarks on Accounts

Cash Payments.

List of Enclosures

Prints Invoices Goods per "Abydos"

J. S. Crowderoy.	4. 19. 6.
A. & B. Bailton	1. 10. 10
Dean Brandon	20. 7. 7
D. Stickney	26. 4. 0
G. Pitahga	10. 10. -
Jacke Deros	10. 10. -
Bertrand Felton	10. 10. -
Stobmsted Blake	20. 19. -
Mrs J. Robson	25. 17. 4
H. & G. Cobb	- . 12. 9
Five Packs	219. 14. 6.

Corrected General Invoice Goods per "Abydos."
Second of Exchange £450.

Copy of letter from the Admiralty 2nd Feby
 " to " of Spearing & Waldron's draft re
 " shipment of frozen mutton per "Opawa"
 Letter for Robert Blake.

London 5th February 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Herodot.

No 847.

London, E.C. 23rd February, 1891.

Sir,

Confirming my last via Montevideo on the 5th inst., I have now to acknowledge receipt of your despatches 61 on the 8th and 62 and 63 on the 15th and 22nd respectively.

X
2. 61-9. I do not think that with a valuable animal like a stallion, which must be intended for breeding purposes, it is advisable to run the risk of breaking in for the sake of £2 additional on the price; but you will have understood that we do not wish any more to be sold.

3. Par. 12. The Board do not wish to raise any question about the price of the old desk, which Mrs. Nichol is welcome to have if she wants it.

4. Par. 14. The mystery about the missing cask of tallow seems to be cleared up, but it is singular that Captain Rees forgot about it.

5. Par. 17. The cost freight and insurance of potatoes works out at a little over 6/. per cwt., but we suppose that the bags are of some use afterwards. However this was only pointed out to show that you are paying a very full price for the Keppel ones.

X
6. 62-4. We can take no responsibility about the error in the matter of Mr. Packe's pumps; a press complete means one with a box, and the manufacturers remarked that the specification was so unusually full that if pumps had been wanted also they would surely have been mentioned. A pair was ordered within a few hours of receiving your despatch yesterday, and they are promised for next mail. This unfortunate affair has caused me to look up the question of pumps that have been sent out on several occasions, which are now either no longer in use, or not at the places they went to originally. There were the pair for the scrap press

A. E. Baillon, Esq.,

Manager,
Stamley.

at Goose Green, long since disused; have these been used for one of our wool presses? There was a pair, figure E, as per Tyler's letter enclosed, these I know were only used for a short time, and were afterwards in one of the hulks in Stanley. And again, when the steam pumps were sent out for ^{North Arm} Goose Green, what became of the hand pumps formerly used there? I am under the impression that there must be a good deal of disused hydraulic gear knocking about somewhere, and you should hunt it up. I think that I have suggested to you at least once that you might sell some of these old pumps at half cost price to clients who have ordered hydraulic presses, and I believe that Mr. Packe might have been fitted out with a pair of them. The breakage of the cylinder is unfortunate; I wanted to order a new one yesterday, but I find that it was not one of Tyler's make, so it is necessary to wait until the arrival of the Ammon, and then it may be a week before we can get hold of it. As to any dissatisfaction expressed by Mr. Packe, the letters already forwarded will have shown that we did all we could to hurry up the manufacturers, and we really cannot be responsible for any shortcomings in specifications that are sent to us.

7. Par. 7. The loss on the beef and whisky per Tanis unfortunately falls upon us, as it was only insured f.p.a., the Underwriters declining to take all risks upon this class of goods. The only chance of recovering anything would be from the Kosmos Co. on the ground of improper stowage, but I am afraid that it will not come to anything.

8. 63-3. With regard to the Remarks on Stores to which you draw attention, they may be dismissed with the reply that the invoice of lamps was for an incomplete shipment made by the Birmingham people who gave us infinite trouble and annoyance from first to last. The chimneys appear to have been sent in the second lot, which was of course an absurd thing to do, but we were entirely in their hands, and only succeeded in getting off what we did by incessantly badgering them. Every attention is paid to goods on this side, but what with vague orders from the Colony and dilatory suppliers on this side it is a matter of some difficulty to be regular.

9. Par. 4. I think that it would not be wise to raise the

question you propound about infringing a patent, but let Noble do whatever repairs he may think necessary.

10. Par.5. The shearing progress is satisfactory, and it is well that Mr. Blake's temporary visit is looked upon with favour, as things will probably run smoothly, though if it were objected to it would be the right thing all the same. With regard to Armstrong's view, as a matter of fact there is a want of confidence generally in the ability of any of our people being able to work the place to the best advantage, and for that reason Mr. Blake has been asked to take charge. If Armstrong thinks that the system hitherto followed is perfect and not to be improved upon, he will have a rude awakening.

11. Par.6. Possibly the winds and the weather generally have changed since I left the Falklands, which would account for some miscalculations in the matter of wool. But I think that I detect something wrong in your system in the remark that you drop that certain people insist upon having wool home by a certain boat; this is a word I should not allow to be used, although I would do the best in reason to oblige them. You seem to have sent the Fair Rosamond to Dunnose Head for a part cargo of wool; if Mr. Buckworth could not guarantee to fill her up it was quite unreasonable to ask for a schooner so early in the season. If you will look at the shipments sent away in January when I was in Stanley you will find that they were almost exclusively our own, but that I used to get off a fair quantity from the clients if an extra boat came in February. They know perfectly well that if they shipped by an outsider they could not reckon on getting their produce away before May, and therefore should not press you too early in the season. It was always an understood thing that we cleared away the bulk of our own by the first steamers, which allowed our schooners to extend farther afield a little later on.

12. Par.7. We will await events in the matter of the Sabino; I will ask the Board next week what they think we ought to ask for her. She cost £900, and with interest, insurance and sundries must now represent an outlay of about £1200. I suppose her stores and gear are worth something, though not much, judging by what we got by stripping the Great Britain. The best thing would be to get

X
 the Senior Officer to ~~make~~ an offer. Probably from £1500 to £2000 would tempt the Board, we taking the gear, which would be of no use to the Navy, and I do not think that they would lay down a hulk of her size for the same money. With regard to the Great Britain I cannot believe that Mr. Chamberlain will allow such a serious blow as you anticipate to be struck at the commercial interests of the place. See if you can find a letter from me to the Harbour Master in the early part of 1837 asking that a permanent berth might be assigned to her. I do not know whether the application was made verbally or in writing, but I distinctly recollect that she was moored in her present position by the Pilot acting under the direction of the Harbour Master. Of course the Senior Officer is prompted by the Governor, who would like to get her into 15 feet of water, so that the Kosmos boats cannot get alongside. You will have to lie in wait, and watch what goes on; should any decided step be taken by the enemy, you must ask that a decision may be deferred pending reference to the Secretary of State, one of the principal grounds being that she has occupied her present berth for 10 years without having caused any inconvenience that has been brought to our notice, as well as the fact already mentioned about the assignment of the berth by the proper authority.

13. Par. 10. Even if you did not see the invoice of the fowls for Mr. Buckworth you could have ascertained from Mr. Greenshields how many left London, and could have had the number counted. We always insure live stock, and can never get to know how they arrive without dragging the information out of you months after. There were pheasants sent out for Mr. Packe when Mr. Buckworth left, and we do not know to this day whether they got out safely or not. I hope that you have reported the arrival of the pigs sent per Thetis for Mr. Packe, and wish that you would give information of this kind in anticipation, without the necessity of enquiries from here.

14. Pars. 12 & 19. It is useful and sometimes necessary both for the Brokers and ourselves to know what wool is coming forward for the sales, and as I several times notified more than actually arrived, owing to a portion of the shipment being sheepskins, you were desired to leave the latter out of the cables.

15. Par.13. I should say that the Glengowan's cargo of coals were past redemption, judging by their unsuitability for raising steam, and from their having been under water so long, besides which I do not think that it would be thought advisable to charter to carry on a cargo of damaged coal; if the ship herself could take it the question might arise.

16. With regard to Mr. Williams having refused to give wool to the Fortuna, you are aware that we do the work for Weddell at little profit to ourselves mainly to oblige Mr. Dean and Mrs. Williams, and when a schooner goes in there to fill up if there is only room for half a dozen bales Mr. Williams has no right to withhold them, though if he wishes it you should keep them in Stanley until more comes. If he sends another schooner away on any pretence whatever, I shall tell Mr. Dean that you are instructed not to send there again, but leave it to the young man to get the wool in the best way he can. This you had better tell him, so that he may clearly understand what will happen. With regard to his refusing wool lately on the ground that he had promised a cargo to the Chance, you are aware that coming to Stanley in an outsider the wool is under the higher rate, so that he will pay from Stanley the same freight that would have been charged from Weddell in one of our vessels, and have to satisfy Pallini besides.

17. Par.18. It is quite arranged that Mr. Foley will leave next mail. You will see on referring to Mr. Eastment's agreement that he is not entitled to a passage at the Company's expense. It was not anticipated that he would be leaving so early, as his engagement was for six years, though he is, of course, quite entitled to throw it up at the end of three. Both Messrs. Heuston and Dale stayed about seven years in the Colony.

18. Sometime ago you were instructed to have all the hulks' moorings examined; this was, I think, after the J.P. Smith got adrift; we have heard nothing on the subject from you, and wish to know what has been done. There is a danger of the cables rusting at the water line, and any accident to the Great Britain would probably result in a disaster that could not be repaired.

19. When copies of letters are made by hand in the office they should be read over, as several that have arrived lately

are full of clerical errors.

20. The Opawa sailed on the 21st inst. for Stanley with 300 tons coal and the boiler for Goose Green. You must have arrangements made in anticipation for discharging her as quickly as possible.

21. I went to the Sheepskin warehouse yesterday to see the skins as sorted for sale. There is nothing to complain of in the Goose Green or, in fact, any of the Company's skins, except that a few of them showed slight signs of heating, which might have been avoided had they been allowed a little longer for drying. The only criticism passed by the warehouseman was that they were unnecessarily tightly baled, which you should mention. They are correctly folded and packed, skin to skin and pelt to pelt, and without doubling across the middle. Some of the others I saw were very bad; J. Felton's were about the worst, being heated badly, and ruined by folding, and the HEs were anything but good, being too tightly pressed, folded and even rolled up. It seemed a pity, as they were in themselves good skins, and if baled as well as ours would have been probably more valuable. I have advised Mr. Holmsted to come up to see them. Some others had been dried across a wire, and were rusted almost through. Altogether it seemed to me that many pounds might be saved in the year by attending better to the preparation of the skins for shipment, and that with the exception of our own, scarcely any of the lots were got up as they ought to have been.

22. Mr. Doxat has a telegram from his New Zealand agent saying that he has a very good candidate for the Darwin post, and advising delay until the arrival of particulars by mail. The Board feel that this is a matter upon which every precaution must be taken against error, and even if Mr. Blake wishes to return to Hill Cove before the arrival of Mr. Nichol's successor it cannot be helped, although they hope he will stay.

23. With reference to the Lands Funds Investments, which the money for the jetty was proposed to be drawn from, I am under the impression that when the sale of freeholds took place it was understood, and even stated in writing with or without the authority of the Secretary of State, that the money was to be invested

so as to return interest which was to take the place of the rent formerly paid for the land sold. If you can find any correspondence bearing on this, let me have it; I think it ought to prove that that money was intended to be devoted to a specific purpose, and is not at the disposal of an improvident Governor to play ducks and drakes with.

24. I note with great surprise that you are still unable to make up your Bills of Lading properly, as one that arrived yesterday for 37 bales of wool per Result, i.e. a vessel not owned by us is charged at 25/. What explanation are you able to give of this continual disregard of instructions? You are complicating our accounts with the Kasmos Co. in a most deplorable way, and we shall be obliged to ask them to instruct their agent to enquire the names of the vessels by which the various shipments come in, and to see himself that the proper rate of freight is charged.

25. I enclose copies of letters that have passed between the C.O. and ourselves on the subject of the proposed jetty. It does not seem possible that the scheme can be carried out. You must let us know what foundation Mr. Chamberlain has for saying that he is unaware of any proposal having been made for the shipment of wool from the public pier.

I am, Sir,

your obedient servant,

Wm. C. Fox

Managing Director.

*From 14 02
Par. 5 of reg.
19/85
19/85
19/85*

X

Enclosures

Duplicates

Despatch No 846 dated 5th Feby.
 Spearing's draft of letter re frozen
 emutton per "Opawa"
List of Enclosures

Specification of Boilers & fitting from Bellamy.
Details as follows:

£ 83 bales Wool "Abydos"
 140 13 cks Sallow "Harris"

Copy of letter to Kosmos dated 28th Sept/96.
 Wool reports.

Freight return schooner "Abydos" 26. 18. 7. J. M. Dean

Correspondence with Powell re "Elliot"

Copy of letter from Anning Cobb re baling
 sheep-skins dated 15th Feb

Bill of lading Boilers etc per "Opawa"
 Ledger & Journal Entries

Remarks on Accounts

First of Exchange £ 450.

Copy of letter to the Colonial Office dated 12th Feby.

" " from " " 19th "

" " to " " 19th "

Wirkland Cope's account for 10 Stickney 17. 18. 0

" " " " G. G. C. Anson 14. 13. 5

" " " " Stanley Office 11. 16. 0

Copy of letter from Stayward Jyles dated 27 Feby

Contract from letter to G. Chaplin dated 31st July 95.

Janridges freight note for coals per "Opawa"

Bill of lading coals per "Opawa"

Remarks on Stores.

Letters for the following

Co R. Baillou (2).

W. W. Bertrand

J. J. Felton

Peri Pache

Capt Ross.

London 28th February 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61, Gracechurch Street,

Per Supplementary mail
via Lisbon,
N^o 848.

London, E.C. 26th February, 1891.

Sir,

My last despatch went per Herodot, and ought to reach you with this. In reply to your cable "Thetis falagado (3rd inst.) federal pass balmaha" I telegraphed yesterday "Fictionist Pass" to catch the Basilisk at Montevideo today. I do not know why you required an answer, as we ascertained that Gibson Clark & Co. were all right when the ship was last in.

2. The Ammon arrived yesterday, and Browne Geveke & Co. report that JB 30 and L 76 bales Sheepskins have been entered twice on separate Bills of Lading and twice on the Manifest. The copies we have are correct, and I am unable to explain the error to them.

3. You have not reported Mr. Blake's arrival in Stanley to take charge at Darwin, nor has he written, and we are still without information as to the arrangement made with him.

4. I enclose copy of a further letter from the Colonial Office received yesterday.

5. Correspondence with Mr. Bowen and extract from the Elliot's logbook were sent by the Herodot, and I ought to make some remarks thereon. You will see that the Captain makes some rather serious insinuations, which I have, in anticipation of your denial refused to believe. He also leads us to infer that what he did was at the instigation of the Governor, which is more credible; still as the statement that the Governor of the Colony advised a Captain to run away without paying his bill reflects on that official, he ought to be made acquainted with what has been said, and you would do well to send in officially a copy of the entry referring to him and ask if it is true.

6. In order to arm us for the coming fight about the Great Britain, I want you to get some nautical man to place her exactly

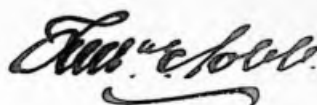
A. E. Baillon, Esq.,

Stanley.

on one of the latest harbour plans, or a tracing of it, so that it can be transferred to the copy here. This will serve two purposes, for besides the attack from the Navy we have a query from Mr. Pepper as to whether she is in water deep enough to allow the steamers to swing, some of the Kosmos Captains having expressed doubts on the subject. There is so much underhand work going on with the Governor that we can quite believe that while he is persuading Naval Captains that she lies in the fair way and therefore in too deep water, he is getting the Germans to say that the water is not deep enough.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicate copy of letter from Spearing
re frozen mutton, dated 29th Jan'y
Copy of letter from the Colonial Office
dated 24th February

Prints reports & contracts as follows:

H 5 bales Sheep Skins "Osiris"

S 14 " " " "

W.P. 4 " " " "

£ 8 " " " "

H.W. 2 " " " "

S-S 4 " " " "

F 14 " " " "

I-B 62 " " " "

B 12 " " " "

Brokers copies Company's skins for "Hamari" &
 "Osiris"

26th February 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

67, Gracechurch Street,

Per R.M.S. Clyde to
Montevideo.
No 849.

London, E.C. 5th March, 1897.

Sir,

Since writing per Herodot no further despatches have arrived from Stanley.

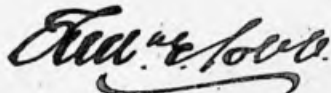
2. I have to report that Mr. W. Grey Wilson has been appointed Governor of the Falklands, and it is understood that he will leave by next month's steamer, crossing Sir R. Goldsworthy on the road. This appointment will be cabled to you to catch the Beagle next week.

3. Captain Scougall goes by this boat to Montevideo, in hopes of getting a passage by the Acorn to Stanley, where he will take charge of the Pass of Balmaha. By desire of Messrs. Gibson & Clark we have endeavoured to get him a letter of introduction from the Admiralty to Captain Woods, but they say that application must be made to the Senior Officer on the spot, who, as far as I can see, will be Captain Woods himself. Captain Scougall carries a letter of introduction to Messrs. Humphreys, who are sure to do all they can for him. Enclosed is a copy of the owners' letter undertaking to honour his drafts. No explanation has reached anyone as to the reason for the suspension of Captain Tovar's certificate; you will of course have been cautious in making any advances to him.

4. The Board have considered the question of the Sabino, and consider that we ought to be satisfied to get £1500 for her stripped as a hulk, or even a few hundreds less; but they think it will be better to ask for an offer, rather than state a price. If more is offered we should not, of course, object to take it.

I am, Sir,

your obedient servant,



Managing Director.

A. E. Baillon, Esq.,

Stanley.

Enclosures

Duplicates

Despatches No 847 and 848.
Copy of letter to Colonial Office dated 12th Feb.
Ledger + Journal Entries
Remarks on Accounts.

Shinto Appeals as follows:-
1410 18 cks tallow "Gamo"

£ 85 bales wool "Abydos"

Shinto reports + contracts:-

S.	14	bales	Skins	"Ociris"
W.P.	4	"	"	"
£	8	"	"	"
1410.	2	"	"	"
S-S	4	"	"	"
F	17	"	"	"
1410.	02.	"	"	"

Company's Cargo per "Herodot"

Shinto Cargo per "Herodot".
List of Parcels

Dutiable Goods per "Herodot".
Remarks on Stores

Shinto Invoices per "Herodot".

General Invoice goods per "Herodot"

Seconds of Exchange £450. "Opawa"

B/L goods per "Herodot" (London)
(Antwerp).

Copy of letter from Gibson + Clark dated 1st March

B/L coals per "Opawa"

Letter for G.S. Co Anson.

Entrands Imperial Institute Ticket
Waldrons " " "

London 5th March 1897.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary
mail via Lisbon.
N^o 850.

London, E.C. 12th March, 1897.

Sir,

Since writing you to Montevideo on the 5th inst., your despatch no. 64 per Basilisk has arrived, having caught the P.S.N. boat by which it was delivered on the 8th inst.

2. Par. 2. I understand from Captain Rees that the Thetis took the list you mention in the gale shortly after leaving; she would not leave dock in that state. With regard to an objection to cutting a second port in the Great Britain, will you let me know when the objection was expressed, so that I may see the grounds? It only occurs to me just now that as the starboard is the working side, there would be no use in cutting a large gangway on the other. I do not remember the question of taking cargo to Weddell in any other way than the vessel herself; it is not in my despatch 841-26, in which I wrote about that for San Carlos. As to Mr. J. G. Cameron saying that he wishes his wool to go by steam, there can be no doubt that the right course for you to take, and which it is to be hoped you took, was to say politely but firmly that you were not in a position to alter the arrangement made by Mr. W. K. Cameron with me for the conveyance in the Thetis of his wool, and further, you always under present circumstances have this up your sleeve for use if necessary, that not being as yet exactly clients of ours you are unable to extend to either him or Mr. Greenshields the advantage of the reduction of freight 5/. a ton, which is granted in the case of our clients, and that therefore you could only give him the old rate of 40/ & 5%.

3. Par. 3. The two watches you mention have not come to hand.

4. Par. 5. In forwarding the certificate relative to the death of one of the Minorcas, you say "he" claims 15/., but whether you

A. E. Baillon, Esq.,

Manager,

Stanley.

mean Mr. Buckworth or Mr. Schlottfeldt is not clear; still, as the latter could not have demanded such a sum for signing his name, and 15/. was the cost price of the fowls here, I assume that you mean Mr. Buckworth. We shall, however, recover what we insured for, which is much more, and as you incorrectly assumed that they were not insured to their destination, and should, to make sure, have sent a certificate of the death of the second one, we shall ultimately recover for that one also; but to meet the difficulty that is now under discussion the certificate must be sent by return, and if the Captain of the schooner is not in Stanley your own as Lloyd's agent will be sufficient. As the ship delivered only 11 out of the 12, the proper course would have been to make a claim, the reply to which would have been given in the form of a certificate from the Captain. Matters of this sort require prompt attention.

5. Par. 6. It is satisfactory to hear that the moorings of the hulks are in perfect order, and you will, of course, see that they are examined from time to time.

6. Par. 7. If the removal of the Great Britain should be insisted on, you will probably have a more reasonable Governor to deal with, and if pointing out that no inconvenience has been occasioned by her since she was placed in her present position by the Harbour Master up to the present time, ^{is of no avail} a request should be made that a berth may be assigned to her where the Kosmos steamers can safely lie alongside, on the ground that the whole of the export trade of the Colony is affected. Mr. Chamberlain, being above everything, a commercial man, would probably take a reasonable view of the question. If the Governor would waive in her case the necessity of mooring her within the prescribed limits, she might lie in 26 feet between the East and West Stores, which would be a convenience to all concerned, including the Government themselves and the other importers.

7. Par. 8. The copy of Mr. Blake's report has been read by most of the Directors, who are highly pleased with the contents, not, that is to say, with the state of things as revealed, but because it shows that he is energetically taking abuses in hand, and because it is a relief to know what is wrong, and that competent

management is likely to cause an improvement. We all hope that if we cannot get the new man on the spot in time, Mr. Blake will not mind staying a little longer. The result of the shearing at Darwin seems to have been good, but if you had the returns from the other stations, or knew anything of the results, you ought to have given us some information, reserving if absolutely necessary full details until the following mail.

8. Par. 9. At the request of Messrs. Gibson & Clark I gave them the information you have supplied relative to the Pass of Balma-ha. They write that they are cabling Captain Tovar to have everything ready so that Captain-Scougall can sail as soon as he arrives:

9. Par. 10. I think that you should with Mr. Felton press for an alteration of the Pilot service now that the Victoria is lost, reverting to the licensing of pilots, whose interest it would be to get quickly on board ships in their own boats, they taking the pilotage. It would be a more economical arrangement for the Government themselves, and be better in every way. I observe that no lives were ---, which is interesting, and would ~~aga~~ again suggest the desirability of reading over what you have written before sending it away.

10. Mr. Grey Wilson has been appointed Governor, but as I write I remember that I have already given you this information, and have only to add that yesterday I cabled you "Grey Wilson Governor", to catch the Beagle at Montevideo.

11. I was surprised to learn from Bound that he had left the Islands, as I cannot remember your reporting the fact, and you have certainly not told us who has the lease of the Ship Hotel, which you ought to have done.

12. In your remarks on Stores lately received you call attention to a discrepancy between the list of dutiable goods per Thetis sent from this office and the invoices of the goods. The difference occurred through the reprehensible carelessness of our junior clerk, and is excessively annoying, because if you present the list sent from here to the Government, they naturally think that the error is made purposely. It is easy to see, however, how it occurred when I say that it was compiled not from the

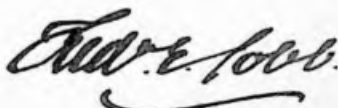
invoices but from the cargo book, which did not in all cases distinguish the different classes of liquors, and in the cases from the Army & Navy Stores the contents were described as sundries, and the Customs entry was passed here by the Stores. The list of goods is only sent you to assist in making out the entry for duty, and it should not be handed in to the Government, nor should the entry be made without comparing the list with the invoices. You should give the Government an official explanation of the occurrence, and say that it has given us great annoyance; after all, even Goldsworthy could hardly suspect us of wishing to smuggle for the benefit of Packe Bros.

13. The first wool sales took place yesterday, and I regret to say that the prices were not encouraging. Your cable "Tanis Stahlstich" (1300 bales) has just arrived. (2.40 p.m.)

14. I have done my best with H. Tyler & Co. about Mr. Packe's press work, as per enclosed copies of letters. They raised, as you will see, the question whether they should supply a ram also with the cylinder, giving their reasons, and I thought that Mr. Packe would probably like to have one as a standby, as it is not a very heavy addition to the expense.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatches No 849 dated 5th March.
List of Enclosures.

Copy of Correspondence with Hayward Tyler
re Peck Oake's Cylinder.

Copy of letter from the English Petroleum
Company dated 9th March

Client's reports & contracts as follow:

	14 th 10	118	bales	Wool	"Ammon"
	◇ 17	8	"	"	"Osiris"
	S	40	"	"	"Ammon"
(press copy)	◇ B	56	"	"	"
	◇	41	"	"	"
	J-B	46	"	"	"
			32	chs tallow	"

Brokers copies Company Wool firm Ammon
Client's Invoices as follows:

Beant Anson	32.	18.	8.
Bertrand & Felton	131.	8.	8.
Holmsted & Blake	24.	18.	6.
A. G. Bailow	5.	0.	9.
J. J. Felton	95.	4.	10.
(press copy) J. G. Cobb.	18.	19.	4.

Ledger & Journal Entries

Remarks on Accounts.

First of Exchange £ 450

Letter for Capt. David Rees

Remarks on Stores

London 12th March 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street,

Per Ramses.

N^o 851.

London, E.C. 8th April, 1897.

Sir,

My last despatch was dated the 12th ult., and your despatches 65 to 68 arrived on the 22nd and 29th id., and the 3rd inst. respectively. We have also received your cable from Montevideo "Federal Caterina Accame Clarkson London" on the 2nd inst., and immediately communicated with Messrs. H. Clarkson & Co., who telegraphed to Italy at once, but the reply only arrived yesterday, just a day too late to catch the Iberia at Montevideo. As the next opportunity of cabling will be by this steamer, we shall not do so, unless we hear of a chance down in the meantime. The reply is, "Please wire Captain Borzone Caterina draw upon you we shall cover you", so it is all right.

2. 65 -3. Upon representing to our Underwriters through our Broker Nilsson's normal condition of inebriety, and handing them Mr. Williams's certificate, they have considerably settled the claim for sheepskins, so the extension of protest comes too late.

3. Par. 4. There is a very simple answer to your question as to what you are to do in the event of the Senior Officer making an imperative condition about bagging coal, and that is that you are in a position not to allow him to be imperative. He wants coals, and cannot do without them, and as you have the only coals in the place it is you who ought to dictate terms, not he. Of course this should be done suaviter in modo, fortiter in re, but cannot be difficult, as you can put forward the custom from time immemorial, and say that no objection to the system of coaling has ever been expressed until lately. Naturally they like to coal with as little trouble as possible, but the objection on our side to the cost of bags and labour is so strong that it must

A. E. Baillon, Esq.,

Manager,

Stanley.

outweigh all opposition. Taking the original cost of coals and the time we have to wait to realize our outlay, it is not a very paying business, and we only go on with it because any difficulty in obtaining them might keep ships away altogether.

4. Par.5. Your letters to Lloyd's on the subject of the Pilot service are approved, and I enclose copy of one I have written to the Secretary on the subject, which I am informed will receive attention. It is satisfactory to learn that communication has at last been established with the lighthouse by telephone, but I am surprised to hear that copper wire is not considered suitable, and still more so that such a gauge of iron wire as no.8 is recommended. The one between the two Stores, put up originally to the Manager's house in 1880 was no.12, and up to the time I left no break had occurred, although, if I remember rightly, the posts are quite 80 yards apart. I will make enquiries on this subject; I went into it at the time, and remember that copper was recommended as being preferable in every way.

5. Par.7 and 67-5. Knowing that the Store telephone was constantly in use, and kept the Storekeepers in touch, I do not agree with you that it can be out of use without our business suffering. This remark comes strangely at a time when the Store profits are shown to have dropped more than 50% in five years.

6. Par.11. I find that the copy of a letter to the Colonial Office on the subject of the pier was accidentally omitted from the enclosures to despatch 843, but went in 844. It was of no importance, but its arrival ought to have been acknowledged.

7. Par.13. You have probably arranged with Mr. Blake as to what is to be done with the 50 extra rams sent by Pyne & Co., whether they are to be kept or sold on their account. That firm acknowledge their error, and say that we can sell them if we wish; but if thought desirable they can be kept. This matter ought to have been reported on before this. Of course, if Mr. Blake deems it desirable to keep them the Board will not offer any objection. I am afraid that I omitted to say that Mr. Dean would like a few of them.

8. I have not yet asked Buck & Hickman about the press for Mr. Waldron, but will take an opportunity of saying something ab-

44

out it. But as they are a firm of good standing, and they made the press according to his specification, I do not suppose that they have overcharged him. The proper course would have been to give us a limit, but Mr. Waldron is not business-like.

9. Par. 20 and others on the subject of the Pass of Balmaha. I can say no more on this subject than I have already, except that the owners are much obliged for what you and we have done for them, and that it seems a pity that the Naval divers were not asked for at first, instead of sending down an amateur like Pallini; but it is quite likely that the Senior Officer would not interfere in the first instance with the local talent, although you have not said so.

10. 67-3. The necessity of keeping the Stanley goods together is not forgotten in loading the Thetis, but you are probably unaware of the difficulty of stowing a mixed general cargo, especially towards the end, when every inch of space ought to be filled up; A little mixing of cargo is inevitable, and as Mr. T. Langridge, who personally superintended the Stevedores, got 60 tons of cargo more into the ship than she ever carried before, we must not complain. This cargo represents £90 more freight, and you did not spend anything like that amount in turning over and restowing.

11. Par. 6. Your error about the tram rails and points is noted.

12. Par. 8. It is reported this morning that the Opawa was spoken on the 25th ult. in 15N. 26W, which does not look like making a good passage.

13. 68-1. The breakdown of the Potosi and the detention of the mail is to be regretted, and still more so the delay of the despatch that I wrote to catch the Basilisk, which carried a duplicate of the missing one. It seems that H.M.'s ships carrying the mails have left Montevideo without waiting for letters from the shore, and so the extra despatches that I have written have all had to be kept for the next gunvessel, as they were sent to the care of Messrs. Humphreys, who did not get them until too late. Had I known that this would have been the case, I would

have asked the G.P.O. to make up special mails, or taken steps to get the letters forward somehow.

14. Par. 2. I have not yet heard from Mr. Packe, but the Tanis is not in yet, and he has probably written by her. I have written strongly to H. Tyler & Co. about the delays we always suffer with their machinery, and enclose copy of my letter. As to the box, I cannot understand the work not standing, as the reason why we took to getting them made by Tyler was that a certain box they constructed for Walker Creek went for years without any serious repair being required, while the Stanley ones seldom stood a season. I cannot but think that there must be something in the use or misuse of presses that is responsible for a number of the breakdowns, and I have thought for some time that those who have no Engineer in their service make a mistake in getting hydraulic presses at all.

15. With regard to George Mercer, no pension can be settled without a full record of the candidate's service being supplied from the Islands, and this you have not sent. Relying entirely on my memory I think that he entered the service about February, 1867, and that sometime or other he left us for a period, and then rejoined us. This would account for your not having at hand a copy of his agreement, but you will probably find it in one of the boxes in the loft over the office, put away with a number of time expired contracts.

16. I will send the droppers by next boat, but am sorry to see that you ask for flooring, for such wood travels very badly unless more care is taken than the steamers bestow.

17. Par. 7. We have been looking for the complete North Arm first shearing return, which you gave approximately as 90,000 in despatch 65, and might, I think, have sent in 66, which left 11 days later. I have not had time since the mail came in to examine the returns fully, but I see that the number shorn at N.A. is just what might have been expected from last season's dipping return, and the forecast I made in June last year is within a few hundreds of the totals from all sections. Probably the stragglers' account at dipping will not be very large.

18. Par. 8. You do not explain why the Automatic machines were

not charged to Plant, or to a separate account of their own; it was certainly wrong to leave them in stock, and worse to forget to take account of them. And why do you refer to them vaguely as worth from £25 to £30, when half a minute devoted to referring to the invoices would have shown you that they cost together in London £62.3/., without any freight or expenses?

19. Par. 13. It is very satisfactory to hear that you have at last grasped the freight question, though the process has occupied about a year and a half. The error about the 37 bales per Ammon has been rectified by our crediting the Kosmos Co. with the difference.

20. I have to acknowledge the receipt of your letter of the 6th ult. I may be mistaken, but I think William Green Esq. was formerly Mr. Holmsted's butler and general factotum. The letter intended for the Basilisk, despatch rather, will have informed you of Dr. Foley's engagement, and I suppose you received it by the Beagle. I said goodbye to him yesterday, and now enclose copy of his agreement. Instead of making the term three years it has been lengthened to five, with a return passage; it is not considered desirable to have such frequent changes as may be brought about by an arrangement such as that with Dr. Eastment. Dr. Foley is a most pleasant man, and I hope that he will make his way, and be popular. The Board rely upon your doing all you can to start him comfortably.

21. There has not been time to make a thorough examination of the accounts, and they have not been before the Auditors yet, but I may make a few remarks on them and on despatch 66 which accompanied them. Seeing that the increase of profit shown is only about £5000, while the Farm accounts for £8200, the Board are unable to say that they consider the result of the year's working as completely satisfactory. There is, in fact, except in the Farm, a falling off generally that is little short of disastrous, and this is particularly so with the Store, which has shown for the last five years a progressive decline, from £10,520 in 1892 to £4488 on the present return. Taking into account all you say about increased competition, the absence of ships, &c. it still ap-

pears that there must be some other cause or causes, undiscovered or unexplained, to account for an uninterrupted fall which threatens to extinguish the profits altogether. I have been endeavouring to discover the connexion between the ships that put in in any year and the Store profits, and regret to say that I cannot find it. Taking the profits from 1892 to 1896 and setting the business done with ships alongside them brings us no nearer to a solution of the mystery:-

	Ships' business	Store profits
1892	£5246	£10,520
1893	1274	8567
1894	613	7760
1895	4931	7207
1896	2113	4488

29137.00

7067
5358

Thus we see that although the ships' business in 1895 was within about £300 of that done in 1892, the Store profits were £3300 less, while in 1896, although the ships' business was considerably better than in 1893 and 1894 the profits fell off by £4000 and £3000. You say that prices are cut down to the lowest possible limit; if they are too low, why cannot you judiciously raise them? The expenses in the Blacksmith's shop are heavy you think; are you sufficiently careful about them? Do you look sufficiently into the question of using steam, and insist upon its being cut off, and hand power used, except in urgent and exceptional cases? Are you constantly endeavouring to economize in labour? Do you keep a sufficient check on the natural extravagance of all those round you who have a chance of expending labour or materials? Or do you let everything take its chance in a happy-go-lucky way? This falling off in the profits requires elucidating in a more satisfactory way than you have done in this despatch. The Board do not impute dishonesty to anyone, but they think that there must at least have been negligence and carelessness of a culpable nature. Has the stock been correctly taken? We know of at least one instance in which goods costing over £60 in England have been entirely overlooked; is it not possible that there may have been many cases of this sort? What steps do you take to ascertain that the stock is correctly taken? Are

stores taken for use and not charged? These are a few of the questions that should be looked into and answered, and any further light that you can throw on the subject will be valued. You must remember that it is your duty to look personally into the smallest details from time to time, and not assume that everything is being carried on in the best possible manner, even by those who were in the employ years before you went to the Islands.

The Board approve of the cost of the rams per Mamari being partly carried to this year's account.

In the matter of the schooners, there again seems to be something wrong, and for want of information we can only attribute it to unchecked extravagance, coupled with a want of system in arranging trips so as to show the best results. I do not remember your reporting during the year, though you may have done so, the necessity of spending so much money on the Praecis and Tilton; when anything of this kind has to be incurred the Board like to know what is going on, and not to be kept in the dark until the year's accounts come home.

As regards the Buildings, we want to know why you have capitalized what seem, for want of any explanation, ordinary repairs to various houses, and why these sums, or a portion of them, were not written off as repairs and charged to Profit and Loss?

The question of the Store debts is too large a one to say much about before thoroughly going into them; but I have to call your attention to certain remarks and instructions that went out on the 30th April last year, which seem to have been entirely ignored. To take one instance only; you were told to curtail credits largely, and a list of debtors was sent, whose accounts appeared too high. How has this been followed out in the case of W. Grierson, a very bad payer? At the end of 1895 he owed the East Store, the West, and the Millinery, £5.19.7., £15.3.1., and £2.16.5 respectively: he now owes the same £7.9.10., £24.19.8., and £3.8.10. How do you account for this, and for the other cases in which debts were ordered to be curtailed, but have been increased? We now want to know what you have done during the year in the way of carrying out the Board's instructions; whether you

have taken any proceedings in Court, what credits have been stopped, and why you have not reported progress from time to time as you were instructed to do. This, taken in conjunction with the falling off in profits is a serious matter, for all these debts figure as assets, and it is more than likely that a number of them are not good for much.

22. I send account sales of the sealskins, which unfortunately do not come up to the valuations by a long way. The market is a very bad one just now, and this is the best that could be done, although our Brokers took a great deal of trouble about them.

23. We should like to hear whether you have finally settled with Mrs. Nichol, and what condition the Darwin house and furniture have been left in, and what additions to the latter will have to be made before the new Manager takes charge. You have not yet reported the sum that we have to pay over to her lawyers.

24. On the subject of Mr. Blake's reports, I have to say that they have been read with the warmest approval by the Board, who consider that they furnish the best and clearest account of Camp matters that they have received for years, and they desire to return Mr. Blake their warmest thanks for the trouble he has taken and the great energy he has shown during his stay with us. They quite approve of all his recommendations as to fencing, which you will have to see are carried out, and it is also their desire that no time should be lost, when the weather is suitable, in making up for lost time in the matter of paint, which is so needful for the protection of the buildings. The Board are sorry that it is quite impossible for Mr. Blake to consider the question of a permanent engagement, but that I have explained would be impossible. There will be a meeting next week specially to consider the appointment of a new man, and I hope that I may be in a position shortly to give you some information on the subject. As I learn from a friend of Mr. Mathews's that the Messrs. Baldron would place no obstacle in the way of his leaving Port Howard, it is no longer necessary to be silent about the possibility of his taking the post; but as his letters to you seem to indicate a reluctance to move, and he is likely to ask more than the Board would be justified in giving at the outset, I think he may be passed

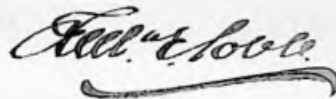
over. If he had stated the sum in salary or salary and commission which would have induced him to take the thing up, we should have known where we were; but only having vague hints that the offer we were likely to make would not be good enough, we have nothing to go on. The sum mentioned by you would, I believe, command the services of one of the best men in New Zealand, and the Board, however willing they would be to be liberal on results, could not at the outset, until the Manager has proved himself, commit themselves to a very large salary. That is to say, we believe that the place, if properly managed and developed, may and will give us better returns by some thousands a year, but until that happens they cannot open the Company's purse strings too widely.

25. Mr. Bertrand has sent a draft on the River Plate Bank payable to his order, with which he has asked us to open an account for him with the London & Midland Bank, but as he has failed to endorse it, I want you to get a letter out to him as quickly as you can, so that the omission may be rectified. It will be overdue before the return mail from the West arrives, but of course will not be paid. He has not sent the second yet, so he can endorse that, and it will be attached to the first which has been accepted.

26. I have had some correspondence with the Kosmos Co. about the support given by Schlottfeldt to the pier scheme, copy of which I enclose. I hope that they will at last see what a snake in the grass their agent is.

I am, Sir,

your obedient servant,



Managing Director.

Embourses

Duplicates

Despatch No 850 dated 12th March 97.
Remarks on Stores
Ledger & Journal Entries
Remarks on Accounts.

Clients reports & contracts as follows:-
L 32 chs Salween "Ammon"
14 8 bales Wool "Osiris"
S 70 " " "Ammon"
71 " " "
14-B 118 " " "
7-B 46 " " "

Clients Invoices as follows:-

Dean & Anson 32. 18. 8
Holmsted Blake 44. 18. 6
Bertrand Felton 131. 8. 8
C. G. Bailon 5. 0. 9
J. J. Felton 95. 7. 10.

Sum of Exchange £450.

Copy of letter from the Cosmos Co dated 16th March
Copy of letter to the Cosmos Co dated 18th March
Collected General Invoice Goods per Opawa
Clients Appeals as follows:-

B 56 bales Wool per "Ammon"
S 66 " " "
59 " " "
7-B 46 " " "
H-B 118 " " "
H 8

Copy of Brokers Appeals Company's Wool per "Ammon"
Wool reports
Clients Appeals as follows:-

B 17 bales Skins Osiris
S 14 " " "
14 5 " " "
WP 4 " " "
F 14 " " "
14-B 62 " " "
14-W 2 " " "
Z 8 " " "
S-S 4 " " "

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary mail
No via Lisbon.
852.

London, E.C. 23rd April, 1897.

Sir,

My last despatch went per Ramses on the 6th April, and I have to acknowledge receipt of your no. 69, which came to hand on the 12th, and has been laid before the Board. Your cablegram, "Luxor stagnajo", i.e. 950 bales, arrived yesterday.

2. 69-3. The papers relating to Spearman's debt are of course insufficient to put us in a position to sue him, and you have probably conferred, as desired, with the Judge as to the steps to be taken, not that we think, from what we hear of that individual, (Spearman) that we are likely to get anything out of him.

3. Par. 5. I have written to Camper & Nicholson about the Fortuna's condition, asking their advice, but have no reply as yet; perhaps if the waterways are well caulked it may stop the mischief. We can quite understand from the amount of work she has done that she may have become a little strained. I think that at the time of her purchase the question of straps you mention was raised, but that they were not considered absolutely necessary, and that in view of the enormous expense already incurred it was decided not to put them in. Perhaps it might still be done without putting her in dock or on a slip.

4. We learn from an outside source that you have let the Ship Hotel to Lee Whitman, and we await particulars which ought to have been furnished at the time. From what I recollect of him I should have said that he was hardly a desirable tenant.

5. I have again communicated with Mr. Bowen, who hopes to get a settlement of the Elliot's accounts shortly.

5. No reply has been received from you as to the two Leicester rams, as to which a question was put to you in my despatch 843-19;

A. E. Baillon, Esq.,

Manager,

Stanley.

6. In 843-2 you were asked whether it was possible to put a stop on the delivery of ships' papers until their debts were paid, to which question we are without an answer.

7. Referring again to the case of George Mercer, who has applied for a pension, you will have understood that in order to enable the Board to come to a decision on the subject it will be necessary for you to get from Frazer a complete record of his services from the Darwin books, showing the length of his service with the changes in his wages as they occurred, so that we may clearly see the average wages he has received from the commencement. I thought that you were aware of this, as it has been done in all the other cases; if you knew it, it is not clear why you contented yourself with recommending him to state his case to the Board. As to his arrival in the Colony I was mistaken; he went out in the West, not in the Matilda, as I thought, and he tells me also that he never served in any other employ.

8. Pyne & Co. of Christchurch have written us that they are glad to have heard from you that you would be able to dispose of the 50 rams sent in excess of the order. It is rather singular that we should get this intelligence round by New Zealand without hearing anything about these rams from you, and it is desired that you will in future send us press copies of any letters of importance to firms outside the Colony bearing on the Company's business. We have authorized you, if Mr. Blake approves, to take the rams over for Farm account, but should not regret to hear that they had been otherwise disposed of, as our prospects this year are by no means too bright.

9. A special meeting of the Board has been held to discuss the subject of appointing a new Camp Manager. Seeing that it has been conveyed to us that the Messrs. Waldron would place no obstacle in the way of Mr. Mathews, it is no longer necessary to be reticent on the subject, and I can inform you that the appointment rests between that gentleman and another who has been very highly recommended from New Zealand, the preference being given to the former on account of his experience in the Islands. The Board has heard unofficially that Mr. Mathews may place a higher value on his services than they would be prepared to concede, but

they are, nevertheless, prepared to make him an offer. In considering this, while being fully aware that the proper management of the Farm is of the most vital importance to us, the Board are not prepared to go to an excessive length until they know ^{that} that object has been attained and that it has borne fruit in the shape of increased returns. They have, therefore, decided to authorize you to offer Mr. Mathews a standing salary of £800 (eight hundred) per annum, with a commission of £4 per ton for every ton of wool produced in excess of the average of the three years 1894, 1895, and 1896, being the last three completed years. The calculation would be made on the nett sale weights in London, and, as will be seen by the calculation enclosed, the average mentioned is 594 tons. At present, and perhaps for a year or two, the commission might be looked upon as small; but if Mr. Mathews takes a good view ahead, and is prepared to accept Mr. Blake's estimate of the carrying capacity of the land, 60,000 more sheep clipped than we have had yet, he will see that the possibilities are great. Say 250,000 sheep only averaging $7\frac{1}{2}$ lbs., (we had 7.4 in 1894) and the wool would come to 837 tons, or an excess of 243 tons, which at £4 per ton would run out £972. As regards the wool, we should allow on everything shipped in a bona fide way, including slipe or dead wool picked up; but could not assent to the clipping of sheepskins in order to swell the amount. The term of service would be five years, renewable of course, and the Board would assent to a passage home at the end of the time for the whole family, and out again ~~in~~ in case of renewal. No one in the service is allowed to do business on his own account, and my answers to the questions put in your private letter are to be accepted. As we are keeping in touch with the New Zealand candidate we must know Mr. Mathews' decision as soon as possible by cable, and the words must be "Trummern" for Mathews accepts, and "Truogolo" for Mathews declines.

10. I enclose copies of letters on the subject of the telephone to the Lighthouse, as to which I have also seen Mr. Paterson. You will observe that Col. Lewis is mistaken in supposing that the wire is copper, and the strength of silicum bronze is considered to be sufficient. For a telephone Mr. Paterson says

that no.8 wire is quite unnecessarily heavy, and he thinks that an attempt should be made to prevent breakages by birds by means of the white discs already suggested, before going to the great expense of renewing the wire throughout, and erecting the necessary number of new poles to carry the increased weight. Should, however, these precautions be of no avail, and should the principal breakages take place over a length of $\frac{3}{4}$, or a mile, then it would be possible to supply an insulated wire to be laid in the earth or sand at a cost here of £20 or £22 per mile. You must confer with the Government, and give us all particulars; in the meantime, as the line has been completed, I suppose you have obtained from our partners their share of the cost of the line, which really ought to have been paid before this and not allowed to lie without interest.

11. I forward for your information copies of correspondence with the Kosmos Co. and H. Tyler & Co., and have to direct your attention to a letter from the Sun Life Assurance agent at Lichfield to be forwarded to Mr. C. S. Williams, which requires an immediate reply.

I am, Sir,

your obedient servant,



Managing Director.

COMPANY'S WOOL ,1894/6.

1894	199,867	sheep	yielded	661	tons	wool,	average	7.4	lbs.
1895	189,438	,,	,,	550	,,	,,	,,	6.5	
1896	185,300	,,	,,	571	,,	,,	,,	6.9	
				3) <u>1782</u>					
				Average				594	tons.

When raised to the level of 1894 the excess over the average over 594 tons would be 67 tons, or at £4 per ton £268.

250,000 sheep (Mr. Blake's estimate of the full capacity of the land is 260,000) at $7\frac{1}{2}$ lbs. per sheep would give 1,875,000 lbs. of wool, or 837 tons, excess 243 tons at £4 £972.

$$\begin{array}{r} 167 \\ 131 \\ 954 \\ \hline 544 \end{array}$$

Duplicates Enclosures

Dispatch No 851 dated 6 April
Ledger + Journal Entries
Remarks on Accounts.
Clients speaks as follows:

<u>B</u>	50	bales	Wool	Ammon
14-18	46	"	"	"
J-B	118	"	"	"
S	66	"	"	"

<u>H</u>	59	"	"	"
<u>H</u>	6	"	"	Osis

Clients speaks as follows:

<u>14</u>	5	bale	Skins	Osis
WP	4	"	"	"
F	17	"	"	"
L-B	62	"	"	"
14W	2	"	"	"
Z	8	"	"	"
S-3	4	"	"	"
S	14	"	"	"
L	32	chs	Sallow	"Ammon"
D-L	4	chs	Seal Skins	"Janis"
<u>H</u>	8	"	"	Abydos.
G P	1	"	"	"

+ contracts

Duplicates of Enclosures per Consignee's Letter
Second off Exchange £450.

Particulars of Insurance for C. S. Williams with
correspondence for reply
18/1 general cargo per "Ramses"
"sugar"

Clients speaks reports + contracts:

L	46	bales	Skins	per Ammon
14-18	6	"	"	"
copies J-B	30	"	"	"
<u>B</u>	2	"	"	"

Copy of letter from The Cosmos Co. dated 10th April
Copy of letter to " " 13th "
Sunday accounts for C. B. Foley. (3)
Copy of letter from Hayward Tyler Co dated 14th April
Miss Goldie's schooling account for W. W. B. v. strands
J. J. J. Abbott.
Copy of letter from Paterson + Cooper dated 21st April

Debits Invoices, as follows:-

Stanley Benefit Club.	15.	11.	4.
J. J. Helton	116.	16.	6.
Ac. C. Brailow	14.	1.	8.
C. W. Foley.	5.	2.	1.
St Clements	-	5.	0.

First of Exchange £450.

Remarks on Receipts

ledger + Journal Entries

Remarks on Balance Sheet.

Copy of letter from Campen + Nicholsons dated 25th April
and drawing (received since despatch was written)
letters for C W Foley. (8).

London 24th April 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Tanis.

No 853.

London, E.C. 18th May, 1897.

Sir,

My last despatch was dated the 23rd ult., and we have since received your no. 70 on the 26th ult., and no. 71 yesterday.

2. Despatch 70-4. With regard to the Queen's Commemoration, you have done right in laying the matter before the Board without pledging the Company to taking part in it, for it is doubtful whether it is one in which as a Company we have any right to take part at all, and no decision can be arrived at until we have had the General Meeting next month. If you will refer to the precedent of the 1887 Jubilee you will see that the Governor, somewhat wisely, divested it of any connexion with the Government by placing the whole thing in my hands, and that after canvassing hard I managed to get together the sum of £255, which at the time was thought very good, being 2/10d. per head of the population. The money was sent as a subscription to the Imperial Institute; see my despatch 446-10. The Company was not asked to subscribe, the view taken having been that it was essentially a personal matter, and that probably every shareholder had contributed in one way or another to the celebration. The hospital scheme is, of course, absurd, and the lending library would be of doubtful value. Why should not a subscription be sent to the Prince of Wales's fund? I only throw this out as a suggestion. After what has taken place the last six years, the Board do not consider it necessary to go out of their way to follow the lead of the late Governor in anything, and, should it be decided to subscribe in the Colony, they would prefer to confer with Mr. Grey Wilson independently of anything that has been done.

3. Par. 5. There is a link missing in the negotiations with Sarney about the Dairy, for in face of the Board's explicit instructions that you were not to go to the expense of fencing the

A. E. Baillon, Esq.,

Stanley.

land in again,(see 841-17 and 842-3)your proposal to get him to fence in the ground himself by contract is unintelligible. Nor have you explained upon what basis the reduced rent mentioned has been calculated. Having referred the question to the Board you surely understand that you are strictly limited to the expenditure of £200 for all purposes. The Board regret that they cannot sanction the payment of any pension or allowance to Hollen, who was only allowed to live in the house as a favour,and we set our faces carefully against creating any precedents that may be harmful.

4. Par.7. As already reported,the insurance on H.Waldron's skins has been recovered. With regard to the Protest,I thought that the Shipping manuals in the office would have made you acquainted with the course that ought to be followed. When a man loses a ship he is bound,at his own expense,in the event of his having had any property belonging to another person or persons on board,to note and then extend a protest; it his reply and the only one he can give to claims for non-delivery; But if he does not want to make a claim on the Underwriters he is not bound either to take a copy for himself,or to furnish one to owners of lost or damaged cargo; he simply refers them to the Notary,who on application will on payment of a fee give a copy of the record. So in this case,the cost of noting and extending should have been paid by Nilsson,but Mr.H.Waldron should have paid for the copy. To this I have to add that in cases of total loss the Notarial fees do not come into the adjustment of the claim. Whether Mr.Waldron will take any action in regard to the payment, which I assume you have charged to him,is for him to decide; under the circumstances of having sold his skins at very high prices to the Underwriters and of Nilsson being an awkward customer to tackle,he will probably be wise if he rests content with what he has got.

5. Par.8. By all means ship any tallow you may have by the steamer of July 9th.

6. Par.9. All Mr.Blake's letters have been read with great interest by the Board,and they agree to any suggestions that he

may have made, though they think that any sweeping changes after this would be well deferred until we have a permanent ^{man}. With regard to two suggestions put forward we take exception, and they only refer to the manner in which a thing should be carried out. Never ask the Board to lay down the law on a matter of detail; I am referring to the proposed edict on the subject of racing horses, and again as to the contract price to be paid for killing sheep. Take my word for it that it is a sign and confession of weakness; the men know that the order emanates from you, but that you lack the courage, or they think you do, to promulgate it without the backing of the Board. When you decide on a certain course, take it as on your own initiative, and let your subordinates feel that while for the general management of the Company's business the Directors are a useful and necessary body, in all matters of detail you are the person to be reckoned with. Of course I am not suggesting to you that you should not, when in doubt, consult the Board, because you would be wrong not to do so.

7. Par. 11. I think that it would be desirable to come to an understanding with the suppliers of meat and bread for next season as soon as you can, so that a contract may be arranged with the Senior Officer before the ships come down.

8. Par. 13. The collection of wool this season appears to have been carried out with much success, and the Board give you all due credit for it.

9. Par. 15. Although the condition of the Mamari sheepskins was not as bad as reported, still they were not up to the mark, and Noble ought to devote unceasing vigilance to this subject. No doubt they have got into the habit of pressing too hard at Goose Green, as elsewhere, and this should be checked.

10. Par. 16. You are right in saying that the conditions at Goose Green are favourable to stone building as opposed to wood, but we await information as to the class of building, i.e. whether the style of J. Casey is good enough, or whether mortar throughout is proposed. And you have not mentioned, I think, why a house is required at Goose Green at all. It is a place that has absorbed a huge sum of money, and it makes poorer returns every

year. As the season only lasts a few weeks, I should have thought that it would have been possible to make shift with the buildings, which have been sufficient when more than 20,000 sheep were killed, and it is to be assumed there were more hands at work than now.

11. Par. 32. The special pumps that I mentioned to you, of which we had only one pair, were returned from the Camp, and the last time I saw them was years ago on board the William Shand, I think, before she was cut down. Someone in Stanley ought to remember about them.

12. Par. 32. You remark that "the loss and whiskey must fall on us". I hope that we shall be able to bear the shock. Further, in 71-1 you remark that Goldsworthy's cheque was "ordered" from Order to Bearer, and still again in 16-you say that a payment would not be "at all of the way". The very obvious precaution of reading over what you have written before you send it away would prevent these blunders, which are becoming increasingly common.

13. Desp. 71-2. Surely it was most careless to let the sewage drain so long into the well at North Arm, after becoming aware that the water was polluted, and after reading the Analyst's report?

14. Par. 4. It is fortunate that the Thetis got off without apparent damage at Roy Cove. I hope that Captain Rees took the precaution to note a Protest at Stanley; it would not be necessary to extend it unless actual damage is seen in dry dock, so he should bring home a copy.

15. Par. 6. The copy of the Governor's despatch ought to have been sent; there is no paper, except despatches, previous to my coming here in 1891 that I can be sure of finding.

16. The statement by the Master and crew of the Hornet has been submitted to our Insurance Broker, who says it will be sufficient, and he hopes that every care will be taken in drying and repacking the wool at Port Louis.

17. Par. 8. It is satisfactory to hear that Chaplin is leaving next year, and I think you are right about consulting Captain Smith about a successor. The Board have received Chaplin's letter, and instruct me to tell you to acknowledge its receipt, and

to say that they are not of opinion from what they have heard up to the present that the strain which he unfortunately gave himself would give him any legal claim on the Company, although they will be prepared to discuss it with him. You are to add that he has entirely misread my letter offering him assistance in the matter of a truss, which simply expressed my willingness to look out for anything he wanted, but certainly not to pay for it on the Company's behalf; I think it likely that the Board may do something for him irrespective of the legal claim, if he is really permanently injured; but I should think that there ~~has~~ must be some exaggeration in his statement, for if he is only fit to take work "of a very light nature" it must follow that he has been unfit for his present position for the last two years.

18. Par.9. The Board highly approve of your caution in submitting the question of E. Phillips's passage for their decision, especially as their opinion is adverse to yours when you say that you take it that he really can claim it. Jesse Phillips came out in 1874, the second time, with a newly married wife, and in the course of time they had a family. Under his agreement he is entitled to a return passage to England for himself and family. When he returns he will be able to bring such of them as remain in his family, just as he can bring at the Company's expense a portmanteau or a Gladstone bag as luggage. But that does not mean that while he remains in the Islands we are prepared to carry his Gladstone bags whenever he wants to send them. That is the first point. But the more important one is, how is "family" to be defined? The Directors consider that the proper interpretation is a wife and such of the children as have not arrived at the position of being self-supporting. E. Phillips appears in the Camp wages list as a man earning £5 per month, and it is surely straining the natural interpretation of the word to consider him still as one of the family. For if you push the proposition to extremes what do you get? We may have a well preserved veteran of 70 claiming a passage, and including in his family a grizzled child of 48. And this child again may have other children and even grandchildren; are they also of the family? If you do not draw the line closely you cannot tell where you will

stop. How many men are there still in the employ to whom we are under contract to give return passages?

19. Par.11. The weights of 3 bales of wool to which you refer were not found enclosed.

20. Par.12. You do not mention who is going to administer the Government before Mr.Grey-Wilson gets out. I thought that Mr. Thompson had the commission.

21. Par.13. We may send some dinghies in the Thetis.

22. Par.16. The Board have considered your remarks about the remuneration to be given to Mr.Blake, and would approve of his being paid at the rate you mention.

23. Unfortunately the Governors will have a chance of meeting in England; I told you before that I was misinformed as to the new one's departure.

24. Par.21. If my objection to cutting another port in the Great Britain was what you think, it was formed after taking the advice of experts. I remember that there was a good deal of difficulty in cutting all the iron straps, leading to a good deal of labour, and unless it became imperatively necessary I should say that it would be better to let it alone.

25. Par.25. I understand that Bound is going into business at Bristol, and if so it is questionable whether it was right to allow him still to retain an interest in the Ship Hotel, over the management of which he cannot possibly exercise any control. At all events the subject should have been mentioned to the Board, and they would now like to know at what notice the arrangement can be revoked.

26. Par.26. It is satisfactory to hear that the mistake on the Thetis's manifest about the non-entry of dutiable goods has not had any serious consequences; but if so, why did you write on 6th February that "the Government here regards it as an attempt to evade duties"? This hardly tallies with the statement you make now that as far as you know the Governor never saw the Thetis' Manifest at all.

27. Par.28. When the mail has gone I will send your statement re "Elliot" to Mr.Bowen.

28. Par.29. You have done right in keeping the extra £125 out of the late R.E.Nichol's account.

29. You have referred lately to the repairs in Marmont Row, and there are entries in the Cash Book relating to the contract. Has this contract been reported? If so, I must have overlooked it.

30. With reference to our despatch 846-2, if you are now able to answer the queries about Tranquilidad new house we shall be glad to have particulars.

31. If the Remarks on Store Debtors had accompanied the accounts, some of the queries and remarks need not have been made.

32. The Board desire that you will, with all convenient despatch, make up a list of all the Company's Buildings now in existence, whether Stores, houses, sheds, or what not, and put a value on each as it stands. If you will refer to my despatch from Stanley of 19th September, 1887, 446, par. 13, you will see what is wanted, and if you can find the list then made, it will be a guide to you. Values are to be stated distinctly under rather than over the mark, and if you are in doubt, you should take the advice of Biggs, or anyone acquainted with the subject. The Directors think that there must now be a greater discrepancy between actual values and those shown in the Balance Sheet, and await this return with interest.

33. I send a copy of a letter from Lloyd's, part of which I think was intended to be addressed to you, for it would be quite impossible for me to talk to the Colonial Secretary at Stanley, and I do not suppose that they wish me to see Mr. Chamberlain.

34. The shearing account lately sent should have been marked "1st Shearing Return" not "Complete", which can only be sent when the stragglers shorn at the dipping have been counted.

35. Mrs. Honner wishes details of her Store accounts sent her, both now and in future, as she does not get them from San Carlos. That is to say she wants the accounts for 1896.

36. R. Goss has written to say that he has got into serious trouble, is separated from his wife, and is at present in the Workhouse at Belfast. He implores me to send him out; is there any kind of Camp work he is good for? I am sorry that he has gone astray, and as an old and good customer I do not wish to cast him off altogether.

37. The HGC bales per Tanis turned out 83 not 82 as stated in the Bill of Lading, and the recovery of this has given some trouble, which would have been avoided if you had followed the ordinary course with regard to it. I mean that as your tally gave 83 while the ship only admitted 82, you ought to have had the B/L made out for the higher number, and then the agent for his own protection would have added a clause "one bale HGC in dispute, if on board to be delivered". This is the only way to do it, and I thought that everyone who had ever had to do with Bills of Lading knew it.

38. You have never mentioned the new Cooper Ryan, how does he get on? I observe that he has not paid off any of his advance; this should be looked to, and the amount would be better taken out of London Office account and transferred to a separate one.

39. Your attention is called to a letter from the Sun Fire Assurance which should be sent to Mr. C. S. Williams at once for his reply. I find that copies of previous letters have already been sent.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatch No 852 dated 23rd April
Ledger + Journal Entries
Remarks on Accounts
Clients Appeals + Contracts.
H.B 6 bales Skins Amouron

L 76
Clients Services as follows:-

" J. Clements	5/-
" G. H. Foley	5. 2. 1
" J. J. Seltow	116. 16. 6
" Stanley Benefit Club	15. 11. 4.
" A. C. B. Bailbon	14. 1. 8.

Second of Exchange £450.

Copy of letter from Floyd's dated 9th April
Copy of letter from San Jose Assoc Society to
W. H. Marshall dated 27th April for G. S. Williams
Schooner freight return on wool per "Janis"
Clients reports and contracts.

◇ B	68 bales Wool per "Janis"
DS	59 " " "
SI	81 " " "
H.B	83 " " "
J.B	119 " " "
L	130 " " "
◇ HCC	83 " " "

Brokers copies Company's wool per "Janis"
Dr Rinker's receipt with 9/2 returned for
G. H. Foley

Ledger + Journal Entries
Remarks on Accounts
First of Exchange £450.
Wentler's schooling accounts for W. W. Bertrando
Letters for

Robert Blake (r).
A. C. B. Bailbon
J. J. Seltow
W. A. Starding
G. H. Foley (packet).

London 18th May 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Orissa.

No 854.

London, E.C. 2nd June, 1897.

Sir,

Since writing per Tanis on the 18th ult., no further despatches have arrived from the Islands.

2. In my last I remarked that the wool specification was not found among the enclosures in your despatch per Luxor, overlooking the fact that it was sent via Tilbury with the wool. It would be convenient to have a press copy of this by Montevideo in future, as we like to know about the shipment as soon as possible, and in this case the Montevidean letters reached us a week earlier than the mail.

3. I have notified to the Kosmos Co. that some of the firms at Sandy Point are touting for Falkland wool at 5/8d. through from the Islands to London, and I enclose copy of Mr. Pepper's reply. It is well to point out that this is a worse freight for the shippers than 35/ & 5¢, for in the only cases we have worked out the latter comes out rather under ½d. per lb.

4. We have been trying to trace the liquors bought from some of the consignees per Thetis, but cannot reconcile the figures. As a general rule repurchasing goods which have once been ordered on commission is not a good business, and if the Ordinance lately amended presses in any way on importers, would it not have been possible to purchase, and then resell the whole at the exact amount of the invoice?

5. Peter MacLean is returning from British Columbia, and wants to return to our service. I have replied that probably a vacancy will arise, but that I must refer the question to you, as engagements are made in the Colony, not here.

6. Will you explain under what circumstances it was necessary to buy Cooper's tools on the 8th February? I was under the im-

A.E. Baillon, Esq.,

Stanley.

pression that the Cooper, like the carpenters, found his own.

7. The Board desire to re-iterate the necessity of observing the strictest economy in the management of the Store and the employment of labour generally; we fear that at the General Meeting this month remarks of an unpleasant nature are more than likely to be made in criticism of some of the figures.

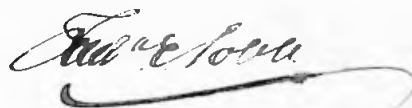
8. Mr. Doxat has just heard that the candidate in New Zealand accepts the terms offered, and that he meets with Mr. Mowat's approval. Having this second string to our bow we need not be excessively put out if Mr. Mathews declines our terms, as to which we hope to hear shortly by cable.

9. In my last despatch par. 7 for "it his reply" read "it is his reply", and in par. 38 for "been" read "be" in the 3rd line. These errors passed, although the despatch was twice read over before closing.

10. In looking through the Stock returns the quantity of iron and especially rivets strikes us as enormous. Lawes' Dip is entered as 1000 casks, surely this is a mistake? Why has the Emerson's windlass not been used on the schooner it was sent for? The Nandubay posts still appear; these must be used up in one of the first fences erected, it is all nonsense to say that no tools will bore them, for they were used on a line of the Driftwood fence if I am not mistaken, and I believe that we got a set of Italian augers from Montevideo specially for the purpose. They are unsightly, it is true; but many hundreds of miles are constructed with them in the Plate, and when once set up they are practically imperishable.

I am, Sir,

your obedient servant,



Managing Director.

P.S. Your cablegram "Herodot Speisehaus" (460 bales) has just arrived from Montevideo.

Duplicates Enclosures.

Dispatch No 853. dated 18th May
Ledger & Journal Entries
Remarks on Accounts
List of Enclosures.
Clients reports & contracts:

DS 59 bales Wool "Janis"
GI 81 " " "
H-B 83 " " "
HB 119 " " "
L 150 " " "

Duplicates of Enclosures from Consequer's letter
Seconds of Exchange \$450.

Bill of lading cargo for "Janis"
Wool reports.

Memorandum from Coputake Co dated 20th May.
Buck Strickman's invoice (omitted in last entry)
Copy of letter from the Cosmos Co dated 22nd May
Collected General Invoice Goods for "Janis"
Clients Affairs & brokers copies:

3 4 bales Wool "Amsonon"
12. " " "
DS 59 " " "Janis"
GI 81 " " "
SI 81 " " "
B 68 " " "
HGC 83 " " "
L 150 " " "
JB 49 " " "
H-B. 83 " " "

Copy of Brokers Affairs Company's wool for "Janis"
Clients reports & contracts as follows:

H-B 10 bales skins "Janis"
JB 5 " " "
B 1 " " "
SI 3 " " "

Copy of Brokers reports & contracts Company's skins of Janis
Clients Invoices as follows:

Went Tackel 90. 3. 6
G. J. Jennings 11. 2. 7
Wm. Hansen 6. 10. 1.
J. Smith 27. 2. 14.
J. Carey 11. 0. 1.

Ledger + Journal Entries
 Remarks on Accounts
 First of Exchange 1450.
 Letter for the following:
 C. Blake
 C. B. Foley (4).
~~W. W. B. Matthews~~

London 4th June 1897.

Despatch sent separately via Liverpool on the
^{2nd} inst

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61, Gracechurch Street.

Per Luxor.

N^o 855.

London, E.C. 29th June, 1897.

Sir,

Since my last via Sandy Point we have received your despatches 72, which arrived on the 14th June, and 73 on the 25th. The Herodot is not expected at Tilbury until the 1st prox., having passed St. Vincent on the 19th inst.

2. 72-2. I believe that the Government buildings are insured in some London office; will they be replaced?

3. Messrs. Lawes' Chemical Co. say that they understand why the dip froths in the soft water used, and will make ours up rather differently. A copy of their letter is enclosed.

4. Both Schweppes and the Ashton Green Co. came to see us about Mr. Anson's orders, and flatly refused to execute them. They say that they deal with merchants in London, and do not lay themselves out to execute orders from abroad. If they did, they would charge full prices without trade discount. It does not seem quite the thing for Mr. Anson to go behind us in this way, though I only say this as a matter of principle, for the trifling commission we charge is but slight recompense for our trouble on such little orders. But if all our clients took to using the names of our suppliers for direct dealing, and referred them to us for payment, we should have to object. Can you explain Mr. Anson's motives, - is it pure ignorance? We have, at the request of both firms, given them the orders in the regular way.

5. Par. 5. With regard to Mrs. Claxton's stove, it depends upon how you were going to charge for it whether we are responsible or not. If it was a commission, then we could not be held liable for the damage, but if you were putting on the ordinary Store profit, then I think that we should be bound to deliver it in good condition. If I am wrong I will let you know later, but this

A. E. Baillon, Esq.,

Manager,

Stanley.

seems reasonable. I enclose copy of a letter from Watson Gow & Co., offering to replace the breakages free of charge, which is liberal; it would have been better if particulars had been reported. I suggest that when any stoves are shipped in future, you should give special directions that the packages should be carefully overlooked on delivery, and in the event of any breakage being suspected a clean receipt should not be given.

6. Par. 6. It has been decided to send on the cargo of the Pass of Balmaha in the Agnes Oswald, and we have informed the Glasgow Salvage Association that advances are to be made for a commission of $2\frac{1}{2}\%$.

7. Seven paragraphs between 6 and 12 of this despatch have not been numbered. The dipping returns are quite in form and satisfactory, but you have omitted to send either in 72 or 73 the loss account for the year and the completed shearing return, which must have been made up as the dipping was finished. Please remember that all Farm returns should be forwarded as soon as received; these should also have included the lambs put in flocks, and a statement of the loss in the first six months. The completed shearing return is made up by adding those that come in rough at dipping to the first account, as well as those, if any, that have been clipped in the Camp.

8. We should like to know in what respect the wording of the agreement with shepherds is not satisfactory. As a matter of fact, the value of the passage is deducted from the wages in the first two years, and if, after that, a man wants to leave, is there any advantage in keeping him? Is he not likely to do more damage than his wages would cover?

9. Mr. Blake's remarks about the delay in sending droppers to Egg Harbour are amusing; but they supply evidence, if it were needed, of how thoroughly he has thrown himself into the Company's work.

10. -- and 73-2 and 19. We had heard from Spearing & Waldron of the cancelling of the Opawa's charter, and on reading your explanations are quite satisfied that the best thing has been done in our interests at all events. We have never liked the project, and only went into it, as has been explained to you, in order to

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prevent its being said that we ~~have~~ ^{had} throttled a scheme that our friends on the East were bent on carrying out. As those friends themselves have backed out we are thoroughly pleased. The explanation of the last paragraph in my letter accepting the terms is that as the owners of the Opawa, Spearing & Waldron, and Mr. Cameron all stood to lose more or less heavily if the ship was behind her cancelling date, the Board did not wish to take advantage of the strict terms of the contract if the others were willing to go on. As Mr. J. Cameron himself is the man who has decided the impossibility of carrying out the arrangement so late in the season, it is right into our hands. Please say if the wethers intended to be killed have now been dipped, and how, if so, they should be added to the dipping account.

11. In consequence of having turned over two sheets together I made a mistake in par. 7 about the numbering of the paragraphs. I see that those on the Farm are all put in one.

Par. 7.
12. The reduction of the Glengowan's debt is satisfactory, and brings this matter perhaps within sight of the end.

13. Par. 9. Without looking up the arrangement made it occurs to me that Turner ought, while Auctioneer, to have been placed on the same footing as King. How is this?

14. Par. 10. The Board note with satisfaction the continued improvement in the Store sales.

15. Par. 11. We hope that you are right in expecting that the Overseers will not get slack again at once; but Mr. Blake's remarks about them are rather disquieting, and we hope that the question of the Managership will soon be decided. You are, of course, aware that the Board are thoroughly determined not to make any mistake this time that can by any foresight be avoided. With regard to Mr. Blake's suggestion to transfer a portion of the North Arm section to Walker Creek, I do not know the "Ladronne" house; - is this the "Drone"? I know that: it got its name through someone going to sleep over its erection I think. I have been trying to find a copy of a long letter to Mr. Nichol that I wrote from Stanley elaborating a scheme for transferring much the same block I think to Finlayson, and moving the settlement from Walker Creek to Adventure Sound, the advantage at the time

being that as the woolshed, dip, and the buildings generally at Walker Creek were out of repair founding a new settlement would not have been at the time such a serious matter. Adventure Sound, I pointed out, would have been more central, and the two sections, as re-arranged, would have been North and South Lafonia, however, I went into the whole thing thoroughly, and it would be worth while looking it up, and asking Mr. Blake's opinion on it. You are aware that my suggestion met with the most uncompromising opposition from Mr. Nichol, and it was, of course, impossible to order the carrying out of such a large scheme in the face of the objections raised by the Manager of the time. The letter must necessarily have been written between June 1890 and March 1891, probably nearer the latter date.

16. Par. 14. It is a serious matter about these 50 rams, and unfortunate that Mr. Blake has not been able even to get rid of the 8 promised to Mr. Dean, the reason for which may be very good, but is not made sufficiently apparent.

17. Par. 25. We have gone into the matter of a sailing vessel, and having now got the approximate tonnage can soon arrange a charter, in fact this morning we are offered the Paquita, 460 tons, a German, guaranteed to carry 700 tons for £800. But it has been suggested by the Kosmos agents that they may very likely be able to give us freight by one of the large steamers at about 20/. per ton, and the advantage of this would be great in many ways. The only difficulty that I can see is the matter of the discharging at Stanley, but as Goldsworthy is no longer in Stanley to be obstructive, and in the Spring there is little or nothing on board the Great Britain it seems to me that it would be quite practicable to put a watchman on board, and receive the whole of the cargo on board, distributing it after at your leisure. Coals they could not take, but they could be shipped afterwards in the Thetis. I do not quite understand how the new Naval Rifle appropriates more peat bog than the old, but no doubt it is the case as you say so.

18. Par. 26. I have been trying to see our Consulting Engineer about the chimney, but the Jubilee has stood the last fortnight in the way of everything, and he has been away at Spithead; however I will decide the matter as soon as possible.

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19. 73-2. As to Steam coals, I enclose copy of a letter from the Admiralty, to which I am about to reply that the Board will send some coals towards the end of the year, but that the difficulty we foresee is the want of storage in our hulks for so much as they want us to lay down. Is it not possible by patching up the Vicar of Bray to put more in than you say? You had better let us know what hulks are now available for coal; it occurs to me that the Vicar, the Capricorn, and the Praecis are the most handy for shifting, and that the J.P. Smith and the Sabino are too large, and ought to be reserved for ships in distress. You do not mention the Sabino, but in case of need I suppose she would be available. If we arrange to get 600/700 tons out about the beginning of the year, you will have moved off some of the Opawa's stock, and this is, I think, what will have to be done. We shall ask the Admiralty 50/. per ton, and may allow ourselves to be squeezed a little, for it is a great concession on their part to undertake to buy coal within any stated time.

20. Par. 3. As the amended specification of K wool is on board the Herodot we have not been able to do anything about it yet.

21. Par. 4. The pensions to be given to Mercer and Fraser will be brought before the next Board.

22. Par. 6. Not having a copy of my letter about the fee for moving hulks, I cannot say whether I have any other grounds than were stated therein. But the case is this:— years ago, when the Harbour Master was a working man and capable of carrying out the practical part of his duties — old Melville — it was laid down in the Harbour Regulations that hulks must be moved under the direction of the Harbour Master, and that for his services he could demand a fee of one pound. When, later on, the Harbour Master became more ornamental and less useful, in fact when the post was given to a Government clerk or Secretary for the purpose of enabling him to extort fees which he did not earn, the fee was still stated at £1, but with the additional rule that, if actual practical services were required they could be obtained of the Government pilot at the cost of an additional pound. It was a vile swindle, and an anachronism that ought to be swept away, and I think that if you cannot do anything in that direction by ar-

gument you had better memorialize the Secretary of State about it, it will be better than my writing. But I will try to pave the way for a consideration of the question by telling the Admiralty that if any fees are charged for moving they must pay them themselves; this, if I remember, was how I got the fee remitted when I was in Stanley.

23. Par. 9. It is quite impossible within the limits of a despatch and with the time at my disposal to answer all the remarks on accounts, which cover over 13 pages of foolscap in this despatch. They have, however, been fully read and considered by the Board at yesterday's meeting, and I can give you a general reply. With regard to the falling off in the Store profits, it is very satisfactory to the Board to receive your full report on the subject, and particularly your answers to the various questions put to you, for, although those questions did not imply, as you seem to think they did, that certain abuses existed, it is not the less pleasing to find that you are able to reply so readily and to re-assure them that so much watchful interest has been bestowed on the subject. If a comparison had been made between 1895 and 1896, it would have been more to the purpose, because we know as a matter of course that there must be a reduction in profits as compared with 1892. What caused the Board so much alarm was that without any alteration in the conditions of affairs the profits fell off in the last year about £2700, and there is nothing in your explanation that appears to them satisfactorily to account for it. The sales were about £1500 less only, and the reduction in prices took place some time previous, unless there have been other reductions since that we have not known about. The opinion of the Board generally is that probably, notwithstanding what you say, prices have been reduced too much all round, that there is reason to think that you have carried too far the principle of giving other departments their supplies too cheaply, and that considering the expenses of the Store and the interest on the large sum locked up it was an error in judgment to reduce the cost of goods into Store from 20 to 15%. As regards the first suggestion I may mention that one of our clients chatting in the office volunteered the statement that prices in

Stanley were now so ridiculously low - so much lower than there was any need for - that he believed that it would be quite unnecessary to import Stores at all, he could buy them cheaper in Stanley. There is another point which has not been suggested to you, what about our Storekeepers? Are they men up to date, or would it be desirable, as occasion offers, to import new blood to compete with the numerous rivals who have appeared on the scene? I have my own opinion about this, but I should like to know what you think.

The Board take all responsibility for reducing the prices of Ships' Stores, which were altogether too high, but we think that even the reduced prices ought to allow a very fair profit if expenses are kept within bounds.

The fact that stock had been taken with 15% added in 1895 and 6 was not forgotten, and here again is an extraordinary anomaly. Although the reduced valuation was in force in 1895 the profit came out at £7207 or only £560 less than in 1894. If the further fall in 1896 had been £500 or so there would have been nothing remarkable in it.

With regard to schooners, the only reduction in freights on wool were from near ports, the rates from the West remaining the same. I think that the full price paid by near stations formerly was excessive, but in any case you know that this could not be helped. As to the through rate to the West, I have not had time to look the matter up and see how it originated; but if it does not answer, it only remains for you to say so, and it can be stopped. In such matters we expect to get advice from you.

Your remarks about the collection of debts have been carefully read, and the Board are gratified to find that so much attention has been paid to the matter. If the remarks made have been considered severe, it is owing to the fact that we do not on many points get as much information from you as we should like to have. If they have done nothing else, they have drawn from you a statement of the kind that they like to have.

Generally speaking, we seem to have £30,000 permanently locked up in Stores, and when you consider the money paid in wages, the fact that all work is done here free of commission, that no rent is charged for the buildings occupied, and that a good part of

the sales are on somewhat long credit, while at least a proportion of the debts are doubtful, you cannot wonder at the Directors entertaining the doubt in their minds as to whether, after all, it is worth while even carrying on the retail Store business any longer. We have to stand the attacks of the shareholders at the General meeting, and on this occasion some of the remarks were the reverse of complimentary; naturally, therefore, when things appear to be going progressively wrong, the comments and enquiries that are addressed to you from this office can hardly be expected to be of a pleasant nature. Having said this much, and under the pressure of time, which is far too short, I have the pleasure of assuring you from the Board that in any remarks that it may have been considered necessary to make to you they have had no wish to hurt your feelings in any way, and that if it is any satisfaction to you to say so they bear willing testimony to the devoted interest you feel in the Company's welfare, an interest which they feel assured is shared by your subordinates in the office.

I see that I have passed over your suggestion that you should open a "Reserve for doubtful debts". The Directors think that this would be a good plan.

24. Par. ¹¹ In my 844-6 I mentioned to you that you should confer with the Judge as to the steps to be taken re Spearman, and do not see how you can have mistaken what I said. All that has been received at present are a letter or memo. signed "W", and another expressing his overflowing sentiments as to his kind treatment by you, very nice in their way, but not affording evidence of his indebtedness that would be of much avail in a Court of Justice.

25. Par. 14. Will you mention the letter from Mr. Blake in which he referred to the two Leicester rams, and in future give references by which subjects can be easily turned up?

26. Par. 15. I believe that in some places, but whether in English ports or not I do not know, ships are not allowed to have their papers until the Masters have given satisfactory assurances that they have no debts in the place.

27. Par. 18. The Board have considered the question of Mr.

- Blake's remuneration, and consider that the case will best be met by the payment to him of a lump sum of £500. In communicating this to him, they wish you to convey to him their cordial thanks for his valuable and timely assistance.

28. Par.19. We cannot decide on the actual quantity of steam coal to be shipped until we know whether you have actually taken on the Opawa's surplus stock or not.

29. Par.20. I do not propose to write to the C.O. about the telephone, unless you are unable to settle the question of payment with the Colonial Government, although I should have a right to do so, the arrangement having been originally made in London. But I must point out that we have by no means been well treated in the matter. In the first instance the Government ought to have paid you half the invoice cost of the materials, and from time to time their share of the labour. It is monstrous that they should have expected us to be out of our money for so long, and still more so that by their quibble about its being broken they should suggest that we are responsible for keeping it in order. In your final settlement you ought to arrange for the insertion of a sum amounting to 5% interest on their half of the cost.

30. Par.22. I will look up the matter of the chart said to have been sent us in 1885, of which at the moment I have no recollection whatever. If it was sent, it would have been better to remind me of it before this, but I do not think that it is here.

31. Par.26. We foresee a bad time in the office when the Herodot arrives with 22 men asking to be nursed to the Bank.

32. Mr. Bertrand's 3rd of exchange has been handed to the London & Midland Bank.

32. I want to know if Mr. B. Stickney has given any directions or opinion as to where we should get his bagging and hoop iron.

33. Please explain under what circumstances Nilsson's wool has gone to Hoare, but at our special rate of freight, and why he did not give you at least enough to cover his debt? You must remember that any wool not shipped through us pays the usual 40/ & 5% to the Kosmos, and in such a case, when the shipper declines

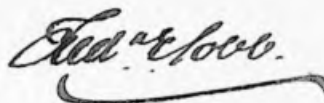
to work through us you should put your foot down, and refuse to receive the wool on board the Great Britain. Having to bring it ashore and to pay extra freight would probably bring him to his senses, and when we have a chance of rightly putting on the screw we ought not to hesitate.

34. As you will see by a/sales enclosed we had a chance of selling some of our wool for America by private contract, and think we did well, though we did not venture to offer any of our clients'.

35. In the order for fencing 500 iron standards are asked for; these will not be shipped, as the Mandubay posts, already ~~were~~ written about, ought to be used up before any more are asked for.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatch No 854, dated 2nd June
Ledger & Journal Entries
Remarks on Accounts
Clients Invoices as follows:-

Wm Oake £ 90. 3. 6
Wm Stamen 6. 15. 1.
John Carey 11. 0. 1.
D Smith 77. 7. 4.

Clients Appeals as follows:-

2 130 bales Wool Janis
△ 12 " Ammon
H.B 85 " Janis
HB 49 " "
S 4 " Ammon
DS 39 " Janis
GI

Secunds of Exchange £450.

Copy of letter from James Chemical Manure Co 17th June
Clients Appeals as follows:-

HB 70 bales Wool Janis
HB 10 " Skins "
H.B 5 " " "
H 1 " " "
SI 3 " " "

Brokers copies of Appeals Company's wool & skins for Janis
Copy of letter from Metropolitan Light Co dated 14th June
Copy of letter from Watson Goo Co dated 19th June.
Ledger & Journal Entries
Remarks on Accounts
Copy of contract for timber for sailing ship
Copy of letter from Metropolitan Light Co dated 25th June
Copy of letter from the Admiralty dated 18th June
Sum of Exchange £450

Letters for the following:-
O. W. Foley, (8).
O. E. Baillon
W. W. Bertrand
R. Blake.
Dean Porandon
J. J. Seton

London 29th June 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61, Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 856.

London, E.C. 16th July, 1897.

Sir,

Since writing by direct mail no despatches have come to hand, but we have received your cable dated Montevideo 2nd inst. - Mathews home machinete wagelehre - i.e. Mathews home by this mail advise you to wait, which is so far satisfactory, though it keeps the New Zealand candidate longer in suspense; We assume, however, that Mr. Mathews in taking the important step of coming to England intends to make an arrangement with us if he can.

2. The shareholders at the General Meeting sanctioned the expenditure of a sum not exceeding £150 on any scheme decided upon at the Islands as the best way of celebrating the Queen's Diamond Jubilee, so it is left in your hands. At the same meeting a vote of thanks to the Company's officials was passed for their attention to the affairs of the Corporation, which vote I have the pleasure of reporting to you.

3. Thomas Goodwin Junior spoke to me about the question of a house for himself, which he said was to be referred to London, and said that I had no doubt received your full report on the subject. Though I did not tell him so, not a word has reached us on the subject as yet; but you may have reserved it for the following mail.

4. With regard to your wish that some of the Lawes' dip should be shipped by mail, you were probably not aware that the Kosmos Co. require an almost prohibitive freight for carrying it on deck only, and as there was still some left in the Camp, which would only be needed in the unlikely event of an outbreak of scab, in which case you probably had a stock of other kinds, or as a last resort could always buy Little from Williams should the supply from other sources run short, it was not considered suf-

A. E. Baillon, Esq.,

Manager,

Stanley.

ficiently urgent to go to the expense and risk of a deck shipment, and the whole will be put on board the Paquita, which has been chartered, as per copy of Charterparty herewith.

5. A new cylinder has been ordered for the North Arm press, but a further report is required on the defective one, which should give the cause, if it can be ascertained, of the fracture, as the makers say that steel cylinder of that class ought not to have given way under any pressure that was likely to be applied to it.

6. I have to suggest that while the Darwin Manager's house is empty the opportunity should be taken of doing any necessary repairs, and especially of taking down and refitting the shrunken lining boards, which Mr. Blake reports are the cause of numerous draughts. When the lining was put up was any bagging or felt put up between the outside and the lining? Perhaps you have attended to this already.

7. With reference to the Mandubay posts, I find that I wrote you on the subject of using them up in despatch 833-3 on the 16th June last year.

8. Some time ago it was understood that there was going to be a movement made in opposition to the three weekly mail service, as being both expensive and unnecessary. Has the subject dropped?

9. With reference to the through freight at 45/. outwards, I find that in your 5-12 you said that you trusted and thought that the arrangement would be a satisfactory one, and that when I wrote on the subject in 341-5 you left the paragraph unanswered. As mentioned last mail, freight will be charged to Stanley only in future, or until we get your views on the subject. In a case of this sort we rely upon getting ^{them} your-views, should the working of of an arrangement not seem as successful as expected.

10. The K wool only turned out 44 of wool and 6 of skins, and on enquiry we find that 50 bales in all were landed of that mark by the Luxor. The circumstance has been reported to the Missionary Society.

11. A lot of the men who had drafts on the Crown Agents represented to us that either you or the Government clerk had told

them that we would see them through all right. Probably they lied; however we did not mind helping them to get the bills accepted, but we have since had an amount of trouble and correspondence over the matter that we will not incur again, and even now, although the bills are due, we hold them all here but one, because the payees of the rest have neglected to send us the bill stamps for which we have paid. I think that you might suggest to the Government that they ought to give drafts on demand, which go through for a penny stamp whatever the amount, while bills at the shortest sight carry the bill stamp of 1/. per cent.

12. Messrs. Burgon & Ball want all the broken balls returned to them, so that they may return us the same number of new ones. On the subject of the cutters I am in a difficulty; Mr. Burgon, who was here a few days ago, told me that the new pattern of cutter was so univ^{er}sally approved in the Colonies and wherever they are used that they have entirely superseded the old one, for which a preference is expressed from North Arm. In fact they have given up making them, and the dies are destroyed. I must speak on this subject to Mr. Mathews, if we come to terms with him.

13. I send a drawing of the brick chimney designed by our Engineers for North Arm, but no decision can be arrived at until I hear further from them. I send all correspondence up to the present, from which you will see that an iron chimney would cost £32.10. or possibly £3 more, but that a brick one would require some 16,000 bricks, which at £7 per mil would come to £112 for that one item, while the cost of lime, cement, fireclay, sand, labour and freight to Goose Green would run the cost well up to £200, if not more. If the brick shaft cost 3 or even 4 times as much as iron it would probably be cheaper in the end, but if it is to run higher, then I think that an iron one renewed when necessary is what we should have. I do not see why it should be 45 feet above ground either, as there are no high buildings to disturb the draught.

14. The pension question was before the last Board, and it was decided that Mercer was entitled to £30 per annum, and that as A. Fraser's eyesight had failed to such an extent as to make him

useless as a shepherd, he should be awarded £20 per annum.

15. The Glasgow Salvage Association have arranged to meet the drafts of the Captain of the Pass of Balmaha for the ship's disbursements, and have asked whether we agree to the commission on the account being $2\frac{1}{2}\%$ as in the case of the agent's drafts. I replied that that was the usual charge in Stanley now, but that in consideration of the account having been open since February last they might make a payment on account, the expenses having already exceeded £600, and that then the usual commission might be charged. The matter is left in abeyance for a week or so, but should the ship be ready to leave before we expect, and therefore before you can hear from us, you need raise no difficulty about it, but charge $2\frac{1}{2}\%$ as usual.

16. I have been trying to trace the chart said to have been sent by Captain Bryants of the Galgorm Castle, but no one here recollects having seen it, and I do not think that Captain Bryants called here at all. In Mr. Harding's despatch 25-12 he said he was going to send it by Armstrong, and further on he referred to one enclosed, but it was not found, and that is the last trace I can get of the matter.

17. Since last mail left I have been looking up all the references you gave in your last despatch to correspondence and remarks on the subject of debts &c. The remarks that went from here were written, I think, previous to the arrival of explanations that would have been better timed had they accompanied the accounts; I said that if they had arrived earlier some of the remarks would have been unnecessary, and no doubt some of them for want of information from you were of too sweeping a character. I must, however, point out to you that the evil suggested by us has hardly been recognized by you, or if it has you have been silent on the subject, and that is that taken as a whole the population of Stanley, working men for the most part, are with the assistance of their wives and daughters and with the connivance of the Storekeepers, living above their means, as evidenced by the large amounts they owe to us alone. It has been suggested to you that no working man, without something substantial in the way of property behind him to back him, ought to owe any Store more than

£20 at the outside, and on this subject we should have liked to have your opinion; but you have been totally silent on the subject. What we think is that if it is the case that all these people, with nothing but their hands to support them, are living at a higher rate than they can afford, owing to the facilities for credit given by dealers in Stanley, some day or other there will be a crash, and we should like to get out before the crash comes. We have given you credit for work already done in the way of reducing debts, and have expressed gratification at the full explanations given in your last, but much remains to be done, for after all, with something like 250 accounts open, some of them of long standing, it is not a huge performance to have sent out 18 dunning letters between July and December, and to have hauled up one debtor before the Court. Now that your serious attention has been turned to the subject the Board rely upon your going on, and not relaxing in the vigilance you devote to it.

18. On the subject of the schooners, although the rate from near ports was reduced to 5/. you charged our own wool 10/. and said that the schooners would be glad of it all, or words to that effect, so that the receipts after all have not been much diminished. As regards the Thetis, when it was said that she should make 30/. in full herself, it was not, I quite agree, fair to the schooners, but I do not think that she will have received much from them. If she gets 25/. on the small lots that may have been brought to her, it would be fairer.

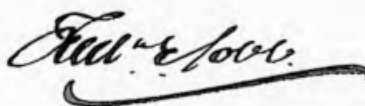
19. When I wrote last mail about the Opawa I had only received your account of the cancelling of the charter, which appeared to be quite in order and satisfactory. I now enclose copy of letters that have passed on the subject, from which you will see that the affair is assuming rather an ugly look, and that an action against us is quite on the cards. When I wrote the first letter to Spearing & Waldron I assumed from the contents of your despatch 73 par. 2 that you were quite ready and willing to go on after Mr. Cameron's arrival, should it be decided to proceed; but that on his appearance in Stanley all agreed nem. con. that it would be impossible to carry out the scheme successfully, and the Charter was therefore cancelled. You will see, however, that it is asserted by the Captain that the enterprise was defeated through

the refusal of the Company to go on, notwithstanding that Mr. Cameron was anxious to do his part, that you said that we could only supply 1500 sheep in all, in place of the 5000 guaranteed, and that you showed total unconcern on the subject, this report being confirmed by a letter from Mr. J. Cameron. In order to explain the affair to Messrs. Spearing we want your answer to certain questions, as well as all other information bearing on the subject that you can give us. How was the charter cancelled, was it by letter addressed to the Captain? If so, why was not a copy of the letter sent? If not cancelled in writing, why was it not done so? Did you or did you not refuse to kill more than 1500 sheep, if so why? And why has nothing been reported to us about these 1500 sheep, or has the incident been imagined by Messrs. Cameron and Martin? It ^u _^ must be supposed that you could not help being aware of the serious loss to the owners and others over the miscarriage of this business, and that we ought to be provided with information on every point that could be raised. As to the supply itself, we think that the right thing has been done, but, if the others are to be believed, in the wrong manner. There is no doubt that the ship was too late to work successfully, and your simple answer ought to have been that the lateness of her arrival and the weather made the cancelling of the Charter necessary. If exception had been taken to the time on the ground that even if the cancelling date had been passed we undertook to do what was possible, should weather permit, your reply might have been that this concession manifestly did not extend to midwinter, but that if it did, the weather, of which you must be the sole judge, was too uncertain and bad to permit of your risking sheep across the mountains. There is another point that is unintelligible; you are said to have told the Captain that the sheep had been begun to be boiled down on the 1st of May, but we have understood that Mr. Blake has been boiling down no good sheep at all, and that these wethers, if not frozen, would be kept for another year's wool. Of course the Board are not in a position to say anything until provided with facts, but guesses are possible, and it has been suggested that possibly you offered 1500 as the greatest ~~ma~~

number that you cared to risk under such uncertain conditions of weather. As far as we know, if you could ship 1500 you could send 15,000 just as well, as far as the actual getting them across goes, and then again, what is the meaning of your remark that our sheep could not have reached San Carlos before the middle or end of July? The more we look into the thing, the more we are puzzled. It is the first time that a charge of bad faith has been brought against us, and we do not like it.

I am, Sir,

your obedient servant,



Managing Director.

Inclosures

Duplicates.

- Dispatch N^o 855, dated 29th June
- Inclosures in D. List of
- Asales B 70 Bales Wool & Lanis
- " " 10 " Sheepskins do
- " " 5 " " do
- " " " " " do
- " " " " " do
- " " " " " do
- " " " " " do
- " " " " " do
- " " " " " do
- " " " " " do
- " " " " " do

Consignment letter

- Copy of Letters (3) Specification + drawing
- Proposed Boiler Chimney from Jacobs Barringer
- Copy of letter to Jacobs Barringer. dated 15th July
- Credits Invoices of Luroi
- C. G. A. Anson £ 26. 15. 5
- Dean + Anson 6. 4. 9
- W. W. Bertrand 10. 16. 9
- Vere Pacific 48. 18. 5
- Collected General Invoice of "Luroi" £ 1024. 1. 4
- Credit note from Rowson Drew + Co. (3/-)
- Rooney + Co. (5/4)
- Cheques on Stanley Cashed to J. S. Goodhall
- Favor D. M. Aspell £ 15-
- K. M. Cook 15-
- Wool Reports
- Copy of letter to Admiralty dated 6th July
- of Charles Party of "Pagueta"
- of Blading of "Luroi" one (2)
- Letters for Dr. Foley (9)
- Copies of Correspondence. Re "Opawa's" Cancelling
- Section Drawings of Bayson's Shearing Machinery
- (for future ordering purposes)
- Imperial Institute Journal for W. W. Bertrand
- Remarks on Stores
- D. of Accounts
- Ledger + Journal Entries
- 1st Exchange for £ 450 -

Brokers Reports on Co's Wool p. Herodot Ludoir
 Report, Valuation Sale + Brokers Report

W+L	12	Bales Wool p. Herodot	
TR	112		Ludoir
W.Fell	45		do
JR	15		do
S+S	122		do

Copy Report, Valuation Sale + Brokers Report

WP	40	Bales Wool p. Herodot	
SI	52		do
H	38		do
--	61		Ludoir
JB	112		do
--	86		Herodot
Δ	212		do
--	22		Ludoir
S	64		do

Brokers Reports Contracts Co's Sheep Skins Ludoir
 Report, Valuation Sale + Brokers Report + Contract

S+S	2	Bales Sheep Skins	Ludoir
JR	1		do
TR	3		do
W.Fell	3		do

Copy Report, Valuation Sale + Brokers Report + Contract

WP	1	Bale Sheep Skins	Herodot
H	2		do
Δ	1		do
--	2		Ludoir
S	7		do

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Herodot.

N^o 857.

London, E.C. 10th August, 1897.

Sir,

My last despatch went via Lisbon on the 16th ult., and your despatch no. 75 of 15th June has since come to hand, as well as your cable of 19th ult. from Montevideo, "Federal Clwyd Walmsley "Liverpool result linkhagem memphis roiamos rubacuori", which is translated "Clwyd in arrange credit on owners Walmsley of Liverpool Result has been totally lost Memphis has 132 bales and 243 casks". In reply we cabled on the 23rd ult. "Fictionist Clwyd", i. e. "Take draft on the owners of the Clwyd", Messrs. J. B. Walmsley & Co. having undertaken to accept the Captain's drafts.

2. If the 243 casks represent the result of boiling down about 15,000 sheep, it is a very poor one, and we infer that none of those intended for the Opawa can have been killed; but we are in the dark until we get particulars.

3. Your remarks on Mr. Spearman's debt are noted.

4. The Board much regret to hear of the epidemic of influenza which has attacked the Colony, and hope that it may have soon passed over. As regards the Fortuna, the news about Captain Rowlands' health is serious, as he is a man in a thousand, and will probably never have his equal in the Islands. Should it be absolutely necessary to put anyone else in charge of the schooner, Captain Jones is the only man fit to take her, and he would be a sorry substitute; still he may be regarded as safe if not brilliant: neither Ennenga nor Henrichsen are class enough. I think that if Rowlands had finally to give up, the Board would have to look for a permanent man here; someone who has made a name in the coasting trade could probably be found; but we hope that the necessity will not arise for a long time.

5. The loss accounts are evidently very carefully made up, and

A. E. Baillon, Esq.,

Manager,

Stanley.

X
 this makes it the more to be regretted that they are apparently entirely incorrect and useless. For, unless I am much mistaken, you have based them on the first shearing return, forgetting that a certain number of rough sheep come in every year at dipping time, and that to get the complete return these stragglers have to be added. (See my despatch 855-7.) I enclose the shearing returns since 1890/1, from which you will see that in no year was there a less number of stragglers than 1193, so that, unless a miracle has happened, and every sheep came in at the first shearing, the return you ought to have sent would give better results in the loss account than you show. As the statistics of the year cannot be made up until we get the final return it must be sent without delay, in fact I hope that my despatch referred to will have caused you to look the matter up, and get the missing accounts in forthwith. The Goose Green return is also wanting; but this may have been sent in the despatch expected next week.

6. Par. 8. The Glasgow Salvage Association will probably arrange for a payment on account of the Pass of Balmaha, and if this is made after the accounts leave the Colony, we shall adjust it here. You will charge $2\frac{1}{8}\%$ commission on the account, and should a payment be advised to you by wire or otherwise bear in mind that you charge the commission on the whole account, and give credit for the cash received, that is to say the commission is not to be charged on the balance only.

7. If the Captain of the Caterina Accame sells coals we presume that you will buy them.

8. Par. 11. Since instructing you to subscribe a sum to the Jubilee Commemoration fund we have received a letter from T. Goodwin Jr. of which a copy is enclosed. The Board have reconsidered the matter of subscribing, and, as nothing definite has been put before them at present, they have decided to withdraw their subscription to the public fund, and devote the money to an object which will more directly benefit their own people, that is to say they propose to put up a cottage for the second schoolmaster, to be called the Diamond Jubilee Cottage, and Goodwin on his return will occupy it. Where it is to be built must be decided by you after consultation with those interested. The Board

regret that you have omitted to say anything about Goodwin and his work, and desire that you will fully report upon the subjects alluded to in his letter. On looking over the Camp wages lists we cannot see that Frazer has, except on one occasion and then only for half a month, been taken off the books during his several absences from the Islands while engaged on his own affairs on the Coast, and as there are more than one of our people who have their money invested in farms near Sandy Point, the Board desire to know what principle has been followed when they have been allowed leave of absence. It is a question whether it is altogether satisfactory to have in our service a number of men engaged in businesses of their own; at all events too frequent leaves must be prejudicial to the service, and in every case wages should cease when they are absent. In the case of Frazer, if what Goodwin says is true, although the latter has done the Storekeeping and taught in the school, to the neglect of his own work, Frazer has pocketed the school fees which he has always been allowed to keep as a perquisite; this does not seem right, and the Board are of opinion that during Goodwin's temporary occupation of the situation they ought to have gone to him. More than this cannot be said until we have your report, but the Board have expressed the opinion that the proper thing to have done would be to stop Frazer's pay, and allow half to Goodwin while at Darwin.

9. Par. 14. It is true that Mr. Blake did suggest orders being asked for from home, but we do not agree with the principle, as we think that the Managers ought to be strong enough to issue them on their own responsibility.

10. Par. 16. About the stone house at Goose Green, you remark that you presume that the mason will use mortar throughout. The Board do not think that that is a matter that should be left to the discretion of the mason, but should be decided by you, and that his duty is to build as he is told. The house should be put up as all the other ones have been, with puddled clay, and pointed inside and out with mortar. As an improvement I would suggest a damp proof course of slates or tarred felt about six inches above the ground. The use of lime mortar throughout which is presumed may make the cost of the house too great to be undertaken.

It has been remarked before that all expenditure at Goose Green is sanctioned grudgingly, for with the present price of tallow and the practice of boiling down ewes that have just done nursing there is little doubt that we spend far more on the place every year than we get back in tallow. If this is not the case we should be glad to see it proved.

11. Par.18. When Captain Rees is at the Islands he is under you for the time being, and you are in a position to give him not suggestions but orders, and see that he carries them out.

See my 30 59. part.

12. Par.25. Information should have been given as to the contract for Marmont Row, who has taken it, and for what amount, &c.

13. Par.30. A foot note on the Bill of Lading of HGC wool would have been more to the purpose; the fact that the larger number of bales was actually delivered shows that our tally was wrong. I may remark here that only 50 bales in all of the K wool and skins were delivered by the Luxor, and the matter must be further enquired into by you, as we can learn nothing here of the missing two bales.

X

14. Par.32. The information given about the coal purchased of the Opawa is not very precise; we should have liked to know the exact quantity, and your reason for being obliged to have fully 800 tons to meet the ships is not quite clear, seeing that we have to send a further quantity to meet the season's demand. A letter from the Admiralty accepting our tender at 50/. has lately been received, and you will find a copy enclosed.

15. Par.33. I am glad to be able to inform you that Mr. Mathews has finally decided to take the management of the Camp on the terms offered, with the modification that his commission on the wool is in no case to be less than £200, should it come below that sum, which it certainly will for the first year or two, unless we are very fortunate. He will leave by the next Sandy Point mail, but fears that he cannot do more than promise to be at Darwin by the 1st of December for shearing, as settling up and moving from Port Howard will take some time. At the same time, he sees the advantage of being out in time for the lamb marking, and I am sure that he will do what he can. I could have intimated this to you by cable, but thought it would serve no purpose, in fact it might lead you to expect him before the time arranged for

his arrival. You can use your own discretion as to publishing the news, and unless you see reason to the contrary I think that, as the matter is now arranged, it will be better to let it be known at once, so that the excitement that will be raised will have time to calm down. Whether it is necessary to mention the date is questionable; perhaps it will be better to let this hang over the men's heads.

16. You would see from the copy of Jacobs & Barringer's letter about the Goose Green chimney that there can be no question that it should be built here of iron, and it has been ordered.

17. Copy of letter from Burgon & Ball is enclosed on the subject of the cutters; Mr. Burgon & Mr. Hind called here, and assured me that the new ones are a much better article and more carefully finished than the old ones, and universally approved of wherever they are used. They intend to send one that will be a compromise between the two, and will, I hope, have an opportunity of personally explaining their views to Mr. Mathews before he goes.

18. On the 6th inst. we cabled to Montevideo "Solfearon Jubilee Calabrese", meaning "Do not put our names down to the subscription (for) Jubilee, (it) must be cancelled".

19. You report that some iron said to have been shipped by Rowson by the Abydos last January has not arrived; but your claim should have been made on the ship, as it was on the Bill of Lading, and if a clean receipt was given for goods that were not delivered, who is responsible for the carelessness? We have enquired of Messrs. Rowson, who have supplied us with the Railway note showing delivery at the Docks, and from the fact that the agents signed the Bill of Lading there can be no reasonable doubt that the iron left in the ship, whatever may have become of it afterwards.

20. Your despatch no. 76 of 5th July arrived yesterday, and has been read by the Board, so that I am able to give you a somewhat hurried reply.

21. Par. 4. The word "passage" means a passage by sea, and has never been taken to apply to railway expenses, and as it was a gratuitous concession made to Chaplin, the Board cannot go beyond it.

22. Par.5. If the house at Tranquilidad is necessary there is nothing more to be said about it; the explanation given by Mr. Nichol had been forgotten.

23. Par.8. While regretting the loss of the Result the Board are relieved to hear that the loss of life has not been more serious; your telegram to Lloyd's rather implying that a portion of the crew as well as passengers had been drowned. The claim will be put forward at once, but we assume that when you had time you sold the wreck by auction as a matter of form, even if it only brought in sixpence.

24. Par.9. If it is true that the pilot is continually making gross errors in the management of ships, and if he was actually drunk when in charge of the Pass of Balmaha, it appears to me that it is your positive duty as Lloyd's Agent to protest against his further employment, and that if you can get no redress from the Colonial authorities, you ought to lay the matter before the Secretary of Lloyd's.

25. Par.11. Your return of the houses and buildings in Stanley seems all right as far as it goes, but I do not see how you can have misunderstood the Board's instructions to send a return of all the Company's ^{buildings} now in existence, particularly as reference was made to the Balance sheet, and it must be completed by the addition of all the Camp buildings as well. For this purpose the return I referred you to would be most useful, as showing exactly what we want, and every effort ought to be made to find the guard book which you report as missing.

26. Par.12. It is to be hoped that you will succeed in your attempt to get the mail service put on the old footing. As regards your letter, why is it to be addressed to an understrapper, instead of the Acting Governor? Have you noticed that in one portion you use the first person singular, and that your argument about a three weekly service clashing with the fortnightly sailings does not hold water, because the service is made up of two six weekly services out and home, and therefore it is only every third boat that calls each way?

27. Par.12 as to Sissie. I have hardly time to recapitulate

all that has taken place about this boat, but to the best of my recollection we have been sadly misinformed. First of all new engines and boiler were wanted, and could not be done without. ^{They} ~~They~~ were sent according to the plan furnished by Noble; but when they arrived out it was discovered that the dimensions given were wrong, and that the engines would not go on board. Then it was discovered for the first time that the engines with a little repair were fit to go for a good while longer. Now we suddenly learn that they are almost played out. What are we to believe? What is the condition of the hull? The Board decided today that in any case the misfits are to be sent home, but that if the boat is fit to receive them new engines of the same size exactly as the old ones are quite sufficient; you will therefore have to supply information about which there must be no mistake this time. As to the Wasp, the Board will not hear of spending £250 on her. They wish you to grasp the fact that these launches are not property that can by any possibility be made to pay, and that the Board only assent to keeping one up as an institution that has become almost indispensable. It often happens that a small quantity of say from 10 to 30 tons of cargo has to be shipped on board a schooner or vessel, and for this purpose the Wasp, if fitted with hatches fore and aft, ought to be very useful. She is 55 feet long, and with, I think, a beam of 10 feet, and ought to carry a fair amount of cargo. Fitting up a boat to take off water is not a thing to be recommended as remunerative; if you want to use her for that you can put in loose tanks for the time being. The Board rather wonder that with the diminished profits of Storekeeping you should recommend outlays that are quite unnecessary.

28. Par. 18. I do not see any reason why Noble's boys should not go out in the Thetis.

29. Par. 19. I do not know why the size of P. MacLean's family should be a serious consideration to us, as of course he pays his own passage, and sooner or later the youngsters are likely to be useful in the Camp. But perhaps you refer to their consumption of mutton?

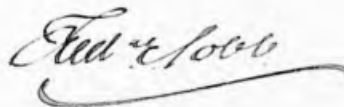
30. We are sorry to hear of the accident to the Opawa. I may

mention that Dr. Eastment told me that he heard Mr. J. Cameron say that he was certainly not going to ship sheep as the ship was so late, which confirms the statement originally received from you, but does not tally with the letters received either from the Captain or Cameron himself.

31. Since beginning this I have had the pleasure of a visit from Mr. Pepper, with whom I discussed the subject of the pier, besides alluding to the movement against the present mail service. I think that he, personally, is anxious to stand well with us, and there are at the present moment no burning questions between us.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures

Duplicates

Despatch No 806 dated 16th July/97
 Copy of Correspondence with Spearing
 & W Aldron re "Opawa"
 Copy of letter from Jacobs-Bavinger
 re party-ship "Caquita"
 List of Enclosures
 Remarks on Stores
Client's reports & contracts:

T.R. 3 bales Skins Luxor
 S-S 7 " " "
 W.F. 6 " " "

Client's reports & contracts:

T.R. 10 bales Wool Luxor
 W.F. 45 " " "
 W.L 12 " " Sterodot
 T.R 112 " " Luxor
 S-S 122 " " "

Remarks on Accounts

Client's Invoices:

G. & A. Anson	16. 15. 5
Dean Anson	6. 4. 9
W.W. Bertrand	10. 16. 9
W. P. Oake	48. 18. 5

General Invoice goods per "Luxor"
 Hedged & Journal Entries
 Bonds of Exchange \$450.

Client's Appeals as follows:

W.F.	40 bales Wool.	Sterodot.
T.B	198	" " Luxor - Sterodot.
H	98	" " "
SI	52	" " Sterodot
W.L	12	" " Sterodot.
T.R	15	" " Luxor
S-S	122	" " "
W.F. 6	45	" " "
T.R.	112	" " "
S	64	" " Luxor - Sterodot.

Copy of Brokers Appeals Company's wool per Luxor
 & Sterodot.

Wool reports.

Copy of Burgon & Ball's letter 29th July.

Shearing returns 1890/1.

Miss Goldie's schooling accounts for Dextrands & Elton.

Client's Apales as follows:-

	10 bales	13 bales	Skins	"Luxor"
S	7	"	"	"
JR	1	"	"	"
△	2	"	"	"
S.S	2	"	"	"
T.R.	3	"	"	"
W.P.	1	"	"	"Herodot"
◇	2	"	"	"

Brokers Copus Company's Apales Skins per "Herodot" Luxor
 Early's prices for samples of blankets enclosed
 in Pearson's case.

Copy of letter from the Admiralty dated 29th July
 Freight return by wool schooner "Herodot" Indian
 ledgers & Journals Entries

Remarks on Accounts.

First of Exchange £450.

David Smiths corrected Invoice for 18. 6. "Janis"
 letters for the following

D^r C. W. Foley (7).
 C. C. Fairbairn
 C. A. Gorton

London 10th August 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street,

Per *Supplementary Mail*
No *858* *Via Lisbon* *London, E.C.* *28th August 1897*

Sir,

Since writing to you on the 10th Inst. we have received your Cable of the 13th Inst. from Montevideo, "Fetched Pallas Amsinck Hamburg", which is translated "Pallas in arrange Cleder on Owner Amsinck Hamburg", and Mr. Amsinck has agreed to accept his Captain's Draft. We have also received Cable of 25th Inst. "Paris Soupier", translated, "Paris bringing 409 Bales Wool".

2.- The Thetis arrived on the 21st Inst. bringing your despatch N^o 74 with all Inclosures in order. I understand the Wool has all turned out in good Condition.

3.- I am studying a letter from Mr. Hassall asking us to obtain Mr. Williams' Life Policy before he can pay the Bonus. Kindly procure same and forward to us.

4.- In further reference to our Par. 10 of 16th July I enclose copy of letter received from the Kosmos C: dated 22nd July, and also one from the S A Missionary Society of 17th Inst., and should like to know if you can explain the difference.

A. L. Baillon Esq.
In an age.
Stanley.

of two Bales between the Specification and Landing numbers.

5. The Underwriters want to know what has actually become of the vessel "Resuli" and if she is an absolute 'total loss' as the Protest does not mention it.

Mr. Matthews left Liverpool for Sandy Point on the 25th inst.

I am, Sir,

Your obedient Servant,
Walter M. Giles.

For Managing Director.

Enclosures.

Duplicates

Despatch No 854 dated 10th Aug.

List of Enclosures.

Copy of letter from Admiralty 29 July

Blunts Appeals

S-S	12	bales	Wool	"Luxor"
W Fell.	45	"	"	"
T.R.	112	"	"	"
WP	40	"	"	"Herodot"
△	234	"	"	"
JR	15	"	"	"Luxor"
W.L.	17	"	"	"

Jedger & Journab Entries

~~Remarks on Accounts.~~

Blunts Appeals

T.R.	1	bale	Shins	"Luxor"
S-S	7	"	"	"
T.R.	3	"	"	"
W Fell.	3	"	"	"
S	4	"	"	"
△	1	"	"	"Herodot"
△	7	"	"	"Luxor"
WP	1	"	"	"Herodot"

D Smith's corrected invoice goods for "Janis"
 Second of Exchange £450.

Off cargo per "Herodot"

" " per " from Hamburg

" Piano per "Herodot" for Diggs

Howard's Invoice for Bailon & Stickney

Copy of letter for Williams dated 13th Aug re Policy

C. J. Mather's agreement for Camp Managership

Cooley account for D Stickney paid by J D C

Langridge's account ship "Paquita"

Cargo book ship "Paquita"

Duplicates of Enclosures per "Paquita"

Blunts Invoices as follows

C. C. Bailon	£7.	1.	10
C. Bonney	£7.	7.	6
J. J. Felton	£114.	7.	11
Bailon & Stickney	£13.	17.	6

Pure Oake	7/10.	14.	4.
J. J. Biggs	14.	8.	1/2.
Bertland Allon	1/2.	18.	1/6.
Gray Deardon	4.	6.	6.

Copy of letter from South American Whist Society 17th Aug
 Schooner freight return on wool per Lucas & W. Dean

Remarks on Stores
 Ledger & Journal Entries

Remarks on Accounts

Sheet of Exchange £450.

Copy of letter from the Worms Co dated 22nd July

Letters for the following -

to the Holy	3.
J. J. Biggs	3.
J. J. Allon	

London 18th August 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61, Gracechurch Street,

Per Ammon,

170 859.

London, E.C. 21st September, 1897.

Sir,

Since writing you last via Lisbon we have received your despatch no. 77, which arrived on the 3rd inst. and no. 78, which came to hand yesterday morning, together with your letter of the 20th ult.

2. 77-2. If Mr. Blake's table had been offered before we would have taken it; as it is we have ordered a more costly one selected by Mr. Mathews himself.

3. Par. 5. Mr. Amsinck will be responsible for his Master's drafts on account of the Pallas.

4. Par. 5. The claims for lost cargo in the Result go forward without question, and your remark that the London accounts do not "even" give the number of the Policy is not understood; it is of no consequence to you whatever. We understand that the Underwriters have decided to pass the claim on the ship, which they repudiated at first, on account of the meagre nature of the information given in the Protest and the absence of any survey report or your certificate.

5. Par. 6. The Board consider that if Ryan is a good servant it would not be worth while upsetting him for the sake of 1/6 a day, if he knows what the late Cooper had. He has to be away from his family, and is therefore at some extra expense.

6. Par. 7. The question of the position of the new boiler at Goose Green is a matter of detail that must be settled on the spot. I may, however, say that the desire of the Board that expenditure at Goose Green may be brought within the narrowest possible limits is accentuated by the fact that from a supposed number of 15,000 sheep killed there this season the tallow is likely to realize £1400, less freight, insurance, and the cost of boil-

A. E. Baillon, Esq.,

Manager,
Stanley.

ing down. In other words it will realize less than it has cost to produce, and if it had been possible to skin the sheep and let all the carcasses go into deep water it would have paid us far better than keeping up that hideously expensive establishment. There are two causes for the present state of things, the price of tallow, and the practice introduced within the last few years of boiling down ewes that have just reared a lamb; Mr. Mathews is fully alive to the ruinous waste involved in doing this, and will alter it without doubt. As to the chimney, it would be a handsome monument, but the iron one about to be shipped must be made to answer. I say a "supposed number" killed at Goose Green; perhaps when you have time you will let us have the killing return, and explain why it was not sent by the first mail after the work was over.

7. Par. 10. The fencing question is another detail that must be settled on the spot.

8. Par. 16. You will have already found out that you were in error in saying that you had sent the completed shearing return. The lambs put in flocks I have taken from the Dipping return, and had made it up to send you this mail; I see that it corresponds closely with the one just received, but there is a discrepancy of some hundreds in the lambing account you now give as compared with the one originally furnished. It appears that the account you thought you had sent had not really been forwarded, while the one you stated you had not received from the Overseers was actually in my office, and had been for a month before you wrote. A little knowledge of the returns annually passing through your hands would be useful.

9. Par. 21. Do not forget that we have to dispose of the 50 rams to the best advantage for Pyne & Co's account.

10. Par. 23. We have just chartered the Waterfox for a cargo of about 500 tons Cambrian coal for Stanley, so that we shall have in hand the 1100 tons the Admiralty ask us to provide. I observe that there is no use disguising the fact that the three coal hulks are nearly played out. When Johnson last year reported the Praecis as a "tolerable good hulk in fair repair", we must assume that her actual condition was being disguised; but why?

In the same report the Capricorn is stated to be leaky at any time, and after having about 100 tons of cargo requires twice pumping per week &c. The leak, in Johnson's opinion is caused by a split in the stem above water. If this is the case, we should like to know if this split, being above water, cannot be made watertight. Of course the old Vicar is shaky, but if worm holed, cannot the holes be plugged? And what the Board would like to know specially is what steps have been taken from time to time in the way of overhauling and remedying defects as they have appeared. I cannot but think that a thoroughly good overhaul of these hulks when light would to a great degree lessen the defects, and make them serviceable for a considerable time longer.

11. Par.29. With regard to the telephone, an examination of the correspondence shows that the Government approached us first on the subject, and there was nothing in the correspondence implying that we were prepared to remain out of our money so long, or that we should complete the work, and put the telephone in working order before asking for payment. It is satisfactory to learn that we shall not do so badly out of it, but you have not explained how we could have considered charges for horsehire &c. which have not been reported to us. It is to be hoped that the experiment of hanging bird scarers on the wire will be tried before deciding on the expense of a wire underground; I have lately seen a great number of these in Scotland.

12. Par.31. Please remember in future that the arrangement of reduced freight with the Kosmos applies solely to cargo shipped through us, and that a concession of the kind made to Nilsson is a contravention of our agreement with the Kosmos.

13. Par.33. In view of the despatch of the hardwood posts to the Camp we had already decided to send out the standards asked for; but please see that they ^(the wooden ones) are actually used, and not allowed to lie idle on the beach somewhere.

14. 78-2. Your further remarks on the Store profits are noted. Flour appears to have cost lately something in the neighbourhood of 12/. per bag, and any considerable fluctuation in the price ought to lead to a revision of that at Stanley. In England just now wheat is selling at the highest prices known for years,

and bread has risen in proportion. What are the increased gratuities mentioned? The remark about Cooper's dip wants explanation. We quite understand that 137 cases in hand belonged to Coopers, and were returned by the Thetis; but had we none of our own left, or were the 72 you mention really part of the 137? If we have none, should we not ship some powder to mix with Lawes' next dipping? With regard to your remarks on freight to clients, I assume that you mean that we should charge a through rate of 55/.pr ton, instead of 45/.as arranged. Our idea has always been that we should make charges of all kinds as low as possible, in order to prevent opposition arising, so long as these could be arranged without loss to ourselves. In the matter of the purchase of goods on commission, I understand you to suggest that we should get false invoices from those suppliers whose exclusive agencies we have, otherwise it is not easy to see how you propose to charge clients higher prices than we pay ourselves. In buying on commission it is an understood thing that the client receives all advantages in the way of discounts, and, although I am not quite sure, I think they are entitled to the freight that is actually paid. Understand once for all that this office receives no discounts that are not credited to the Islands, except those for cash, which the office in most cases retains in lieu of charging commission. The storing at the absurd price of 11/3d. per ton is a thing of the past; you are aware that freight is now charged to Stanley only. I do not think that the present is an opportune time to raise the question of the freight from Valparaiso, as Mr. Pepper is in South America; but we hope you discussed it with him when in Stanley. Any freight arrangement made in 1890 has been, I think, superseded by subsequent ones. I do not think that any further remark is called for except an expression of the gratification that the Board always feel at having a subject thoroughly thrashed out by yourself.

15. Par. 3. On reading your remark that Mr. Vere Packe would tender for the supply of Beef and Mutton to the Navy, I wrote to him pointing out that the arrangement for supplying through the Deans and then ourselves was of long standing, and saying that we could always, if necessary, nurse up sufficient bullocks for the

man of war season, though I hoped that it would not be necessary to recommence the sale of our own beef.

16. Par.4. I think that you ought to refer to Governor Kerr's address quoted whenever it is proposed to poach on the Land Sales fund for any unremunerative purpose.

17. Par.6. Your remarks about moving the Sabino are noted, but I should think that there would be extra expense involved in going down for the purpose of attending to and pumping her. I do not think that you have mentioned that the J.P. Smith remained at the end of the harbour. If the carpenters cannot patch up the coal hulks to hold the whole of our stock, no doubt, as you say, some will have to go in the Sabino, and the question will arise how you are going to put her alongside? For you must bear in mind that under the terms of our arrangement with the Admiralty there is to be no bagging of coal, and that we have only undertaken to place the hulks alongside. Perhaps you will be able to get over it as I did formerly by persuading the Captains of the ships to move their own vessels alongside the hulks, or by getting them to send a large working gang to assist in moving.

18. Par.7. Your remarks about the Biene afford an opportunity of discussing the subject of steam about the Islands. There is, it seems, a wild outcry about it, raised by persons who have no practical knowledge of the subject. I have asked Mr. Langridge to get me a trustworthy statement of the cost of running a steamer per annum, but it cannot be prepared for this mail. However, I think that for one of about 200 tons register to steam 9 to 10 knots it will probably come out at about £4500 per annum, for 200 days' full steaming, reckoning coals at 40/. per ton, wages of a crew of 15 at Colonial rates, interest at 5% on cost, insurance, provisions and upkeep generally. Mr. Grey-Wilson has obtained statistics from the Trinity House, but I think they are based on English prices for coals and wages. Now against this we find that our three schooners together earn from £3000 to £3500 per annum, and what we want to know is how it is proposed to bridge over the gap so as to avoid loss? The productive power of the Islands in wool is nearly at its maximum, there may be a slight

increase yet, but hardly sufficient to favourably affect the earnings of a coaster, while in Patagonia and in the Straits of Magellan the trade is yearly on the increase to such an extent that a comparison between the two places is absurd. There is the further objection that if all carrying was done by one steamer an accident to her would paralyse the trade of the Islands, and it would be better to recognize the fact that, however pleasant it might be to have steam communication, the Colony is really too small for anything but sailers. I do not anticipate that the Bienne will prove a serious opponent, for in the carriage of wool you have always the weapon in hand of the full freight from Stanley chargeable on produce brought in by outsiders, so that unless she runs at a freight of a few shillings only it cannot pay people to ship by her, and if she does the owners will soon be tired of that game.

19. Par. 10. Your remarks about Goodwin have come too late, and after all it is due to our men to do something more in the way of education besides maintaining a schoolmaster at Darwin only. In the absence of the report which you ought to have made we were guided by a certificate from the Dean that Goodwin was doing good work in the Camp.

20. Par. 11. Are you certain that the Kosmos take Little's Dip for Williams below deck, and at the ordinary rate? After having had to pay heavy claims on the West Coast through leakage they refused to receive it from us except on special terms. This reminds me to ask what success Williams is having in the sale of this dip? I should have thought that it could not amount to more than a few gallons occasionally.

21. Par. 16. Subsequent correspondence sent out will have shown you that the S.A.M.S. are not satisfied about the missing bales of wool, and to protect ourselves against a claim a full explanation is called for.

22. In par. 19 I read Goose Green for North Arm.

23. Par. 23. I do not see an enormous difference between laying down a principle for your guidance and making a suggestion to the same effect. Both express to you the opinion of the Directors that a working man dependant on his wages for the means of

living cannot, as a general rule, be safely be granted credit for more than £20. It is satisfactory to learn that you have worked consistently and perseveringly on those lines.

24. Par. 24. In the matter of the cancelling of the Opawa's Charter, you may rest satisfied that the Board fully accept all ~~ya~~ you say on the subject, and entirely approve ~~both~~ of the reasons for taking the course you did. Unfortunately this has to be qualified by adding that what you did was done in the wrong manner, as stated by yourself on the second page of your explanation. When you say the cancelling was "at once done verbally and by mutual consent" you probably know by now that it ought to have been done in writing, and then all this worry would have been avoided. The most curious part of the whole thing is that you offer as an explanation of the manner in which it was carried out the fact of Captain Martin having made no request whatever that it should have been done in writing. Surely if you will give it a moment's thought you must see that you, for the Company were the person to whom it was of importance to have the transaction in black and white, and that your neglect of an ordinary precaution was right into his hands. You will, no doubt, see in future the need of reducing verbal agreements to writing whenever they have to be submitted to the consideration of persons at a distance and are liable through the misrepresentation of one of the parties to them to be called in question.

25. Par. 25. Will you ascertain whether the blindness among the sheep is the same as was seen one year shortly before I left the Colony? No New Zealand sheep had been imported then, and yet it occurred in sufficient numbers to be noticed. Armstrong does increase my respect for his intelligence by the expression of such blind unreasoning prejudice against everything connected with New Zealand, which comes out so curiously in his report.

26. Par. 26. I will give the matter of the Roman Catholic Church my attention as soon as the mail has left, and I propose to ask both Boulton & Paul and Bains for estimates,

27. "Old copper" per Thetis turned out to be metal, worth 8/9d less freight. Anything of this kind ought to be kept until there is a much larger quantity.

28. ~~Par.~~ It is noticed that after the loss of the Result her account, which had previously looked very well, was debited with a Store account of about £212, Why was this not done before, and will the account thus increased be covered by the insurance we shall recover?

29. In the last despatch it should have been mentioned that the Paquita sailed on the 22nd August.

30. From a copy of Oppenheimer's letter enclosed you will see that the runners are stated to be rotten and useless. Can you ascertain from Noble why this is? Last year they were not properly cleaned, but were, I believe, sound.

31. I have to report that Spearman has been served with a writ for his debt and judgment obtained against him, which is to be put in force at once.

32. We have seen Mr. Grey-Wilson, who goes out this mail, and have discussed several matters with him. He spoke a good deal about the mail service with the West, and asked whether we were prepared to come to the assistance of the Government. I said that we could not for a moment think of tying up the Fortuna with such work, but that I would suggest to you that if you found it possible, you should come to the rescue with one of the smaller schooners, and that I thought you would have no difficulty at all events until the wool season. Even then, if the conditions are not made too onerous, you could arrange for the Hornet or Rosamond to pick up a cargo of wool on her return from the West. Of course you must not put up with any nonsense from a tyrannical official. We all assured the Governor that we were sincerely anxious to work with him and the Government, and to put an end to the state of warfare that had existed during the late reign. If you have got the Fair Rosamond decked, you will probably have no difficulty in meeting the Governor's wishes. As to mails, I spoke of the increased number being no advantage to the Colony in general, and as he seemed to be imbued with the idea that more could and should be done for the West and outside Stanley I suggested a return to the old monthly system, using the increased subsidy, if it could be afforded, in improving communication between the two Islands. In this way alone would it be possible to contem-

plate the possibility of a coasting steamer. From an economical point of view he said he was, as far as he could judge at present, rather in favour of a sailing boat; but he asked whether, in the event of the Government establishing a steamer, they could look to us to support it in the way of carrying cargo and produce. I replied that as we were agents practically for the whole of the farmers, and under arrangement with the Kosmos were responsible to that Company for the supply of wool to them at stated intervals, it did not seem to me practicable to relinquish the control we had at present over the means of bringing the produce to Stanley, and he appeared to see that this was reasonable. We went into the question of pilotage, and I gave him my views, with which you are acquainted, strongly advocating the supersession of the present incapable holder of the office. On the pier question we exchanged a few words, and he seemed surprised that with so little traffic to pass over it it could be expected to be remunerative. Altogether he was with us about 2½ hours, and he left us, I think, with a pleasant impression, at least on our part.

33. The Tanis passed Ushant yesterday, and is expected to dock tonight.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatch No 858. dated 28th Aug.

- List of Enclosures.
- Remarks on Stores
- ledgers & Journal entries
- Remarks on Accounts.

Clients Invoices as follows:-

Bertrand & Shelton	2.	18.	1.
Dean Spandon	2.	6.	6
J. J. Biggs	4.	8.	2
A. S. Spailon	2.	1.	10
G. Donner	2.	2.	6
J. J. Felton	14.	2.	11
Spailon & Stickney	3.	17.	6
Very Dark.	20.	14.	7.

Seconds of Exchange £ 450.

Clients reports & contracts:-

JACK	2	bales	Skins	per	"Memphis"
R	7.	"	"	"	"Chetis"
F5	8	"	"	"	"Opchid"
NGC	3	"	"	"	"Memphis"
1410.	3	"	"	"	"
S	10.	"	"	"	"

Copy of Brokers reports & contracts Company's skins per "Memphis" & "Chetis"

Freight return on schooner wool per faxon & product. 7. 4 1/2 133. 9. 11.

Extract from South American Hides Society's letter 8th Sept.

Clients reports & contracts:-

L	29	hides	"Memphis"
S-S	311.	"	"
S	160	"	"
△	41	"	"
JB	257.	"	"

Copy of Brokers reports & contracts Company's Hides "Memphis"

Clients reports & contracts:-

DS	37	cks	Yellow.	"Memphis"
B	7	"	"	"
S	11.	"	"	"
N	4	"	"	"

Copy of Brokers reports & contracts Company's Yellow "Memphis"
~~Copy of letter to Bishop's Stirling dated 15th Sept.~~

Copy of letter from Oppenheimer dated 16th Sept.
 Copy of letter from Sutton Sons " 14th "
 Summary of sheep put in flock 1897.
Clients defects

gmk 30 bales Wool Memphis
 J.F. 303 " " Orchid
 A 715 " " Chetis
 19C 53. " " Memphis
 W.W. 49. " " "

Copy of correspondence with Somerville Bros.
Clients Indebted as follows: per "Caguita"

Pure Tache. 14. 15. 9.
 Sharp & Smith. 6. 7. 7.
 W.D. Bennet. 24. 8. 7.
 J.J. Felton. 2. 3. 9.

Jedger & Journal Entries
Remarks on Accounts

List of Exchange £ 450.
 Chartered Party Ship "Waterloo"
 Letters for the following:

W.W. Bentlands
 G. J. Mathews
 J. J. Felton
 R. Blake.
 Dean Brandon.
 C. C. Baillon
 D^r 6% Solus. (4).
 St Clement

London 21st September 1897

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Supplementary mail
via Lisbon.
860.

London, E.C. 8th October, 1897.

Sir,

My last despatch was dated the 21st ult., and I have now to acknowledge receipt of your no. 79, which arrived on the 4th inst. as well as your cable "Sakkarah rucksicht", meaning 264 bales, which came to hand on the 6th inst.

2. 79-3. The Pallas's draft has been sent for acceptance, but up to the time of writing has not been returned.

3. Par. 4. Mr. Buckworth's views are what might be expected from him. He is unable to see, probably, that with a steamer every two months only in the mail service extra boats are more likely to call than under the present arrangement, and that the shipment of wool was just as quick formerly as now. The charge of favoritism is probably unfounded; but there is no harm in letting people know that from the first we always arranged to get our own wool out of the way first, so as to leave the schooners free to go to ports farther away from Stanley, and that although we are at all times long suffering and obliging we really must look after our own interests in some degree.

4. In my last despatch, par. 25, the omission of the word "not" after "does" gave an exactly opposite meaning to what was intended to be conveyed.

5. In an interview with Wm. Cooper & Nephews lately they asked me whether we or any of our friends were likely to want more of the liquid dip tried experimentally when Mr. Williamson was last in the Islands, as they were ready to supply it. You must find out about this.

6. Christopher Smith has written to me asking for a pension, and his letter has been laid before the Board. You will please inform him, in reply, that all communications from the Camp should

A. E. Baillon, Esq.,

Manager,

Stanley.

be forwarded through the Stanley office, as they otherwise have to be sent back for your report. In this case, the matter has ~~been~~ been dealt with fully in correspondence with the late Mr. Nichol as well as yourself, and you can only inform Smith that he can take his pension of £3.17.6 per month at once. If you have not already done so you should explain that the pension is arranged on a definitely fixed scale, which cannot be altered, and that the Board have never supposed that in any case it would be sufficient to live on, but that it is intended to supplement in a useful way the savings that a man is expected to have acquired during a long period of service.

7. Mr. W. K. Cameron has left for Patagonia, but before his departure promised his wool for the Thetis again, and I understand that Mr. Greenshields did the same to Captain Rees. We are taking out some stores for Mr. Cameron in her to be landed at San Carlos. I am glad to be able to report that she only slightly damaged three bales of wool in the whole of her cargo. On the other hand, out of 303 bales shipped per Orchid no fewer than 54 were damaged.

8. The Waterfox has sailed with 453 tons of Cambrian steam coal, a much smaller quantity than she was expected to carry, which is a pity; the Brokers say that evidently the Captain did not wish to load her too deeply. However, we have undertaken to supply the Admiralty with 1100 tons this season, and we shall be able to put about 1250 at their disposal, so that the margin seems sufficient. You will have to be careful, however, not to let too much go to outside purchasers. The Waterfox left on the 2nd inst.

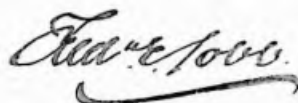
9. I have been looking for copies of the Lively and Speedwell leases, in order to get the renewals made out; but I think that they must be in the safe in Stanley, as I do not see them on the list of documents sent home. Of course there were copies here originally, but they have long since passed out of sight. You have not mentioned the date of the expiration of the Speedwell lease, I think, so you will have to send copies of both these leases, and then the renewals will be prepared here, as mentioned in my despatch 771-3.

10. With reference to what I wrote in my last despatch about freights to clients, on which you assume that we give them the benefit of the 20% discount, it escaped me to remark that they are charged the full 40/., according to tariff, and now that the through charge has been abolished, they get no advantage at all. In fact the Store gets a pull out of this, as the freight charged on our own goods is the balance of the total paid the Kosmos, after crediting the profit made on the clients' shipments, or, rather, the whole freight charged them.

11. I have been buying some furniture for the Darwin house with the assistance of Miss Mathews; but have been rather at a loss, as you did not send an inventory of things as they stand now. Perhaps too many carpets have been supplied, but I heard from Dr. Eastment that the flimsy things taken out by Mrs. Nichol were practically worn out already, and that the Turkey carpet bought at Mr. Brooks's sale, which ought to have been good for 20 years, was in pieces. The furniture will be sent by next steamer, so that Mrs. Mathews may be made comfortable as soon as possible.

I am, Sir,

your obedient servant,



Managing Director.

P.S. Respecting the Speedwell lease, I should remark that the reference to its renewal is, of course, subject to the Board's willingness to grant it, when the subject is brought before them.

Duplicates Enclosures

Despatch No 859 dated 21st Sept.
List of Enclosures.

Fedger + Journal Entries
Remarks on Accounts.

Clients reports:

R 415 bales Wool "Chetis"
F 303. " " "Orchid"
JmK 30. " " "Memphis"

Clients reports + contracts:

H 4 cks Tallow. "Memphis"
DS 37 " " "

Clients reports + contracts:

S 5 01. Skins "Memphis"
L 29 " "

Clients report + contract

JmK 7 bales Skins "Memphis"
H.W. 3 " " "Orchid"
F.S 8 " " "Chetis"
R 4 " " "Chetis"

Clients Invoices goods per "Ammon"

Sharff or Smith	6.	4.	4.
Bank Trade	14.	15.	9.
W.D. Dunne	24.	8.	4.
J. J. Felton.	7.	3.	9.

Seconds of Exchange £450.

Bill of Lading cargo per "Ammon"

" German beer "
" Butter "
" Coin "

Party-party ship "Waterfox"

Agents Ward's Invoice for stationery per "Ammon"
Clients Apales as follows:

R 4 bales Skins "Chetis"
H.W. 3 " " "Memphis"
H.G.C. 3 " " "
JmK 7 " " "
F.S 8 " " "Orchid"
S 15 " " "Memphis"

Copy of Brokers Apales Company's skins per "Chetis"

Bullton + Pauls Invoice for building per "Ammon"

Clients Appeals as follows:

S-S	31	Hides	"Memphis"
L	29	"	"
△	41	"	"
JB	252	"	"
S	160	"	"

Copy of Brokers Appeals Company's Hides per "Memphis"
Clients Appeals as follows:

⬠	4	chs	allow	Memphis
DS	32	"	"	"
⬠	7	"	"	"
S.I.	"	"	"	"

Copy of Brokers Appeals Company's Allow per "Memphis"
Clients reports & contracts as follows:

L	174	balls	Wool	"Janis"
DS	38	"	"	"
△	75	"	"	"
JB	115	"	"	"
S	54	"	"	"

Clients Invoices Goods per "Ammon"

Palke Bros Co	176	2	2
"	19	3	10
J. Stickney	28	12	4
Dean & Anson	61	9	0
G. H. Foley	-	13	4
Percy Drake	4	14	0
J. J. Setton	2	8	10
Dextrands Setton	22	8	4
Mrs Nichol	4	10	2
H. G. Cobb	4	1	9
Holmsted & Drake	243	14	8

Particulars of goods to be delivered from Store to E. J. Mathews

Thomas Darcy's receipt for advanced freight coal per "Waterford"
 General Invoice for coals per "Waterford" & suppliers
 Bills of lading coals per "Waterford"
 Connected General Invoice Goods per "Ammon"
 Particulars for charging freight on building per "Ammon"
 Wool reports
 Ledger & Journals entries
 Remarks on account & copy of Cooper's statement.
 List of Exchange 1450.
 Falkland Islands Annual report for 1896 (2 copies).
Letters for the following:

G. H. Foley Esq.
 W. W. Bertrand Esq.

London 9th October 1897

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Tanis.

No 861.

London, E.C. 2nd November, 1897.

Sir,

My last despatch was dated the 8th ult., and your despatches 80 and 81 have since come to hand on the 14th ult. and yesterday respectively.

2. 80-3. The Board have considered James Campbell's application for a pension and the statement of services accompanying it. They observe that his longest period of consecutive service was about $14\frac{1}{2}$ years, and that on two or three occasions he left us for the purpose of going into business on his own account, and only returned when he failed in his enterprises. This does not, in the opinion of the Directors, entitle him to a pension at all, for he simply made a convenience of us, and they considered that consecutive service should be looked upon as a condition of the pension scheme. Nevertheless, as he has been a long time in the service, they have agreed as a special favour to give him £1 per month on his retirement, which, if he is useless, need not be long delayed. On another occasion it will be better not to take people back when they have once left the employ.

3. Par. 5. The watch has been sent for Mr. B. Stickney. As to the tobacco, the order will be sent when next we have to get a supply from the U.S., being too small to send separately. With regard to the coal, the Thetis had already begun to load, so that it could not in any case have been shipped, but I have decided that it is not compatible with the good order in which a general cargo should be delivered that coal should be in the same vessel, and you had better let it be known that no more will be sent in the Thetis. I have explained this at length to Mr. Goodhart, and he quite sees the force of my contention. The last two cargoes have been put out in perfect condition, partly through the

A. E. Baillon, Esq.,

Manager, Stanley.

care bestowed by the Captain and Mate, but partly also through the absence of steam from a lot of wet coal in the bottom of the ship. For it must be remembered that it is very seldom that coal can be shipped dry in the Autumn, and if damp steam must rise perpetually. Then again there is the mess of coal dust whenever a small quantity is discharged, and the impossibility, without the greatest precautions being exercised, of receiving wool at a port without giving rise to complaints. It must be accepted as a rule from which we cannot depart that coal and general cargo cannot go together; but I do not mean to say that we wish to prevent our friends from getting coal themselves if they wish, and I have told Mr. Goodhart that if the West farmers like to club together to buy a cargo, I will see what can be done in the way of getting a ship to take it round the Islands. At the same time I do not disguise from myself that it is exceedingly unlikely that one will be found to do it for less than we sell it, and it comes to this that if people want luxuries they must pay for them.

4. Par. 7. The statement that Noble can make the present chimney last for some time is characteristic of him. Why did he not say this before? We could then have saved the cost of the chimney that is now on board the Thetis. This will have to be placed on a brick foundation; it is 45 feet long, and riveted on to a heavy plate 6 ft. square. I understand that the lower part will have to be built in brick up to above the boiler, and that when in position it will be not far from 60 ft. high from the ground. With this information no doubt the brickwork can be prepared ready to receive the chimney on arrival. Stay rods will have to be provided on the spot.

5. Par. 9. The Directors think that it was very unfortunate that you were unable to show Mr. Pepper more attention, as there were many matters upon which you could have come to an understanding with him in conversation.

6. Par. 11. I am sorry that the copy of Goodwin's letter was accidentally omitted from the despatch in which I referred to it; you will now find it enclosed. The report on him ought to have been sent earlier, in fact when he left the Islands, and you are wrong in assuming that the Board were influenced in their

decision by the contents of his letter. What decided them, in the absence of your report, was a certificate from Dean Brandon, as Government school Inspector, that the children he had examined had made good progress under Goodwin's tuition, and that there was a decided improvement in the education of the children in the families where the Travelling Schoolmaster was received. A copy of this is enclosed, and you may be surprised to find that it is countersigned as approved by yourself, which seems odd when compared with the slighting reference you make to him now. The Board do not wish to be behindhand in the matter of affording education to the children in the Camp, and it is desired that Goodwin, who returns this mail, may take up his duties again. You will observe that he does not complain of Frazer, and the remarks on the latter arose after the perusal of Goodwin's remarks on his own position solely. With regard to the stoppage of pay, you are quite right about 1896; I thought they wages returns had all be scrutinized, but I see that the earlier ones relating to other absences in Goodwin's letter alone were noted, and any deductions with the exception of the short period referred to I am unable to find.

7. A cottage of a reasonable size for a married man will cost more than £150 to erect probably; if so, it cannot be helped; but it must be put up as cheaply as possible.

8. 81-3. The returns now sent will enable me to complete the Farm statistics for the year. I should like you to enquire, however, how it is that the stragglers have been reduced in number so remarkably; if it is due to good gathering, so much the better; but I confess that when I see an account that has been anything between 1200 and 1800 suddenly reduced to 560 I cannot help feeling that there is something to be explained, and further, when I am told that in gathering over 37,000 sheep on the Walker Creek section not one single sheep was left behind, my credulity is strained almost to breaking point. If the explanation is that all stragglers were found and clipped in the Camp in time to enter them in the first return then I can understand it, though even that looks rather a feat. But if stragglers are not counted, but their wool goes to increase the average per head

for the season, it is wrong. These returns are so important that every effort ought to be made to ensure their accuracy at all times, and we shall be glad to have the result of your further enquiries.

9. Par.5. There has been no time to examine the return of Camp buildings, but if the values are placed low it is a satisfactory one.

10. Par.6. The Board regret to learn that the estimate for the alterations of the Marmont Row buildings has been so much exceeded, and consider that there was much carelessness shown in the matter. They would wish you to endeavour to familiarize yourself a little more with the details of materials and labour, so that you may be less in the hands of your workmen.

11. Par.7. The Directors take strong exception to your action with regard to the consignment of Bonner's sheepskins to Hoare; it is doubtful whether Mr. Bonner, who is only his mother's manager, has the right of diverting any of her produce from the usual channel, but when it comes to taking directions from a third party like Mr. Cameron they cannot conceive what you were thinking about. On the last occasion when Mr. Cameron tried this game on Mrs. Bonner, who is always loyal, to us, approved of our keeping the skins, and I have written to ask her for them; but it is quite possible that Hoare, who never loses a chance of snatching any of our produce, may refuse to give them up.

12. Par.8. Will you thank Dr. Foley for his suggestion about the thyroid and pancreatic glands? Are they used here as obtained from English slaughter-houses? I will make enquiries on the subject,

13. Par.9. I assume that you mean to say that there is a great scarcity of silver coin in the Colony.

14. Par.11. I hope that the furniture, on which I write separately, now sent out for Darwin will, with what is already in the house, substantially complete the requirements of Mrs. Mathews. If the money spent some years ago had been judiciously laid out there would not have been so much required now.

15. Par.17. The order for iron standards has been increased to 1000, and I hoped that they would have been shipped this mail,

but they cannot be got ready. When the 500 were asked for no mention was made of the 451 Nandubay posts that had been so long in hand, and it was assumed that the only way of getting the latter used was to create a dearth of posts. If it had been mentioned that they were wanted in addition to the hard ones, of course they would have been sent, but that does not seem to have been the case at the time. The numbers required as stated by you are sufficient for about 19 miles of fencing, and I very much doubt if you have enough of other materials for this. It is not altogether to be regretted if the delay of these posts is the cause of leaving the planning or at all events the approval of the new fences to Mr. Mathews.

16. Par. 18. I think that you reported that you had made a contract with Wilkins for bread for the ships. If this was based on your continuing to supply him with flour at the price ruling at the time you contracted, you will have to do this in his case, and the rise is probably not so great that it will not leave any margin for profit. We have just accepted a bill for over £700 for flour and other goods from Valparaiso, and, from Vorwek's letter, it appears that one of yours must have missed the post or got miscarried.

17. Par. 19. We should always like early information about absconding debtors; the news of Turner's flight was reported to us months ago although you mention it for the first time. As for Fugellie, I have not had time to look at the amount owed by him, but I think that some of his debt must have been transferred to the Result. Whether his co-owners are prepared to father any of it is another question. He has followed the example of Bragg, who retired to the Coast after losing the Pandora, leaving our debt behind him, and as there is probably no treaty under which we can pursue it appears to be a cheap and easy way of getting out of liabilities. You must see that there is no likelihood of a repetition of this when the Chance in due course is lost; she is the only one left of the three that we insisted on having insured, and the moral of it all is that too much credit should not again be given to people who have only the security of part ownership in a vessel to offer.

18. Have you any further information to give about the iron from Rowson's, which you reported missing in your despatch or rather remarks on Stores of 17th June?

19. We should like to hear what kind of wall has been used in the Goose Green house, referred to in my despatch 857-10. Since writing that I have heard from Mr. Blake that he considers the usual mud wall, pointed inside and out, would do well enough, and it is hoped that the extravagance of using lime throughout has not been committed.

20. A new Bond for Fidelity for £4000 has been executed by Messrs. Vere Packe and E.F. Baillon in substitution of the former one given as security on your behalf.

21. I have obtained tenders for the erection of a Church, and enclose them, together with plans. The instructions given are too vague for me to take any responsibility in ordering the building, but when Father O'Grady has decided I will put the thing ~~thru~~ through. My impression is that Boulton & Paul's would give the greatest satisfaction, but Bain's is cheaper; still there may be so many extras required for the latter that the difference in price may not turn out to be much, Bain's quotation is f.o.b. Glasgow, and for delivery in London you must add £15.10/. for the Church and £4 for the extra boarding.

22. I have seen the Salvage Association about the Glengowan, and have received an offer of £300 for ship and cargo from someone whose name I forget; but I told him that as it would not cover our claim it could not be entertained. I have left with the Salvage Association the accounts, and have extracted for them particulars of the payments which specially belong to the owners. These the S.A. will endeavour to collect, and when that has been done I think that we may make an offer for the lot slightly in excess of the above.

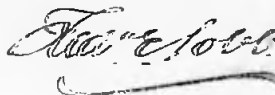
23. What was the Hornet doing at Beauchene Island in July?

24. The Thetis is now loading, and will be ready in a week or so. You had better make definite arrangements for her cargo home in advance of her arrival. Mr. Cameron promised his, but his nephew seems to be a shifty individual, and you had better make sure. Then Greenshields can be reckoned on, and Petaluga I sup-

pose, but I also hear something of Mr. Stickney wanting to send the Spring Point wool, so that probably you will have no difficulty in fixing her before she gets out. Captain Rees is disappointed at the only moderate result of the voyage, and would like to earn some coasting freight on the way back from the West. I naturally agree with this, but details cannot be arranged here.

I am, Sir,

your obedient servant,



Managing Director.

P.S. With reference to par. 18, it has been pointed out to me that there is an allusion to the iron in your remarks on Stores, which I had set aside to read after the departure of the mail. If these had been seen the question would not have been asked. The Orchid is said to have sailed today.



Enclosures

Duplicates

Despatch No 861 dated 8th Oct.
Ledger & Journal Entries.
Remarks on Accounts.

Clients Appeals as follows:
J^{no} K. 7 bales Skins "Memphis"
A 4 " " "Shetis"
F 8 " " "Orchids"

Clients Appeals as follows:
L 29 Hides Memphis
HB 25 " "
△ 41 " "
S-S 31 " "

Clients Appeals as follows:
◇ 4 chs Sallow Memphis
DS 37 " " "American"
GI

General Invoice Goods shipped & "American"
Clients Invoices as follows:

Dean Anson	61.	9.	0.
B. Stickney	28.	12.	4
Jacke Forts	19.	3.	10
	176.	4.	2
Pere Jacke	4.	14.	0.
Bertrand Felton	28.	8.	4
J. J. Felton	2.	8.	10
Wm Nichol	4.	10.	2
H. G. Cobb	4.	1.	9
Holmsted Blake	273.	14.	8
G. W. Foley		13.	4

General Invoice Coals per "Waterfox"
Clients reports & contracts:
DS 38 bales Wood "Janis"
GI
△ 46 " " "
L 124 " " "

30/11 coals per "Waterfox"
Specs of exchange £450.

Copy of letter from Thomas Goodrow jun.
B. Felton & Co. and Wm Dain Co. tenders for the
proposed Church at Stanley with drawings
Copy of letter from Chas Day 6th 15th Oct
Clients reports & contracts:
△ 36 Hides "Janis"

B ✓✓ Itides "Janis"

Copy of Brokers reports + "contracts" of above.
Clients reports + contracts:

JB	70	bales	Skins	"Janis"
^S	6	"	"	"
^S	5	"	"	"
△	4	"	"	"

Copy of Brokers ^{DS} reports + contracts of above.
Copy of Brokers ^{GI} reports + contracts + skins of "Ochetis"
Clients reports + contracts:

IB 1 bale Itair "Memphis"
Clients sales as follows:

JB	69	bales	wool	"Janis"
A	210.	"	"	"Ochetis"
F	297.	"	"	"Orchids"
L	127.	"	"	"Janis"
JMK	30.	"	"	"Memphis"
^{DS}	38.	"	"	"Janis"
^{GI}	63.	"	"	"
△		"	"	"
J.W.	49.	"	"	"Memphis"
△	17.	"	"	"
^{HSO}		"	"	"
Digby	54.	"	"	"Janis"

Schooner freight return on wool per "Janis" + "Memphis" J.M. Dean
Wool reports.

Accounts for W.W. Bertrand
Peter Noble.

First of Exchange \$450.
Ledger + Journal Entries
Remarks on Accounts.

Per Drake's key of Cigar cabinet
Remarks on ^D around furniture + copy of Mrs
Mathews list

Copy of Thomas Goodwin's certificate dated
Stanley 27 May 197.

Letters for the following:

- C. J. Mathews
- C. W. Foley (6)
- Peter Noble
- W. A. Starding
- A. C. Fraillon
- W. W. Bertrand (2)
- Dean Brandon
- J. J. Felton
- W. C. Solake
- G. Bourne

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61. Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 862.

London, E.C. 20th November, 1891.

Sir,

Confirming my last per Tanis on the 2nd inst., I have now to acknowledge receipt of your cable "Federal Loreley ahlers Els-fleth", which arrived on the 5th inst. Mr. Carl Fesenfeldt of Els-fleth has notified us that he has the business of the Loreley in hand, Mr. Ahlers having retired, and having asked him for a credit on London we have received authority for the Captain to draw on the Verein Bremer See-Versicherungs-Gesellschaften of Bremen, as per copy of their letter enclosed. On asking Mr. Wendt if he could give us a short name to cable, which would at the same time be intelligible, he said that "Bremen Underwriters" would be understood at your end, and you will probably learn this from Mr. Schlottfeldt if you do not know it already. We shall cable to catch the Tanis, if there is not another chance before she gets to Montevideo. You will observe that the credit is for £2000, so that if it is likely to be exceeded you must let us know.

2. Mr. Dean says that he has been expecting some tallow from Weddell for some months, having heard that it was to be sent to Stanley in June or July; do you know anything of it?

3. In the completed shearing return I observe that there were no sheep shorn last season at Packe's or Bonner's, which is unusual. The return of sheep boiled down shows that they realized in tallow less than 1/5d. per sheep after charging freight and insurance. There were some sheep from Speedwell also, I see, which cannot have yielded much. Are these sheep perfectly free from scab now?

4. With reference to the short delivery of iron you reported is it not possible that the Government received it by mistake with theirs?

A. E. Baillon, Esq.,

Manager,

Stanley.

5. As I anticipated, Hoares will not give the sheepskins up to Mrs. Bonner, and we can do no more about this lot; but I think that Mrs. Bonner is giving her son strict instructions not to depart from the ordinary course of business, and you must bear in mind that as we make advances on her account there is an unwritten understanding that everything the station sends home is to be consigned to us. I cannot see that the tallow from Bonner's sheep has come yet; when it does you must not allow Cameron to play any tricks with it.

6. Enclosed you will find copy of a letter from the New Zealand Shipping Co. to Spearing & Waldron about the Opawa, together with a copy of mine commenting upon it. I hope that we have heard the last of this business; if not, it will be extremely annoying.

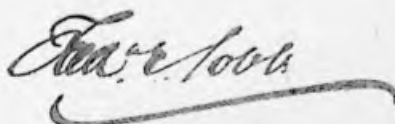
7. The Thetis sailed on the 10th inst. There was some difficulty in finding cargo to fill her up, but I hope that the extra stuff sent will be useful. You will observe that I took the opportunity of sending a large quantity of beer by her, retaining 50 hhds. to be despatched by next direct boat.

8. I send a few Kosmos tables for the first half of next year, although you probably have them already. If you print a mail table again you had better enter the Montevidean date for all mails; it is important on account of telegrams. I send you a copy of one I had printed this year, and I want to know how you get out your list for the whole year when the Kosmos Co. only give six months' sailings at a time?

9. Your mention a few mails ago of the shortcomings of the assistant at the West Store reminds me of Mr. Havelock, who is so anxious to go out for us. If you have to part with Hardy there can be no doubt that this would be a most valuable man to have, and if you had room for him in any other place temporarily, it would be a good move to send him out.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures

Duplicates

- Despatch No 861 dated 7th Nov 97.
- Ledger & Journal Entries
- Remarks on Accounts
- Remarks on Darwin's Furniture
- List of Enclosures.
- General Invoice Goods per "Janis"
- Client's Appeals:

- R 710 bales Wool "Shetis"
- L 127. " " "Janis"
- DS 38 " " "
- △ 63. " " "
- JMK 30 " " "Memphis"
- F. 797. " " "Orchid"

Seconds of Exchange \$450.
 Duplicates of Enclosures for Consignee's letter

- Bill goods per "Janis" (two)
- " cargo per "Orchid" for J. J. Seltow
- McGowan's corrected invoice for Mrs Williams
- Sturgeon's invoice for Pere Galhe
- Skellton's " " J. J. Seltow
- McIntosh's " " A. E. Seltow.
- Client's Appeals:

- S 46 Hides "Janis"
- △ 17 " "
- JB 72 " "
- JB 1 bale Hair "Memphis"
- S 11 bales Skins Janis
- △ 4 " " "
- DS 7 " " "
- JB 73 " " "

- Client's Appeals
- Copy of Brokers Appeals Company Hides & Skins
- Copy of letter to Spearing Waldron 18th Nov 97
- Copy of New Zealand S Co letter to S-W 15th Nov 97.
- Roosmost mail table & Company's
- Particulars of Insurance "Rams" for Goodhart.
- Copy of letter from Bremon Underwriters 15th Nov 97.
- Duplicates, Bill &c cargo per Shetis
- Duplicate copy of Pebble's Goods per Shetis sent by request of Mr Dean for the station.
- Client's Invoices, Goods per "Janis"

Vers Gackel	314.	14.	1.
Farm Account.	43.	19.	1.
Stanley Ashby Rooms	18.	4.	3.
J. J. Selton	42.	5.	1.
B. Stickney	5.	12.	3.
Mrs J Robert.	30.	6.	6.
W Clements.	38.	9.	8.
Doctrands & Selton	64.	1.	0.
Dean Anson	34.	7.	2.
Gackel Prop 6	44.	15.	4.
Peter Noble	-.	5.	4.
Dailon & Stickney	33.	19.	2.
E. J. Mathews	24.	13.	4.
J. S. Goodhart	1.	2.	10.
G. A. Cobb	1.	12.	9.
Vers Gackel.	48.	10.	8.
J. J. Selton.	412.	6.	11.

"Orchid"

Ledger & Journal Entries

Remarks on Accounts.

First of Exchange £450.

Remarks on Stout.

Letters for the following

A. E. Dailon

E. J. Mathews (duplicate).

W. H. Foley (6).

Peter Noble.

London 20th November 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Luxor.

N^o 865.

London, E.C. 14th December, 1897.

Sir,

My last despatch went per Supplementary mail on the 20th ult. and your nos. 82 and 83 came to hand on the 29th ult. and the 10th inst. respectively, the last having been delivered in 28 days, owing to the acceleration of the Pacific boats. The Iberia also brought your letter of the 12th ult. On the 26th ult. I despatched the following cable, "Loreley Cocheais Masicote Bremen Uhr-glocke", meaning "Credit opened in favour of the Loreley for £2000 on Bremen Underwriters", the full name of the latter having been given in my last despatch.

2. 82-2. The draft on the owners of the Clwyd has been accepted.

3. Par. 3. As the Maren has disappeared there is not much to be said about her, but I should advise you in case of disasters to German ships not to relinquish too easily to Mr. Schlottfeldt the rights which you personally possess as Lloyd's Agent and German Consul.

4. Par. 4. You have already received intimation in the above quoted cable of the arrangements for financing the Loreley.

5. Par. 5. We are glad to see that the Store Sales have increased, but I think you have miscalculated the amount by about £1000. A memorandum of what we make it is enclosed.

6. Par. 6. It is good news that Mr. Blake has agreed to go to the Camp for the lamb marking. With regard to the question of a liquor license for Darwin, you will of course have found out how the law stands, and if it is necessary to take one out you will have done so, so as to carry out Mr. Mathews's experiment.

7. Mr. Williams's policy has been found by his mother, and we have received the bonus in the form of the payment of next

A. E. Baillon, Esq.,

Manager,

Stanley.

year's premium, a small balance being paid in cash.

8. Par.8. Certainly it will be a good thing to get rid of Chaplin, and the only wonder is that you entertained for a moment his new proposal. It is strange rather that a man who has posed as an absolute cripple should even suggest his being able to go on working as before, and it throws a good deal of doubt upon what he has previously said. The letter of July was read by the Board, as all letters addressed to the Directors are, but it was decided that it was unnecessary to reply, the tone and manner of sending not being approved of. Your proposal is that we should send the new man by the January mail, arriving about the 25th February, and that Chaplin should take his departure on the 18th March. This has been fully discussed, and the Board are strongly of opinion that they should cross one another on their respective voyages. If there is a ship in, this will probably cause inconvenience, let us say horrible, enormous inconvenience. But what will this enormous inconvenience, which after all will be only temporary, be in comparison with the almost dead certainty of Chaplin's doing his very best to poison the new man's mind during the three weeks he will have him to play upon? You still will have a very capable blacksmith in Ogilvie, and, as one of the Directors remarked, in case of getting into a tight corner, you would probably be able to requisition the services of a naval smith, if you put the case before whatever Captain may be stationed at Stanley at the time. Bear in mind that there is no opposition to make capital out of this, it would be different if there were. Your course is plain; you must say that a successor is being engaged, and that Chaplin is to be ready to leave on the 18th March. When the February mail arrives, and the blacksmith is not on board, you can be indignant with the Board as you like, or you may, if you please, put it all down to the fatuous indifference of the Managing Director, who really ought to know better.

9. Par.10. I have had much pleasure in looking out the athletic outfit Dr. Foley has asked for, and have written him on the subject.

10. Par.14. It is not clear from your explanation about the Result whether we lose anything by Fugellie's flight or not,

11. Par.9. I observe that there are two bales of Keppel wool in the Herodot, and, although you make no reference to them, I assume that these are the two about which we have been enquiring so long.

12. Par.16. The Board are very much annoyed at what they cannot but think is culpable carelessness on the part of Armstrong in the matter of Pyne & Co.'s rams. Mr. Blake put them on Sea Lion Islands, which was probably the best thing to be done at the time, but we gather that instead of looking at them from time to time Armstrong left them to themselves, and as a matter of fact they starved. Although Pynes made a mistake about them, we were morally bound to take decent care of their property, and as we cannot pretend that we have done so the end of it will be that we shall lose a clean £400 over them. Let us know what you think about this; did you ever suggest to Armstrong that they would want watching during the winter?

13. Par.18. With regard to the Lighthouse telephone, you do not yet report that you have got the money for the Government's share of expenses, nor do you say that you have applied for it. This must be done without delay, and if you have any difficulty in the matter we must write to the Colonial Office about it, for we cannot for a moment admit any liability for breakages or anything going wrong. You say that the bird scarers do not appear to have been of much use:—does this mean that the line has been broken again in the places where they were put up? The line, we understand, has been in use; is it generally in working order, and when a break occurs are steps taken at once to mend it? We should like more information on this subject.

14. Par.24. I did not get the information about the cost of running a steamer that Mr. Langridge promised, and so asked him again lately, when he gave me one, of which a copy will be found enclosed. Together with this I send particulars of a new steamer now in the market for £6250, on which some of the calculations are based. You will see that although the original cost suggested by me is ^{higher} lower, the annual expenses, £5684, are much higher, and if you come across any of those hysterical but uninformed enthus-

iaists who are clamouring for a steamer on the coast with a persistence in inverse proportion to their knowledge, you might show it them, by way of proving how absurd the agitation is.

15. Par.31. Our Solicitors are trying to find Spearman, who is understood to be in retirement, but was seen, I am told, at Canterbury late in the summer. I suppose that you do not know anything of his whereabouts, or whether he has any furniture or property that could be seized?

16. You have not stated what the Fair Rosamond earned on her trip to the Coast. Mr. Blake informs me that Jones is a poor navigator, and made very bad landfalls. I am inclined to think that if you have no rising man in view, we ought to send out a man to sail her.

17. Despatch 83-3, I understand that New Zealand sheep have been sent to Patagonia, and that they do well there. The opinions of our people who have declared themselves prejudiced must be taken for what they are worth, until we hear what Messrs. Mathews and Blake have to say about them.

18. Par.4. Some time ago Armstrong gave it as his deliberate opinion that the blindness in the sheep was due to the New Zealand rams. Now he says that it is the same disease as was observed some years before I left the Colony. At that time, of course, not a sheep had been imported from New Zealand; how can we pay any attention to his opinions? You are not clear on the subject of the serious outbreak, - an outbreak of what? It was not blindness, I think, 14 years ago, that was more than a year or two before I left the Colony. The first serious outbreak of what was always called "the disease" took place in December, 1884 and Jan. 1885; see my despatch 387 of 1st January, 1885.

19. Par.5. After getting Oppenheimer's opinion on the runners we sent them to a Mr. Hymans, who speaks better of them, so we must assume that the ~~calk~~ the former had had some tender ones at the top, Hymans will take all our output at 10/. per 100, so it will be possible to calculate whether it is a business worth sticking to. Enclosed are some remarks he wishes communicated to those concerned. We got £13.12/. for some 2700 odd, and had we received

those of the whole 15,000 they would have been worth £75. Could those from the Stanley slaughter houses be prepared? It might be worth someone's while to do them by contract, say at 5/.per 100.

20. Par.7. The despatch now under reply has not yet been before the Board, so I cannot answer the question about Dr. Jameson. But if he came out on the faith of the subscription started some years ago, and the subscriptions you mention have been given by private individuals under the guarantee then given, it seems questionable whether it would be quite fair on our part to back out. Do not, however, do anything until the arrival of next mail, but you might let us know how it strikes you. We should certainly not decline on the quibble about Dr. Jameson's dentistry. You say that a dentist is coming from the Plate, who is not likely to turn out a second Foster. I have been wondering whether you mean unlikely.

21. Par.8. I suppose that the contract with the Blacksmiths on the Loreley is likely to turn out well for all concerned, and you should take the opportunity of getting more of our debts paid up than you can under the arrangement for deducting so much per month from the wages. You cannot stop wages except by consent, but I think you could make a set-off against a contract, when the contractor owes you money.

22. Par.9. It is very satisfactory to hear that the Pass of Balmaha is at last out of hand. I must call your attention to my despatch 855-6 on the subject of the credit arranged with the Glasgow Salvage Association, and the following one, 856-15, in which you were informed that the Captain would draw upon the Association for the ship's disbursements. Instead of this the principal bill is on the owners, Gibson & Clark, and you should have explained why you departed from the arrangement that had been reported to you. Fortunately no harm has been done, as all the bills have been accepted. In sending them down I took the precaution to send both the owners and the Association our copies of the accounts, and it was lucky that I did so, as the ones posted by the Captain and agent have evidently been sent by the Herodot and have not arrived yet. I thought that it might have

occurred to you that with the bills coming forward by a fast steamer, it would be necessary to see that the accounts relating to them, without which there would be little probability of their being accepted, should without fail be sent by the same conveyance, and this should be borne in mind in future. With reference to this you will see that the wording of the letter of advice, old as it is, is not quite correct; instead of "as per enclosed account" it should read "as per account forwarded under another cover", for the one that comes to us we always keep for reference.

23. Par. 10. The suggestion you make about half bottles is good, and I will give effect to it at once. I suppose that the W. Jameson fire-water is the favorite drink.

24. Par. 12. With regard to the hulks, I would suggest your making a periodical tour of inspection, and then you could give directions yourself as to what should be done. I am sure that you would not approve of an accumulation of slack coals lying so long as to cause rot in the decks, and cannot but think that those who have to do with them have been more or less negligent. You are right: when work accumulates you must make time to get it done.

25. Par. 14. Owing to the early arrival of the Iberia's mail I am pleased to say that Mrs. Hansen's rifle and cartridges are to be shipped. Blanch cannot supply exactly the same rifle as before, but it is of the same bore.

26. Par. 22. The quantity of coal sent you is 150 tons more than the Admiralty require; I have not time to look the correspondence up, but you have it.

Par.
27. 23. I did not ask you for the Lively and Speedwell leases themselves; of course the lessees have them; but I am much mistaken if the copies of them which were among the deeds are not in your safe, for I can find no record of them among those that were sent home, and I know that there were a few papers which it was not considered necessary to have over. I have searched our documents at the Bank, and if you have not got the copies I do not know where they are; they are in my handwriting.

28. Letter of 12th November, The bale of wool will be sent to R.Houston & Sons. I have read the correspondence with Cameron, and it seems to me that the very uppish postmaster will have to be put down somehow; I should complain to the Governor if I were you. It is satisfactory too to see that Mr.Cameron is inclined to be civil; with his uncle I am on the best of terms, but the episodes of the Opawa and Bonner's sheepskins seemed to show that he was inclined to be offensive. Mrs.Bonner has not yet heard a word in explanation of the consignment to Hoare of those skins, and I cannot help feeling suspicious as to Cameron's share in the matter.

29. I wish you would get the coals paid for by bill as formerly; there is a great amount of red tape to be put up with here which a draft would obviate.

30. A Mr.Hampton of the Opawa has applied for the post of Engineer, which he says is to be vacant next year, and said that you had promised to write about him. I need not say that you have not, and that I know nothing about it.

31. A promissory note given by the Captain of the Waterfox has been sent us for collection, the amount due being £39.11/. You will have to deduct this from the balance of freight.

32. In making arrangements for the Thetis this time, Captain Rees is very anxious, and I naturally cordially approve, to get some coasting freight on the way in, and to do this I suggest to you that you may see your way to sending a schooner to San Carlos with Bonner's and Cameron's goods at a moderate freight, having also arranged for a return load of wool from Bonner. Mrs. Bonner is anxious for this, and I told her that we would do her best, although I could make no promise, pointing out that the wool was late this year in consequence of the desire expressed by her son that the Thetis should herself deliver the outward goods, and that we could not send an empty schooner for the wool.

33. Mr.Dean wishes the Thetis to bring all the wool from Port Stephens that can be got ready, instead of having it in in driblets. This will suit her very well.

34. We have been asked by the wool brokers about the insurance of woolsheds, and after telling them that the Royal had a special rate for them, I deemed it desirable in your interest to

write to the Secretary reminding him that you were the agent at the Islands.

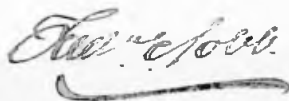
35. From Mr. Mathews's letter of the 9th October we learn that he had been to Darwin, but we are surprised that you have not alluded to the subject, or made any comment on the furniture lists, many articles in which could without doubt be got in Stanley. Mr. Mathews says that he had written to you about a new stove, which in the absence of any remark from you I assume must be sent from here, but I am in a difficulty about the size, as the width of the chimney is not given.

36. Spearing & Waldron are anxious to get us a freezing ship this season, but the Directors are of opinion that it would be unfair to hamper Mr. Mathews during his first year with any business of this kind, and have refused to entertain the subject. A project that appears more feasible is a trial shipment of live sheep, which it seems to us might be carried out, if there were time to arrange it. Correspondence is enclosed, which after reading you will have to send to Darwin. I told Mr. Spearing that I would suggest one of three ports, Mare Harbour, Seal Cove, or New Haven, but declined to commit the Company to any contract until we could get Mr. Mathews's views. I will write at greater length about this to Mr. Mathews, and will not repeat myself here.

37. Enclosed is a letter for Noble with some correspondence about his children which has been troublesome to me. I think that I have done what he would have wished had he been on the spot.

I am, Sir,

your obedient servant,



Managing Director,

38. Since writing the foregoing I have seen our Solicitors on the subject of the Glengowan. They have been in correspondence with the owners' lawyers in Scotland, but can get no satisfaction and they say that the only course open to us is to sell the wreck and all connected with it at once by auction, assuming that

you have the right to do so, which I understand you have. Should the property fetch less than our claim, whether on account of advances to the owners or for money expended in salvage, you must render an account showing plainly how it stands, and then we shall have to sue the owners for the balance. I told Mr. Ince that in all probability we should be the buyers, and he said that it would, perhaps, be better that you should get someone to bid for you whom you can trust; but in any case, should exception be taken to our buying, we should have the right to reply that we had done so at open auction, but that if the sale was objected to we should be happy to return the property to the owners again on payment of our claim. You will understand that in the account you render it will not be for you to discriminate between disbursements on account of the owners and underwriters, but lump them altogether, and give credit for all you have received from time to time for small sales of gear, &c.

39. Since writing the main part of the despatch I have been informed that the Government are shown by the accounts to have paid a sum on account of the telephone, so my remarks go for nothing, but you should have mentioned this in one of your despatches.

A handwritten signature in cursive script, appearing to be 'F. J. ...', with a long, sweeping underline.

Enclosures.DuplicatesDespatch No 862 dated 20th 1800.

List of Enclosures.

Remarks on Stores

Clients Accounts :-

14-70.	1 bale	Hair	"Memphis"
	12	salted	Hides "Janis"
	4	bales	Skins "
DS	✓	"	" "
S	11	"	" "
S.	46	salted	Hides "

Ledger & Journal Entries

Remarks on Accounts.

Clients Invoices

To Stickney	5.	12.	3.
J. J. Felton	42.	5.	1
Per Gacke	317.	14.	1.
M ^{rs} J Robson	30.	6.	6
H Clement.	38.	9.	8
Bertrand Felton	64.	1.	0
Dean Anson	34.	7.	2.
Gacke Bros	6	24.	13. 8
Peter Noble	-	5.	14
Bailow Stickney	33.	19.	2.
E. J. Heathings.	74.	13.	4.
J. J. Felton	412.	6.	11.

Seconds of Exchange £450.Instructions for preparing runners of shipment
Wood reports.Copy of letter from the Bremen Underwriters 18th 1800.Copy of letter from the Adelphi Bank 26th 1800 together
with Capt Wissen bill £38. 10. 0 for acceptanceCopy of letter to the Royal Insurance dated 26 1800 &
their reply dated same date.

Corrected General Invoice goods per "Thetis"

Particulars of steamer offered together with estimate for
running same for one year.Clients Accounts as follows:-

△	24	salted	Hides "Janis"
S	15	"	" "

Clients Invoices Goods per "Thetis"

D Smith £27. 11. 5.

A. R. Felton 162. 0. 10.
 H. G. Cobb. 7. 0. 10.
 Farm Account 3. 14. 10.
 G. J. Matthews 6. 9. 5
 G. Ache Dorro 55. 7. 1.
 Bertrand's Felton 443. 3. 9.
 Stickney Dorro. 254. 16. 11.
 G. Ache Dorro 490. 2. 1.
 H. Obvested Blake 341. 1. 7
 H. Waldron 293. 9. 5
 D. Aillon Stickney 310. 13. 1.
 G. Ache Dorro 291. 4. 8
 Mr Williams 425. 2. 11
 Mr Bonner. 513. 11. 5
 A. Pituluga 493. 12. 6
 Free G. Ache. 485. 8. 1.

Chints Appeals.

L 56 bales Wool Sakkarah.
 W.P. 1 " " "
 J.R. 1. " " "
 P 5 " " Thetis
 F 6 " " Orchid
 12 " " Janis

Schooner freight return Memphis + Janis £ 3. 7. 1. "Boenos"
 Kirkland Coffin's accounts (4).

Chints reports + contracts

B 15 bales Skins Sakkarah
 DS 7 " " "
 L 4 " " "
 W.P. 5 " " "
 F 12 " " "
 H.P. 8 rks Yellow. " } press copies
 JB 7 rks " "
 B 4 rks " "
 L 562 bales Wool
 J.R. 1 " " "
 H.P. 1 " " "

+ Brokers copies

Copy of Brokers report + contract Company's skins free Thetis
 Schooner freight return on Sakkarah £ 3. 6. 8. Boenos
 Sam J. J. receipt form for C. Williams signature
 Copy of letters from Spearin + Waldron 9th + 10 Dec
 List of Exchange. 4450
 Ledger + Journal Entries
 Remarks on Accounts.

• Particulars of Stone Sales
Letters for the following

J Noble.
 G. A. Goitow
 A. E. D. aillow (2).
 G. J. Wathers (2)
 R. Lake.
 G. H. Foley. (3)
 Dean Fordon.

* J. Suttler
 Cheque on Stanley £5 drawn by Hannah for collection

* unable to find him

London 14th December 1897.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61. Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 864. London, E.C. 1st January, 1898.

Sir,

My last despatch was dated the 14th ult., since which date no mail has arrived from the Islands. Your cablegram from Montevideo reporting 545 bales wool per Ramses came to hand on the 30th ult.

2. In my last I omitted to mention that we had sent £1500 in silver coin by the Luxor, but you would find the Bill of Lading among the enclosures.

3. After a long interview and some correspondence with Mr. Bowen, the owner of the Elliot, we have arrived at a compromise with him by accepting £200 in full. It is an unfortunate business, but the alternative would have been a lawsuit on the arrival of the ship in England, and it is impossible to help admitting that the charges seemed exorbitantly heavy for the amount of work done, so that even if we won the case it might have done Stanley and ourselves much harm.

4. There is an order for a Vauxhall pump on the indent last received; please state what this is for, and always report in future on any machinery ordered.

5. The Board consider that it would be right to pay Dr. Jameson the amount guaranteed for a second medical man in Stanley some years ago; but this is understood to have been promised for three years only, to enable him to get a start.

6. I have bought some more furniture for the Darwin house with Miss Mathews' assistance, but have confined the purchases to such things as I know cannot be got in Stanley. When Mr. Nichol died you were to take an inventory of all the Company's property in the house, but if this was done we have not received a copy, in fact all we know is derived from your report that all the things

A. E. Baillon, Esq.,

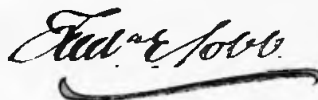
Manager,

Stanley.

were there "almost", with the exception of a few lost, broken, or worn out. Mr. Mathews now reports the old inventory "vague and incomplete", and says that some of the furniture ordered was not wanted. The lists transmitted to us ought not to have been sent without reporting what could have been supplied at once from the Stores. On going through all the lists there has been great difficulty in deciding what ought to go from here, and as it seems almost certain that a number of necessaries will have been sent out from you, we have decided to leave it to you to complete them, less the articles on the list enclosed. Such things, which must be of minor importance, as you have not in Stanley must be reported, and they will then be sent. It occurs to me to ask whether some of that furniture that was taken over from Mrs. Hansen some years ago, and has since been lying as dead stock might not have been utilized.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatch No 863. dated 14th Dec
Remarks on Accounts.

Clients Appeals -

△	17	bales	Wool	"Janis"
A	5	"	"	"Thetis"
F	6	"	"	"Orhid"
L	86	"	"	"Sakkarah"
W.P.	1	"	"	"
TR	1	"	"	"
△	24	salted	Hides	"Janis"
S	15	"	"	"
S	46	"	"	"

List of Enclosures

Clients Invoices Goods per "Thetis"

Clients reports & contracts:-

DS	7	bales	Skins	Sakkarah
L	7	"	"	"
W.P.	5	"	"	"
F	17	"	"	"

Second of Exchange £450.

Duplicates of Enclosures per Conquer's letter.

Bills of lading goods per "Juxon" (3)

Corrected General Invoice Goods per "Juxon"

Clients Appeals as follows:-

L	7	bales	Skins	Sakkarah
F	12	"	"	"
DS	4	"	"	"
W.P.	5	"	"	"

Copy of Brokers ^B15 "Company's Skins per "Thetis"
Miss Goldie's schooling account for J. S. Seltow

Plyth + Gasco's account for Fere Pache 17/6. W.W. Bertrand

A. E. Seltow's account for J. S. Seltow £9. 10. 0.

Clients Appeals as follows:-

W.P.	8	cks	Yellow	Sakkarah
JB	7	"	"	"

Clients Invoices as follows:-

^B15 J. S. Seltow 23. 10. 1.

A. E. Felton	39. 6. 6.	
Mrs J. Robson	3. 9. 8.	
Bertrand Felton	3. 0. 3.	
Mrs Hansen	10. 9. 8.	
Mrs Williams	13. 15. 2.	
J. J. Felton	26. 4. 11.	
Jacke Bros	6. 9. 5. 8.	
Dean Brandon	49. 1. 2.	
True Jacke	46. 11. 3.	
A. E. Felton		14/4
Mr Clement		10/6
Dr Foley		4/6

} freight notes

Jedgers + Journals Entries
 Remarks on Accounts
 List of Exchange £450.

Remarks on Stores
 List of furniture to be shipped by next boat.
 The's Certificate of Entry + books for Capt Rees.

Letters for the following
 R. M. Buckwith
 Mrs Mathews
 E. J. Mathews
 Dr Foley (3).

London 1st January 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Neko.

N^o 865.

London, E.C. 25th January, 1898.

Sir,

Since writing you on the 1st inst. the following despatches have arrived: no. 84 on the 5th, 85 and 86 on the 10th, and 87 yesterday. The Ramses is expected at Tilbury about the 29th inst.

^{no 84.}
2. Par. 3. I have had some correspondence with Capt. Willis about the missing bales of wool, but can make nothing out, excepting that the trouble is due to his own carelessness. I shall therefore say nothing more about it, unless the S.A.M.S. raise the question.

3. Par. 5. I have had a good deal of trouble with the Admiralty in getting payment for the coals, and even now can only report having got the money for the first three deliveries. The Accountant General wrote lately that the documents we forwarded were only receipts, not demands for payment, which should be made on the proper form. This was playful, as he knew perfectly well that we had no forms; however, that is one of their little ways, and I have since applied for the forms. However, if you can get the Paymasters to draw bills, as they used to do, it will simplify the payments much. Even now the three amounts of £1 have to stand over until authority is received from the ships to pay them, the Admiralty pointing out that according to the contract these disbursements should be made by the ships themselves at Stanley.

4. Par. 6. The matter of freight on Turner's house passed without my noticing it; there can be no objection to your reducing it as suggested. The house could not be got ready in time for the Paquita.

5. Par. 7. You ought to have remembered that we cannot ship so small a quantity as 400 tons of house coal, as it has to come from the Tyne, where the price is about half what it is in London. It has not been usual to ship anything else in these coal

A. E. Baillon, Esq.,

Stanley.

ships, as we cannot look after general cargo at Newcastle, besides which coals and cargo do not agree, and the insurance is enormous: however, I am sending the small quantity of wood ordered, as our Brokers can buy it for us there as cheaply as in London.

6. Par.9. As explained in my letter to Mr. Mathews the falling off in the lambing is not apparent, beyond some 5% in Darwin and Walker Creek, which may be righted when the complete returns come in. I am inclined to think that you have been comparing the numbers with the final return of 59376, dated 24th March last year.

7. Par.10. Your report on the Sissie has relieved the minds of the Directors, as the last news was, I think, that you regarded a safe trip in her as almost providential. It all comes back to the same thing, that is that you cannot by any possibility combine the duties of a tug and a passenger launch in one boat, and it is not fair to ask a little thing like the Sissie to struggle with a thousand ton ship. As to the tug suggested, it would be very pleasant to be able to tow hulks alongside the men of war, but I am afraid that the profit on the few tons of coal we sell would not warrant the expense. You will have understood that the engines which ^rtuned out to be a misfit for the Sissie are to be sent home; the Thetis will be the best means of sending them.

8. Par.11. I believe that the goods for Mr. Anson are being shipped by Lipton, as we sent the order on to him; but I wish you would point out that it is very unusual for merchants' clients to send an order, and also issue instructions direct to the suppliers. We are quite capable of giving directions about tanks, and, as a matter of fact, could probably get them cheaper, which may sound strange, but it was the case with Morton, whose tanks used to be bought for export from a more expensive maker than our man Bellamy. As regards the hoop iron, there was delay at the last moment, but Rownsons had fully expected to get it off. In connexion with Mr. Anson, I refer you to the enclosed original letter with enclosure from Bains, showing that owing to a strike they are unable to get his fencing off this time. Delays of this sort often occur, but they are unavoidable as far as we are concerned.

10. Par.18, and 87-20. I cannot say that the replies of the Overseers on the subject of stragglers is very clear or convincing. Armstrong says he did not always "get the outsiders", and

that there was no such a thing as gathering up and entering into the fixed returns, while Finlayson says there was on his section, but that it was not the case that there was not a single sheep left, as the dipping account would show that some came in then. But on comparing the first and final returns sent by you, and dated 24th March and 20th September respectively, I find that Walker Creek accounts in each for exactly 37438, so that if rough sheep came in at dipping the numbers were not added to the first return, and the shearing account for the year is incorrect by just that number. Whatever else may be doubtful, do let us be sure that we get correct stock returns; you know that we have a statistical table in the Board room, which is watched with the greatest interest; from the numbers of sheep supposed to be shorn and the weight and value of the wool sold here we get results of the greatest importance, and it would be a sad blow if we discovered that the figures received from the Islands were not trustworthy. Be good enough to put this before Mr. Mathews, and ask him to see that the returns are systematically collected from all sections.

11. Par. 20. It is unfortunate that you seem to miss the main point of the Board's remarks about the San Carlos sheepskins, that is that you ought not to have taken a message from Mr. Cameron as authority to divert Mrs. Bonner's produce from us, and it is a pity that you have not so far apparently taken steps to verify the correctness of the communication. Even if it had come direct from G. Bonner it is the opinion of the Board that according to the honourable understanding existing between Mrs. Bonner and the Company that her produce is virtually hypothecated to us, and that having been in our possession you ought not to have relinquished it. The Board have read the interesting account you give of the vagaries of Mrs. Bonner's Solicitors, but fail to see what that has to do with the question.

12. Par. 25, and 87-8. We cannot say anything about the Result until we hear further from you as to the bill for stores; it is a pity that as the flour and potatoes were undoubtedly for the use of the yawl they were not charged direct to her. As they were probably a private speculation of Fugellie's, it seems to me that Rowell has reason to object, unless it can be proved that

the whole of the proceeds were applied to the disbursements of the vessel, and on this point you ought to get definite information.

13. Par.27. The Board will be glad to hear as soon as Mr. Harding has obtained another surety.

14. Par.31. With regard to your remark that the Thetis will be "robbing our poor schooners", you ought to know that she is sailed relatively much more cheaply than they are, and can bring in wool from a place like Port Stephens when the Hornet would probably make a loss. If the schooners have not work enough to do, by all means lay up one of them.

15. 85, par.4. You have fairly puzzled us with your remark about interest on freight, but I think I see what has been passing in your mind, though the remedy you suggest is not obvious. You think that we delay payment of the freight, and that the interest is charged by the ship-brokers. As a fact, according to universal custom, we send a cheque for the estimated amount of freight the day the ship comes in, but as we are out of the money for many weeks we charge interest until the prompt, that is to say 14 days after the sale. Every merchant and every broker, whichever may pay the freight, does the same; there is absolutely no exception to the rule as far as I can learn. Am I right in thinking that your idea was that we could save the interest charged us by paying up promptly, forgetting that money is of value to us as well as other people, and that when we want it, as we often do, we have to pay for it? If that was not the idea, will you be good enough to explain?

16. 87, par.2. The papers relating to the 17 bales of damaged wool have been sent to our Insurance broker, but I have not heard yet whether they are considered sufficient. I may say, however, as I have before, that they are not certified by you as Lloyd's Agent, and that all papers relating to claims should be. You do not seem to appreciate the importance and value of your own signature, which in most cases smooths the way in all insurance settlements,

17. Par.3. The rule about discharging cargoes of coal is that the consignee and the shipmaster may mutually agree before be-

ginning whether the coal is to be taken by Bill of Lading or weighed out; if one of the parties insists on weighing the cost of doing so is borne by him. I do not remember any cargo of coal while I was in the Islands being weighed, and in the case of Welsh coal there is usually a small percentage in favour of the merchant.

18. Par.5. Your remarks on the Schoolmaster's cottage are noted.

19. Par.15. I supposed that your mail table was made up by almanac, and not from information to which we had not access. I send you one I had printed lately, which is on much the same lines, but I do not understand why you do not give the date of the P.S.N. boats at Montevideo outwards, and in their arrival homewards you have not allowed for the accelerated service. The dates I have taken are four days after arrival at Lisbon, the mails coming overland.

20. Par.17. Information of the arrival of live stock should always be promptly given, as there is usually a return of premium to be collected in the absence of a claim. You will observe that a claim could not be made for Mr. Packe simply on the negative evidence that we had not heard of the stallion's death.

21. Par.18. According to the Admiralty letter of the 18th June, they agreed to purchase the whole cargo of coals from us, and said that it would probably be taken within 18 months. It is unfortunate that the Retribution is not going to the Islands this summer, but I suppose that there is still a chance of the Flora being there.

22. Par.19. Our position with regard to the Glengowan, if I have understood Mr. Ince correctly, is that we made the advances in a bona fide manner to the ship, for the purpose of saving her, and that it is no concern of ours that the owners have since for their own purposes made her over to certain people called underwriters; we still have a claim on her. It is perhaps a mistake having opened two accounts, the ship and her salvage, or to have recognized the Salvage Association at all, but as the case stands we must resolutely look upon the advances as one account, until sufficient has been realized to cover us.

23. Par.21. The sails will be ordered for the Fortuna.

24. Par.22. The shipment of wool is satisfactory, and I am glad to say that prices are looking up a little. I send you a catalogue of Hoare's, in which there is some scoured Fuegian wool, please let Mr. Mathews have it, and ask if he knows the shippers.

25. Par.24. I am replying to this last despatch before the Board has seen it, and cannot say any more about the cottage. I do not know whether it would not be looked upon as a sort of "get-out" of our undertaking with regard to the Jubilee, for if we had not decided upon the house, we should have subscribed to some other object. Is it desirable to have two schoolmasters at Darwin, and would not Goodwin, if located somewhere else, be nearer his work? No doubt a time will come when peat will fail, at Darwin, but I am sure that I am not exaggerating when I say that I have heard of the imminent failure of the supply for the last 25 years.

26. Par.25. The dipping return is chiefly useful here in enabling me to make up an estimate of the following season's shearing return, in which I have generally got very near the mark. I may mention that on the 16th June last year I forecast a total of 192,500 for the shearing now in progress, and I hope that I am under the mark.

27. The father of a man named Leake came here to ask me to mention that the latter would be glad to get employment from us. I replied that he could speak for himself on the spot, that I did not interfere with the engagement of men locally, and that if his son was worth anything he need not fear being out of employment, especially in the summer months.

28. You mention that some dip was lost in the Paquita, and attribute it to bad stowage. Did you make a claim on the ship? You are probably aware that she would be liable in case of improper stowage, but not otherwise. What was done about this and the turpentine? You would know, of course, that in no case were we responsible.

29. The Sweetmeat Automatic Co. have notified us that they have had an enquiry for machines for the Islands. This reminds me to ask where you have our machines stationed; are they acces-

sible at all hours and every day?

30. With reference to the leases of the Islands, including those of Great and Bleaker, I am certain that they were kept in the safe, and I want you to look at the schedule of "documents left left in the safe at Stanley," as noted in the list of enclosures in despatch 519 of 16th March, 1891.

31. There are Speedwell skins marked S in a diamond; this is too much like Mr. Packe's mark, and should not be repeated, SI is the proper mark. Similarly, there is a doubt whether hides marked F without a diamond belong to Mr. Felton or ourselves, and you will see that when people adopt marks too much like those already appropriated by others they ought to be asked to alter them.

32. In par. 5 I ought to have reported that we have chartered the Lenita for coals from the Tyne, as per copy of Charter-party enclosed. In order to reduce the quantity of house coal that she will carry, and to anticipate probable demands, I have ordered 50 tons of Brancepeth Smithy coal, which is much cheaper up north than in London.

33. Mrs. Hansen will be glad to learn that the sealskins have brought excellent prices. As you will see by a memo. from the wharf, they were three short in number; but if they were stolen in transit it was cleverly done, and I should rather suppose that there was an error in tallying them in.


34. With regard to the completion of Mr. Mathews' house, it is annoying to find that after ordering a kitchen range to replace the worn out one, in the absence of the remarks from you which we were led to expect would accompany Mr. Mathews' letter, you have supplied one which you have bought in Stanley, so that we are sending one that will be of no use when it arrives, unless you are able to find a purchaser. As it is a very good range, and specially built for us to burn peat, you ought not to have much difficulty in disposing of it at a good price, in which case no harm will have been done. At the same time we expect you to comment on any remark of the kind after reading the Camp Manager's letter.

35. I enclose copy of a letter I wrote Foy Morgan & Co. about

your criticisms of the wood per Paquita. It is quite right to draw our attention to anything wrong, and you may be sure that we shall always ask for an explanation from the people concerned. Even if we get no satisfaction out of them it has a good moral effect, as it shows them that they cannot neglect our orders with impunity. Foy Morgan & Co. are one of the largest firms of wood brokers in the City, and they are doubtless in touch with many firms who would be only too glad to get our orders.

I am, Sir,

your obedient servant,

A handwritten signature in cursive script, likely reading "E. Morgan & Co.", with a decorative flourish underneath.

Managing Director.

Enclosures.

Duplicates

Despatch No 864 dated 1st Jan'y 96.
 Ledger & Journal Entries
 Remarks on Accounts
 List of Enclosures.
 Remarks on Stores
 Clients Appeals
 DS/ 4 bales Skins "Gakkarah"
 F 12 " " "
 L 7 " " "
 W.P. 5 " " "
 W.P. 8. cks Tallow
 General Invoice Goods per "Lion"
 Clients Invoices " "
 Seconds of Exchange.

Wool reports

Copy of letter from the Admiralty dated 6th Jan'y
 Clients reports & contracts.

RBC 3 cks tallow "Herodot."
 N 6 " skins (seals) "
 17 bales sheep skins "
 CB 3 " " "
 RBC 3 " " "
 4 " " "
 IB 10 " " "



Brokers copies reports & contracts Company's skins
 Corrected General Invoice Goods per "Phetis"
 Copy of letter to Arning & Cobb dated 16th Jan'y re
 Wm Stansen's seal skins per "Herodot."
 Clients reports as follows:

IB 14 bales wool "Herodot."
 CB 9 " " "
 L 51 " " "
 W.P. 7 " " "
 11 " " "



Particulars of snow (eggs) wanting employment.
 * Copy of letter to J. J. Morgan dated 14th Jan'y re timber
 List of standing payments for the Colony
 Chartered-party ship of mites
 Ledger & Journal Entries

* from John Lemanston Low

Remarks on Accounts.

First of Exchange. £450.

~~Copy~~ letter from Wm Bain & Co re Arrow forcing 24th Jan

W. A. table (1)

Remarks on Furniture for Darwin
Letters for the following:

E. J. Mathews. (1)

A. E. Poillon (3)

W. A. Standing

R. Blake.

C. H. Foley.

J. J. Fulton (3)

G. A. Cobb.

Price list of Marshall pumps

London 25th January 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61. Gracechurch Street.

Per Supplementary mail
via Lisbon.
N^o 866.

London, E.C. 11th February, 1898.

Sir,

I confirm my last despatch, no. 865, of the 25th ult., and have now to acknowledge receipt of your cable dated 8th inst. from Montevideo, announcing the shipment of 1050 bales Wool per Taniš, which is satisfactory.

2. We also received on the 1st inst. a cable as follows:—"Ser-moneaba rintuzzare difaldare", meaning "ship by sailing vessel 50 barrels Kerosene", which we have been able to do, as the Lenita has been delayed in getting over from Hamburg, and the oil has been bought in Newcastle. We heard two days ago that the vessel had arrived, and would probably be loaded this week.

3. Messrs. H. Langridge & Co. have given me the enclosed letter from Browne Geveke & Co. about the loss of Mr. Dean's bale of wool from the deck of the Ramses, by which you will see that our Overseer is blamed for supplying the wool faster than the ship could receive it, notwithstanding the protest of the Kosmos officer. No claim will be made on us, and the Underwriters will pay the loss, but Messrs. Langridge wish me to point out that claims of this sort may have a prejudicial effect on the premium in future, more especially when carelessness in delivering is alleged, and that Mr. Lauchlen should be warned not to run any risks when he finds a steamer's deck blocked up:

4. I enclose copy of a letter from the Admiralty stating that payment for coals is to be made by bill in future, which will save the delays and trouble we have been subjected to. We have at last received payment for all the deliveries of coal up to the present, but the moving fees are still withheld.

5. We are informed that the claim for the 17 bales of wool of Mr. Packe's will be passed, but the Underwriters at Lloyd's re-

A. E. Baillon, Esq.,

Manager,

Stanley.

mark that the papers should have been certified by you, and our Broker wishes me to add that in all cases of claim the matter will be freed from difficulty if you will bear this in mind; this I have already pointed out to you.

6. I enclose copies of letters about the Fortuna's sails, which will be sent by the next steamer.

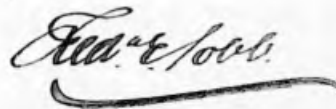
7. I do not know whether Mr. Goodhart has advised the man who shipped his sheep and did the insurance of their safe arrival; we have not received the return premium yet.

8. I have seen Mr. Rowell about the Result's account, and I am afraid that the matter will be a most difficult one to unravel. I cannot reconcile the amounts stated in the correspondence with any entries to the Result's debit, but from what I can learn it seems that Fugellie incurred a debt of more than £50 in 1894, which was placed to his private account, and not transferred to the vessel until 1896, according to directions sent out in April of that year. Had the amount been debited to the yawl at once, Rowell would have seen it before he left the Colony, and would have had an opportunity of objecting, or of making arrangements with Fugellie for paying it off out of his earnings as master; but as he left the Colony in 1895, and seems not to have had any intimation of the transfer, it seems clear that we have no right to saddle him with a half share of Fugellie's private debt, and the amount will have to be re-transferred to Fugellie. But then the question arises what did Fugellie do with the proceeds? Did he, as seems to be alleged, devote them to payment of wages and other disbursements of the vessel? In that case he would be right in debiting her with whatever may have been the amount he paid, and this amount ought to come to us in satisfaction, or part satisfaction of our claim on him. But how can this be ascertained? How was the vessel disbursed? We may assume that the crew took their wages in full; where did the money come from? You might get the actual sum paid over a certain number of years by taking the crew's wages, which Rowell tells me amounted to £32 per month, including £10 to Fugellie himself, and you might find out, though it is doubtful, what became of sums received for passage money and freight. Mr. Rowell himself on one occasion paid

a sum of £50 for disbursements; would this sum, plus the earnings which probably went into Fugellie's pocket, as they do not appear in our books, be sufficient to pay the crew's wages? If not they must have been supplemented by the whole or a portion of the proceeds of the flour and potatoes sold by Fugellie, and this amount would be chargeable to the account. The vessel was in full work all the time she was running, she had the mail contract, and carried a good many passengers to and from the West, besides earning freight, and yet, Rowell tells me, he has had no money remitted to him since he left the Islands. If Fugellie kept no accounts the case is hopeless it seems to me; we can only assume that Fugellie, who, I hear, drank heavily, swallowed the profits and robbed his partner, and now, to make things worse, has run away to Sandy Point. If you can get at no figures, the matter is one for friendly arrangement, certainly not for the Court, and I can only suggest taking the private bill out of the account, and then, if Fugellie tells you that he used part of the proceeds for wages, but cannot say how much, halve it, and write the rest off as a bad debt. Rowell seemed rather hurt at having had no hint given him from Stanley how things were going; I do not know that it was any part of our duty to post him, but as you must have seen how things were going it was a pity that you did not insist upon a clear settlement of the account long ago. Rowell has never received since he left Stanley a single figure about the yawl's account, and though I think he is to be blamed, as in fact he now blames himself, for not putting someone in authority over his partner, I am sorry that he has been such a serious loser.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatch No 866 dated 25th Jan'y/98.
Remarks on Furniture for Dawson
Ledger + Journal Entries
Remarks on Accounts
General Invoice Goods per "Shetis"
Standing Payments for the Colony
List of Enclosures.
Clients reports + contracts.

RBC 3 bales skins "Strodot".
MV 3 " " "
△ 4 " " "
L 14 " " "
IB 10 " " "
RBC 3, sks Tallow. "
① 6. " Seal Skins.

Clients reports

△ 11 bales Wool "Strodot".
W.L 7 " " "
L 51 " " "
MV 9 " " "
IB 4 " " "

Second of Exchange \$450.
Charter Party ship finita
Duplicates of Enclosures per Consignee's letter.

Bills of Lading Goods per "Kcho" (7)
Lease of Lively Islands (signed). + one for signature
Rendall's schooling account for W.W. Pentland
Wool reports
Wail-table for 1898 returned
Clients contracts and Appeals

IB 4 bales Wool "Strodot"
MV. 9 " " "
L 51 " " "
Royboe 150 " " "
△ 11 " " "
W.L 7 " " "
H.G.C. 41 " " "
J.B. 6. " " "

Clients Appeals.

MV, 3 bales skins "Strodot"
△ 4 " " "

1-B 10 bales skins "Herodot."
R.B.C. 3 " " " " " " " " " " " "

Y 14 " " " " " " " " " " " "

5 9 " seal skins

RBC 6 lbs tallow

Copy of Brokers Apeles Company's skins for "Herodot"
Copy of Cosmos + Brown Gooker Co's letters to Langridge
dated 7th + 9th respectively re claims for "Comets"

Corrected General Invoice Goods for "Herodot."

Bill and freight account for wine for "Kiko" A. E. D. B. allow

Anglo Swiss Condensed Milk Co's circular

Plan of Building shipped for "Kiko" for D. A. D. Bros Co

Corrected General Invoice Goods for "Kiko" + Polakomni
credit note attached

William Whiteley's account for Dr Peay.

Clients Invoices as follows:-

Farm Account	114.	6.	10.
D. A. D. Bros Co	166	10.	4
Dr C. H. Foley.		11.	8
Dean Anson	548.	9.	10
Herodot + Polak. rr.		9.	9
St Waldron	9.	6.	1
Mrs Williams		9.	4.

Clients reports + contracts.

+ Brokers fees { H 50 Itides "Ramus"
copies { \triangle rr " "
(report only.) { S 19 " "
C.A.P. 76 seal skins " "

Copy of letter from the Admiralty dated 1st Feb/98.

Copy of letter from Laphon dated 28th January re

"Fortuna's" sails + our reply dated 1st Feb

Freight account for Dean Anson \$1. 1. 10 wool for "Herodot."

Jedger + Journal Entries
Remarks on Accounts.

First of Exchange £450
Letters for the following.
E. J. Mathews.
C. H. Foley. (2)
W. W. B. B. B. B.
C. G. A. Anson.
J. J. Fellow.

Remarks on Stores
London 12th February 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61. Gracechurch Street.

Per Ramses.

N^o 867.

London, E.C. 8th March, 1898.

Sir,

Confirming my last despatch of the 11th ult., I have now to acknowledge the receipt of your nos. 88 to 90, which arrived on the 21st and 28th of February and the 4th inst. respectively. The contents of all of them are considered very satisfactory.

2. 88-3. The Bremen Underwriters have accepted the draft on account of the Loreley, but charge us with 19/. for a bill stamp, being 1/6 as here, and as this causes us to pay for two sets of stamps you must in future charge every ship giving a draft that is dealt with in any way in Germany with a bill stamp of 1/. for every £100 or part of £100.

3. Par. 5. The Board are interested to hear of your cruise with the Governor, and of the success of Mr. Mathews's new arrangements. They are not, however, sanguine as to the profits to be derived from the preservation of tongues, kidneys, and mutton broth. With regard to James Campbell, the Board desire that you will tell him that the question of his pension is a matter for their discretion, that they duly considered his application, and are unable to reconsider it or enter into any argument about it; to you I may say that the case is not exactly a parallel one with that of John Mc. Kinnon, as the latter did not leave the Colony, whereas Campbell twice went away for the purpose of setting up in business on his own account, and I may add that Mc. Kinnon's absence was taken account of, and that if for the purpose of getting rid of him the Board's indulgence was a little stretched, it will not be so another time.

4. Par. 7. We regret to hear of Lellman's death, but hope that his estate will be found to be solvent enough to meet our claim.

5. Par. 8. The good passage made by the Thetis is satisfacto-

A. E. Baillon, Esq.,

Manager,

Stanley.

ry, but the Board are very sorry to hear of Captain Rees's illness, which in your latter despatch you say has prevented his leaving Stanley with the ship; we hope that Dr. Jameson's anticipation of recovery will soon be realized.

6. Par. 14. It will not do to let the matter of the New Zealand rams rest with simply the expression of a fear that Armstrong has been guilty of neglect; the matter must be gone into thoroughly, as, we hope, has already been done, the actual number of those rams left alive should be reported, and what chance there is of selling them. Also, if it is considered that the loss of £400 has been the result of Armstrong's neglect, he must be told so in plain terms, with an intimation that a repetition of such conduct will not be lightly looked over.

7. Par. 18. The information about the charter of the Fair Rosamond should be supplemented with the dates of her arrival and departure for and from San Julian. Has the new deck been put into her yet?

8. Par. 23. With regard to the Pass of Balmaha, I do not quite understand your saying that the Captains refused to settle in any other way than the one adopted. The exact words used by the Glasgow Salvage Association on the subject were, on the 12th July, "we are asked by the Owners to meet the Captain's drafts for the vessel's general disbursements while at Falklands as well as the transshipment charges", and on the 20th July, "I have now arranged with the Owner that this Association will meet the drafts of the Master of the Pass of Balmaha". This arrangement was reported in my despatch 856-15, and it seems almost incredible that the Captain cannot have been informed of it. It resulted in a loss to us of £2.15.6, being the Bank commission on the draft payable in Scotland instead of London, as the Salvage Association's bills were, and the Owners seem rather hurt at my having represented to them that we ought not to bear the loss, as they think it has been well covered by the profit on the charges made.

9. Par. 25. We have paid £39.11/. on account of the Waterfox, as advised in this paragraph, but observe that £38.10/. only was charged in the account, so hope that the £1.1/. was received in cash: in any case we are responsible for it.

10. Par. 26. It is not ~~a~~ clear how any method of payment involving correspondence with a Government department can be expected to be simpler ^{than} with a bill, which I have only to endorse and pay into our Bank, which takes the trouble of getting it accepted and paid when due.

11. Par. 31. It is a relief to find that Mr. Mathews did not approve of the live sheep experiment, for, I regret to say, the lot by the Sorata have been sold at ruinous prices, averaging, I was told, not more than 26/., which would, after paying expenses, barely leave the value of the skin to the shippers.

12. Par. 32. We have no further instructions to give you in re Glengowan beyond the opinion of Mr. Ince, communicated some time ago.

13. Par. 34. No intimation has been made here of a reduction in the Colonial postage rates, but your despatch was not surcharged.

14. 89-2. The Sorata delivered her sheep after a 36 days' passage with a loss of 97 only, but they were not in very good condition, partly due to having been hastily drawn, and also, I gathered, to the maize not having been a suitable food.

15. Par. 3. The oil sent per Lenita was not branded Luxor, but was understood to be a fairly good article. There is really nothing to distinguish Luxor from any other oil of the same quality; it is not the brand of a particular kind.

16. 90-11. Sending the Thetis away in charge of the Mate and Gibbard was, doubtless, the best thing to be done under the circumstances, but it is no less a pity.

17. Par. 12. It was hardly necessary to make excuses for Mr. J. Waldron's neglect of an obvious duty; if this happens again we shall have to complain.

18. It is very much to be regretted that you and the officials came into collision at the first Council, but from what you say no other course was open to you. The money frittered away on Government House has been enormous, and still, I suppose, it is only a barn. The proposal to spend £10,000 on Government offices is monstrous; how can it possibly be urged that they need renewing, seeing how much has lately been spent upon them. We hope

that in opposing this scheme as long as it remains on the tapis it will be possible for you to be both firm and at the same time friendly; surely, if the Governor is a man of sense, he must see if the case is put clearly before him that such expenditure is both unnecessary and beyond the means of the Colony, unless ~~recourse~~ recourse is had to greatly increased taxation. This large and growing Land Sales fund seems to present a standing temptation to a Governor bent on leaving his mark in the Colony in the shape of a monumental building or other erection such as the pier proposed by Goldsworthy, and the fact that the fund is earmarked to provide interest in lieu of rents that have been dropped cannot be too strongly represented. There can be no doubt that according to the original intentions of the Government of the day, the money ought not to be touched except for the purpose of investing it at a higher rate of interest than it earns at present, and assuming that it brings in at present something like 3 or 3 $\frac{1}{4}$ %, it should not be devoted to any local Government undertaking, unless it could show a secure 3 $\frac{3}{4}$ % or 4%, that is to say that taxation would have to take place to provide interest on £10,000 of £375 or £400 per annum, and on what is this going to be raised?

19. The proposal to carry the mail overland and across the Sound in a cutter is going back a quarter of a century, and is deplorable. Probably Mr. Mathews will think that if Port Sussex or San Carlos is made the mail port, it would be better to let a private individual have the contract, but that if the bags are to be carried from a port in Lafonia it would be necessary, at any inconvenience, to do it with our own men. In the old days, we used to be bothered by constant applications for horses and guides from Darwin to Stanley, from clients of ours whom it was difficult to refuse, and the same, I am afraid, will be the case again. The mail question seems to me at this distance to be an absurdly easy one to solve, if only common sense is allowed to prevail. The three weekly service, unasked for, useless, as far as I can see to anybody, is actually worse than a monthly one for the West Falklands, because the means do not exist for carrying the mails out and the replies back in time for the next steamer; do away

with it, and return to the monthly one. The Kosmos Co. will be glad, and no one else will be sorry. With the money thus freed a good service can be provided; either the Government can get a vessel of their own, spending the money obtained from the Hadasah's insurance on the purchase of a boat, and using the surplus of the mail vote for running her, or, what would be better still, making it worth our while to run either one or other of the schooners, which we ought to be able to work in with our trade with the West. The great fear is that sentiment will be allowed to prevail against this suggestion, that is to say, unless the facts are faced, and properly explained to the home Government it will be considered shocking, at the end of the 19th century, to make what would be considered a retrograde step over a mail service, by decreasing the frequency of communication. But, after all, this would not be nearly so retrograde as the return to overland mails, which is now proposed, and I really think that if the subject is quietly talked over and thrashed out, the suggestion that I now make will be seen to be most reasonable.

20. Par. 15 and 16. I shall have much pleasure, after the mail has gone, in going into the commissions on account of the R.C. Church and the Stanley Assembly Rooms, which you ask me to attend to.

21. Par. 17. Mr. Mathews's very excellent letter will be much appreciated by the Board at our next meeting. With regard to the Cooper, I think that when he has been a little longer at Darwin he may see occasion to alter his opinion about ^{him} the Cooper. It is not merely a matter of setting up the casks, but of keeping them in order, and giving them attention up to the time of shipment, that renders his services, if we are to get the tallow home without leakage, almost indispensable. At the same time it is a great expense, and he is quite right in raising the question how to manage more economically, especially now, when Goose Green is giving no return at all.

22. With reference to a request for a small remittance to the United States, I must point out to you that we cannot undertake such business in connexion with any country where our London cheque would not be of service, and that such remittances should be made by means of a P.O. order from Stanley. You will therefore

have to return the £10 to John Tanner.

23. In looking over the amount paid for the sheeptax, I see that our land is assessed at 781,968 acres, whereas for the extinct land tax it was 676,518, which was reduced by 46,792, the acreage of the leased islands, so that our payment was actually on 629,726 acres. Can you explain this discrepancy, and also say why Great Island used to be 10,800 and is now 10,000 acres?

24. What arrangements do you now make for the periodical auditing of the Darwin books? Do you carry out the plan indicated in your despatch no. 568-11?

25. On looking over Mr. Hill's report on the Savings Bank, I am struck and rather amused at the way in which he assumes all credit to the Government for this public benefit, and although I have no desire to put ourselves forward in the matter, you might some day in conversation with the Governor tell him the actual facts, which are that the proposal was originally made outside the Government altogether, a leading part having been taken by myself, but that it was at first scouted as impracticable by the Governor; when, however, we persisted, the Governor came round, and introduced the Ordinance, although I do not think that even then he half believed in it. But when it was found to be a success from the very first, the Governor could not say too much about the benefit he had introduced, and yet even this was due to the very strong support I gave it by insisting on our men taking away from us the deposits they had placed in our keeping, some of them persisting for a considerable time after that in leaving their money with us. A reference to our Deposit account for 1888 and 1889 will be instructive on this subject.

26. The Lenita sailed from the Tyne on the 22nd ult., and unfortunately left behind our letter with Bills of Lading and invoices, which is now enclosed.

27. I have to call your attention to a question about Fugellie's account in desp. 863-10, which has not been answered, also to the matter of the island leases, including those of Great and Bleaker Islands, to which allusion was made in the same despatch, par. 27.

28. I have to report with much regret that our efforts for

many weeks past to obtain a competent London ship's blacksmith, capable of taking the foremanship, have not yet met with success. I am greatly disappointed about this, because if a ship puts in you may be seriously hampered with the work, although, after all, we had only one smith ourselves for many years. You may rest assured that there has been no want of trying on the part of this office; but I believe the fact is that I made a mistake in saying anything about a foremanship, as it made the men ask extravagantly high rates at once, and then again, if it had not been deemed advisable not to get a Scotchman I believe that we could have picked one up at much lower wages either in Glasgow or Dundee. However, this is as far as we have got. For some weeks Captain Smith, according to your suggestion, took the matter in hand, but at last reported that he could do nothing. Then I went to Mr Amor, of the Limehouse Dock; he tried, and is still trying, but all I got from him was a man who talked of anything between £400 and £1000 a year. Then I get an introduction to the Managing Director of another dock, whose foreman put it about among the men, and you will be rather surprised to hear that one of them, whom I thought likely, returned the form of agreement on which £160 per annum with passages out and home for himself and family was entered, with the remark that the terms were not good enough for him. Now there is another in tow, and I have heard by telephone within the last few minutes that he wants pay from the day of sailing, and a statement of the number of hours worked per week given him before he can agree to the terms. This is the very latest, and I am to see him tomorrow. If he suits, and the Board think it desirable, I may send him by Sandy Point, leaving his family to follow by the next direct boat. You may rely upon my not losing a chance of filling up this vacancy, and I must caution you to say as little as possible about the difficulties I have mentioned, as they might upset Ogilvie.

29. As I write I am informed that the Tanis has passed Dover, and will dock tonight;

I am, Sir,

your obedient servant,



Managing Director;

Duplicates

Enclosures.

Despatch No 866 dated 11th Feb.
List of Enclosures.

Dean + Anson's freight, account "Herodot."
Ledger + Journal Entries
Remarks on Account.

Clients Appeals:-

L 51 bales wool Herodot.

I-B 4 " " "

△ 11 " " "

◇ 41 " " Memphis

Roy 600/150 " " Sakharah

W 7 " " Herodot.

M.V. 9 " " "

△ 4 " Skins "

RBC 3 " " "

M.V 3 " " "

L 14 " " "

I-B 10 " " "

RBC 3 eks. Tallow "

◇ 6 " " "

Clients reports + contracts.

S. 19 Hides "Ramses."

△ 22 " " "

H. 50 " " "

(report only). CAP 26 seal skins "

Remarks on Stores.

General Invoice Goods per "Toko."

Clients Invoices

Cache Bros 6. 166. 10. 14

Dr Joley. - . 11. 8

Dean Anson 548. 9. 10.

St Waldron 9. 6. 1.

Holmsted Blake. 22. 9. 9.

Second of Exchange £450.

Offading coals &c per Junita

General Invoice Goods per Junita + suppliers

Clients reports.

I-B 3 bales wool per "Ramses."

S. 14 " " " " " " " " " " " "

Brokers reports Company's wool per "Ramses" (copies only).

Freight return on wool schooner. "Ramses." £4. 10. 0

28
Client's Acales + Brokers copies
3 19 Hides Ramses.
△ 24. " "
H. 50. " "

Copy of Brokers Acales Company. Hides per "Ramses."
Client's reports + contracts

TB 14 bales skins per Ramses
S. 14 " "

Copy of Brokers report + contract Company skins per "Ramses"

Copy of letter from Anning Cobb. dated 2^d March
Freight return on schooners. "Ramses." + "Herodot." Cosmos
Ledger + Journal Entries

Remarks on Accounts.

List of Exchange 1450.

Letters for the following.

E. J. Mathew. (1)

A. E. Bailon

G. Bonner.

J. S. Goodhart.

D^r Foley (2).

Cross copy of Mr Bonner's account.

London 8th March 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61. Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 868.

London, E.C. 26th March, 1898.

Sir,

Since writing per Ramses no mails have arrived from the Islands, but I have to acknowledge receipt of your cable "Sakkarah Stahlen", i.e. 1100 bales, which arrived on the 23rd inst.

2. With regard to the R.C. Church, I wrote to Boulton & Paul directly after the last mail left, sending them their plans, and asking for an estimate to include the alterations. I also desired them to return some of the papers, so that I could get other tenders; but, much to my surprise, I have not yet heard from them in reply, and am writing them again. I do not understand that the Priests wish me definitely to order the building, in fact, as they suggest getting tenders from a number of houses I do not see how I can do so. I cannot make use of the design prepared by Boulton & Paul for the purpose of asking for offers from competing firms, and I cannot take the responsibility of preparing or approving designs myself. In fact, both with this building and the Stanley Assembly Room, I may say at once that I will not take the responsibility of deciding anything, although I shall be happy to do all I can fairly be asked to do in furthering both. But when you send me a plan of a proposed extension, and say that all details are left to what you are good enough to call my "judgment, experience, and extensive local knowledge", I say that this is going beyond the bounds of fairness. You are, in fact, asking me to stand in the place of an architect, who, in the ordinary course of things, would be called upon to prepare plans to be submitted to the various competing builders. In the case of the Assembly Room I have got a tender through our wood brokers from a firm in Sweden, who are able generally to tender at prices that English

A. E. Baillon, Esq.,

Manager,

Stanley

builders cannot look at, but to test their figures I will send the plan to Bains. The building, however, is quoted for with $\frac{3}{4}$ in. weather boarding outside, and, although no directions are given, as they should have been, I assume that the walls are intended to be of galvanized iron like the original room, and I have asked for a supplementary tender for this alteration. On looking over the tender, the following observations have occurred to me, and I have pointed out what I think to Messrs. Foy Morgan & Co. No dimensions of materials were stated, and I infer that these were intended to be left to my "judgment" &c., but I will not take it upon myself to decide as to the size of the posts or uprights for the walls, although I think that 2 in. by 4 in. is not strong enough, unless placed very close together. I should have said $4\frac{1}{2}$ by 3 at least, if not more, but I should prefer a Carpenter's opinion. The dimensions of these posts, and the distance apart should be stated clearly. Then we come to the flooring joists, as to which not a word is said; it should be stated what size they ought to be and how far apart, so as to prevent sag. I don't see any sleepers for the ground floor joists mentioned, although it can never be intended to lay an unsupported span of 18 ft. As to roof, I do not think it will do at all. It is to be on $2\frac{1}{2}$ by 6 in. rafters, with space between not specified, and laid on $1\frac{1}{2}$ by 3 in. laths with galvanized iron. The ceiling is of $\frac{3}{4}$ in. tongued and grooved boards, but there is no lining or anything immediately under the iron, the consequence of which, I suggest, will be that snow and rain will find their way in, particularly the former, and that the wet will lodge on the ceilings and drip through. I only point out these things, without feeling competent to decide upon them, and when I get a decision from the A.R.Co., or their advising expert, I shall be able to put the rest through. When the amended tender comes in I shall cable to catch the Ramses how much for wood, and how much for iron, the freight in each case being added; in the case of wood you can work out the freight from the letter, which gives 26 standards of 155 c.ft. each.

3. Since last mail left I have not left the question of the Blacksmith alone a single day, but up to the present I have not got a man, I am sorry to say. All the London men have backed out,

and I am now trying Newcastle and Shields, with good hopes of success, in fact I can see that it was a mistake to try London at all, for wages are much higher here, and in considering the bargain they entirely lose sight of the question of house rent, which is mainly the cause of the high wages. I had a man ready to take the place, but he proved to be a drunkard.

4. I am glad to say that there is every hope of a settlement of the Glengowan question, as I have been moving in it with Capt. Freeman, and have got as far as obtaining the assent of the principal underwriters, the Thames & Mersey, to our buying the whole thing, cargo included, for £400. There is some delay in getting the signatures of the remainder, but it is as good as settled, and I hope to cable you the completion of the bargain on the 3rd prox. This is, of course, subject to your not having yet acted on Mr. Ince's advice, and sold by auction; if this has been done we can adjust the matter here. In making up the accounts I must impress upon you that we are advised not to take any notice of the two separate accounts, the ship's proper and the salvage, and as you have opened one for the latter you must merge it in the general one, and let the owners and underwriters fight it out among themselves. You had better send it to us, heading it "Ship Glengowan and those concerned", make the cash account up with interest from the date of all payments up to the date of the account, crediting it also with interest on the sums received for sales from time to time, and with the £400 as agreed for the property, leaving the balance of the account, which will probably be between £200 and £300, to be paid by us here. On looking over the list of spars, sails, and other gear still remaining, I think that we ought to see our money back again.

5. You will receive by book post priced catalogues of the sale of our wool on the 24th inst., the prices obtained are not much to boast of, but are higher than what we expected to get. It is unfortunate that so many of the other farmers are getting better prices than we are, but we rely upon Mr. Mathews setting this right.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures

Duplicates

Despatch No 867 dated 8th March
 Ledger & Journal Entries
 Remarks on Accounts
 List of Enclosures
Client's Apales

△ 72 Hides per "Ramses"

H 50 " "

S 19 " "

Client's reports & contracts

S 14 bales skins "Ramses."

S. 14 " wool

General Invoice goods per "Janita"

Duplicates of Enclosures per Consignees letter
 Second of Exchange £450.

Bills lading goods per "Ramses" (3).
 Wool reports.

Client's reports & contracts

C.A.P. 3 cks seal skins "Ramses"

" 76 Hides "

~~Copy of letter from the Baron 6th 16th March & plans~~

Client's Apales

S. 14 bales Sheep Skins "Ramses"

J.B. 14

Copy of Brokers Apales Company skins per "Ramses"
Client's Invoices & freight accounts.

H. Holmment 7/-

B. Foley 4. 7. 6

A. G. Bailleau 5. 6

E. J. Mathews 19. 4

Bailleau & Stickney 9. 12. 0

J. J. Feltow 64. 7. 6

Dean & Anson 108. 0. 2

Farm Account. 11. 16. 10

Charles Dora Co 4. 11. 3.

Client's reports & contracts

J.B. 116 bales Wool "Janis"

△ 72 " " "

S. 70 " " "

L. 50 " " "

S.I. 31 " " "

L. Roy 76 " " Sakarah

S+S 21 bales Wool "Janis"

1490

60

"

"

"

42

"

"

Capt Freeman's account £ 2. 9. 3 from W. Chisholm paid by
 Sheet of Exchange £400
 Ledger & Journal Entries
 Remarks on Accounts.

Letters for the following

E. J. Mathews

G. H. Foley.

R. H. Buckworth

Copy of J. Morgan & Co's quotation for extension of
 the Assembly Rooms dated 23rd March.

London 26th March 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per **Tanis.**

N^o **869.**

London, E.C. 19th April, 1898.

Sir,

Since writing you on the 26th inst., your despatches 91 to 93 have arrived, the first two on the 1st inst. and the last yesterday morning. On the 2nd inst. we cabled out "Barloneo Glengowan Sguancio", i.e. "we have bought Glengowan if you have not sold", and on the 16th inst., "Blacksmith engaged". We hear, however, that owing to an accident to the Ramses the first would be delayed, which is a pity.

2. Despatch no. 91. There has not been time to fully examine the year's accounts, but taken as a whole they are considered satisfactory, especially the Store, but the greatly improved result rather leads to the suspicion that last year's falling off was more apparent than real, having been due to careless stock-taking. As you are yourself unable to give a reason for the improvement this is put forward as a suggestion, and to a certain extent it is shown to be true, witness wood, automatic machines, and other items. For the falling off in the Farm we were prepared, and the other accounts are minor ones; but with regard to your schooners you must qualify the remark you make about fetching in produce at 5/. a ton, for it is only a portion from the nearest ports that is carried at this rate, and then again the Chartres rate both out and back is much higher than to other ports.

3. 92-4. I think that you might point out to Mr. Anson firstly how very irregular it is to send us an order and at the same time communicate direct with the manufacturers, and secondly, in the case of Sunlight soap, say that it is absurd to send for a little lot of half a dozen cases to Lever Bros. I wrote them for their terms, and found that there was no advantage over buying

A.E. Baillon, Esq.,

Manager,

Stanley.



from Morton, in addition to which they wanted references, which we are not in the habit of giving; I therefore added the order to our own for the same stuff, and it goes by this boat.

4. Par. 5. We do not appear to have had a remittance for the coal you were delivering to the Swallow.

5. Par. 6. I do not think that there was anything official in the Times about a reduction of Colonial postage; at all events it has not taken place.

b 6. Par. 9. With regard to Turner's house, you do not appear to have been paid for it in full yet, and you will have to charge interest on the unpaid balance. It is not like the sale of goods on which we make a profit, and therefore we cannot afford to wait for our money.

7. Par. 11. The completed lamb marking returns now received show that there were 331 fewer lambs in 1897 than in 1896, and that the percentage to dipped ewes all round was 4% lower than in that exceptionally good season, viz. 74 instead of 78%; this is very much what I expected to see.

8. Par. 24. From the accounts just received I find that your anticipation of my forecast having been over the mark is happily not realized. Against the 192,500 expected there are already 191,064 shorn, with stragglers yet to come in, and if this return were final my shortage would be less than $\frac{3}{4}$ %.

9. Par. 26. No shipmaster will admit bad stowage of course, it is his business to dispute it; the proper course to take is to call a survey at once to decide the point, and as you did not do that, naturally you could not enforce a claim.

10. When you say that "it was not thought desirable" to put the automatic machines on the road you probably mean to say that you did not think it desirable; no one else ought to have a say in the matter. I think that we agreed that they ought to be in a place where they would be accessible day and night, and in deciding to put them in the Store you appear to have ignored the principal object of setting them up, that is to provide a supply of their wares at times when the Stores are closed. As soon as the novelty of playing with a mechanical toy had passed over, do

you suppose that people would take the trouble to use them in preference to buying over the counter in the case of matches and cigarettes, or of weighing themselves for a penny when they can step on the Store scales and do it for nothing? What dividend, I wonder, would the Automatic Co. pay if their machines were open to the public in business hours only? Arrangements should be made for placing them outside, where they can be used on Sundays and holidays, and you will find the returns doubled. This reminds me that they do not appear in the Plant charged during the year, nor as far as I have seen yet, are they in the Stock return. Have they again been forgotten?

11. Par. 29. I did not ask you to return the copies of the Island leases; they should be kept in your office, and copies only were required. They have been taken, and yours are returned. If you did not know where they were, how did you manage to make the alterations in the rents when the time came?

12. It is very satisfactory to hear that Captain Rees was improving, but I am sorry that you made no reference to him in the despatch last received.

13. P.S. The Board are glad to hear that Mr. Harding is willing to renew his agreement, as they very much appreciate his services. As to terms they assume that he will be content to continue at his present salary, £400 per annum.

14. Despatch 93, par. 2. With regard to the lease of Bleaker Island, I cannot say anything definitely today, as the Board has not seen the despatch. But I am inclined to think that although they might be loath to disturb the tenancy of an old and valued servant like W. Fell, they would be averse to prolonging the occupation of the island in favour of his heirs; on this point, however I hope to be able to speak with certainty next mail. Sooner or later, perhaps not in our time, the Board may decide to make use themselves of the whole of their property, which they could not do when the leases were first granted, and the Government returns show that they carry over 30,000 sheep.

15. Par. 3. I am quite sure that the Board would be glad to be rid of the Wasp, which now stands in our books at £77 only, and

as long as she is ours provides a standing temptation to spend money unprofitably. If I were in your place, knowing what they think about her, I should have no hesitation in taking anything I could get over £150.

16. 92-30. Although the report and contract of Mrs. Hansen's skins gave 470, I wonder that you did not see that the account-sales were for 482, that is to say the correct number less the three short landed. It would have been better if the report had been given on the full number, but the explanation is that our Chairman took for himself 12 of the skins, paying the highest price obtained, and this was accounted for in the account-sales.

17. 93-4. I enclose the original Dock measurements of the DS wool. You are probably aware that the custom is to take the average of one in ten, and we cannot alter these returns; at the same time there is an apparent anomaly, and it was natural that David Smith should ask for an explanation. You will see that the 38 bales are rather heavier than the 39. Please return these weights.

18. 93-5. On referring to Mr. Blake's indent I regret to say that an error was committed in this office about his Jam, the order having been sent out without the word "each". I assume that this must be rectified.

19. Par. 6. The documents sent for the purpose of making a claim for cargo damaged in the Perseverance are not in order, and nothing can be done until further explanations are given. The Underwriters point out that an explanation must be given of the discrepancy between the invoice value and the apparent insured value, £105 and £200 respectively, as it is not customary to insure more than 10% over invoice; I am not sure whether this is of much consequence here, as the claim appears to have been made, as in the case of the Result, for invoice value only, which is treating the Underwriters very generously. Then as to those goods which are certified for allowance in full, they cannot go into the matter until they know what has been done with them, and seeing that the Report of Survey is dated the 3rd March, while the mail left a fortnight later, there seems to have been a most reprehensible delay in selling them for the benefit of all con-

cerned, a delay which you may, of course, be able to explain. As to the remaining articles, mostly provisions, which are certified by the Surveyors as damaged in varying degrees, from 5 to 10%, which percentages are recommended to be allowed to the owner, the Underwriters say that they would raise no objection, although the manner of dealing with them is unusual, and as the usual practice is to have goods so damaged condemned and sold on Underwriters' account, they may well be pleased with such an extraordinary recommendation. But whether David Smith is equally satisfied is another question; if he knew his rights he probably would not be. It is unfortunate that matters of this sort are so seldom dealt with in a business-like manner:

20. Par. 8. With regard to the Camp schoolmaster, we had better leave it to Mr. Mathews to put him in a house, as it appears that a spare one can be found without building one specially. The suggestion, however, that he should bring a young wife out, and, having to be everywhere but at home, that she should have an unmarried shepherd as companion in his absence, is not one that would commend itself to everybody.

21. Par. 10. Young Rae has several times written to me about going out, and I have promised him the first offer from the Colony.

22. Par. 11. I do not suppose that the Board will raise any objection to the purchase of Mr. Blake's rams, but it is a point upon which they would have liked to be consulted had there been time. As they must be delivered in April in time for the season the Board's sanction could not have reached you until too late, but it is a pity that the matter was not mentioned earlier.

23. Par. 13. I will endeavour to communicate with Havelock, but he may not be in England just now. I can, however, ask Messrs. Collins of Dartmouth about him; I do not know whether he is married or not.

24. Par. 22 and 29. I will communicate with the Kosmos Co. as to the want of third class accommodation on board the Sakkarah, and Mr. Schlottfeldt's rude note about her loading. I am surprised to see that we are liable for Mc. Pherson's passage, as he went out in 1881, and I thought that we had discontinued homeward pas-

sages before that date. Please look up the agreements with shepherds, and say when the alteration took place; they used to be in the Stanley safe.

25. Par.24. The coal taken by the Navy falls very short of their expected requirements, and it is to be hoped that they will not ask us to load ourselves up again, unless they intend to buy more next season.

26. Par.25. I think that the items of furniture you mention were what Miss Mathews undertook to get, but I will ask her.

27. Par.26. I shall not buy the standards from Rowell & Co., who are only factors, not makers of fencing. Whatever they supply I can always get cheaper than they sell for from Bains, who are one of the firms who make for them. It is a pity that this is not more generally known.

28. It has become a regular thing for people, to whom sums have been remitted through us, to write us that they want more; this is usually in connexion with the shipment of goods, with which we have nothing whatever to do, and although I have on some occasions relaxed our rule to oblige our friends on the other side, I cannot continue it. When remitters wish their payments increased if necessary, they must say up to what limit we are to go,

29. Captain Patmore lately gave me particulars of the yacht *Reverie*, which seemed to me to be admirably adapted for the Pilot service, and I passed them on to the C.O., remarking that she might answer for the West mail as well, though rather small. I am told, however, that she does not answer the Governor's requirements. Please say to him that if he would like me to look out for anything, I shall be much pleased to be of service.

30. There is an item of £221 for additions at the Dairy; but the amount sanctioned was £200,- why has this been exceeded? In Buildings a number of small sums are transferred to London, which represent apparently repairs only and not additions, and should have been written off. This was also pointed out last year in 351-21, and your reply was, I think, that you thought that sums over £80 were to be capitalized, quite an erroneous notion, as it was

never intended to do that except in the case of permanent additions, not repairs.

31. 92-21 and 93-23. From correspondence enclosed you will see that we have bought the Glengowan for \$400. I wished to include the cargo, but this was not possible for the reason stated by the Salvage Association. Your course, however, is clear. You must have a survey held on the cargo, to report what should be done with it in the interest of all concerned; this will be merely a matter of form, for of course it cannot remain on board and will not be worth reshipping, so must be sold by auction. The best way of doing this will be to put it up in lots to be taken from on board at purchaser's risk and expense within a reasonable time; if there are no bidders you will have to buy it yourself, but it would be better to let someone else have a look in, if possible. Should we buy for a song, and the Underwriters subsequently object, we can always say that they are at liberty to have the cargo back again on paying our expenses; but I do not apprehend any difficulty on this score, as the Salvage Association say that they (the cargo Undrs.) have not moved in the matter at all. Now as to the ship and the accounts, You will have understood that we do not recognize any distinction between the outlays on account of the ship and the owners' or underwriters, and our accounts must be rendered as a whole, giving the account the name of "Wrecked ship Glengowan and those concerned". The accounts must be rendered afresh, and I would suggest your making up the Cash account separately with interest up to the 31st December of the year of the wreck, which I think takes in all payments, then incorporate this with the General account up to that date, and charge interest at 5% on the balance up to the date of your receiving this, crediting the account with sales and interest on the amounts from time to time, and with the \$400 agreed on as above, the balance to be paid by us on receipt of the account, which you will send to this office. As to Mr. Curtze's question, we are not in a position to answer it until we decide whether we can make any use of the hull ourselves; but there would be no harm in getting him to make an offer.

32. I am pleased to be able to report that we have got a man

named Blyth as Blacksmith, though not a Londoner, as it was impossible to engage one except at exorbitant pay. It was my intention to send him out as an ordinary Smith, leaving it to you to make him foreman if you wished; but on looking up all the correspondence I decided to act on the very strong expression of opinion given by you in reporting Chaplin's intention of leaving to the effect that you did not consider Ogilvie suitable for the foremanship, and engaged Blyth as foreman on the rejected London terms, £160 per annum. I am aware that these are better terms than we have given hitherto, but I am also aware of the dissatisfaction that has always been evinced by our Blacksmiths when comparing their posts with those of the foreman Carpenters, and I thought that the addition of £6 a year to the wages would be well spent. I have seen Blyth this morning, and am much pleased with his appearance and manner; he has excellent testimonials, and I hope that you will find him an acquisition.

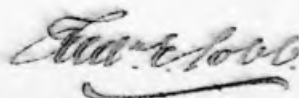
33. I am sorry that I have not been able to do more in the matter of the R.C. Church, but from the enclosed correspondence you will see that Boulton & Paul have been dilatory throughout, and that it was only a few days ago that I got an answer from them. I hardly see what else I can do at present; if it is decided to accept B.&P.'s tender I have no doubt they will do the thing well, for they make a speciality of this sort of building, and I could not make use of their design in asking for tenders from any other firm, even if I knew of one that would be likely to do the work better, which I do not.

34. As to the Assembly Room, I forwarded a tender from a Swedish firm last mail, and have since got from them an amended estimate for galvanized iron walls, which I enclose. I could not do any good by cabling, as I had sent the plan to Bains, and their tender only came in this morning. It seems to me that they are the people to go to; the specification is clearer than the other, and the price given much lower. I wonder at this, as the Swedes have the reputation of cutting under British firms for this sort of work. You will see that I did not ask Bains for a tender for wooden walls, as they are more especially iron people. For this

work I am as much inclined to fancy the Scotchmen as I am Boul-
tons for the Church work; each building is in the special line
of those two firms, respectively, and I do not think that either
would do the other so well or so cheaply.

I am, Sir,

your obedient servant,

A handwritten signature in cursive script, appearing to read "J. W. E. 1006.", with a horizontal flourish underneath.

Managing Director.

Enclosures

Duplicates

Despatch No 868 dated 26th March
Ledger & Journal Entries
Remarks on Accounts.

Clients Asales:-

3 114 bales Skins "Ramses"

List of Enclosures

Clients reports & contracts

S. 70 bales Wool "Janis"

△ 72 " " "

◇ H.G.C. 60 " " "

S.S. 71 " " "

△ 72 " " "

L 50 " " "

Roy Wool 26 " " Sakkarah

Clients Invoices & freight accounts

H. Clement 7/-

A. G. P. Bailly 5/6

E. J. Mathews 19/4

J. Ann Ap 11. 16. 10

Dean Anson 108. 0. 2

J. J. Feltow 64. 7. 6

Bailly Stickney 9. 12. 0

G. H. Foley 4. 7. 6

Second of Exchange £450.

Wool reports

Clients Asales

T.B. 119 bales Wool "Ramses" & "Janis"

S. 84 " " "

S.S. 71 " " " Janis "

◇ H.G.C. 60 " " "

L 76 " " Sakkarah

△ P.H. 72 " " Janis

△ D.H. 72 " " "

L 50 " " "

S.I. 31 " " "

C.A.P. quantity fur seal skins "Ramses"

C.A.P. " hair " "

Copy of Brokers Asales Company's wool fur "Janis"
John Polyth's agreement as foreman to blacksmith

- Copy of correspondence with the Salvage Association re "Mungowan"
- Copy of letter from Joy Morgan dated 5th Apr
- Copy of leases - chiefly Speedwell Islands re returned
- Copy of correspondence with Boulton Paul re the Roman Catholic Church
- Lee's receipt for passage money advanced.
- Bain's tender for enlargement of Assembly Rooms 18th Apr
- Stennah's cheque for £5 on Stanley returned
- Measurement & landing weights of Danish Wool for "Janis" to be returned.
- Ledger & Journal Entries
- Remarks on Accounts.
- First of Exchange £400.
- Letters for the following:
 - E. J. Mathews (✓)
 - A. G. Bailon
 - W. A. Harding (✓)
 - J. J. Jelton (✓)
 - G. A. Cobb.

London 19th April 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 870.

London, E.C. 7th May, 1898.

Sir,

My last despatch was dated the 19th ult., and I have since received your no. 94, which arrived on the 29th ult., with enclosures in order, except that the Statement on accounts and Mrs. Mathews's letter of 29th March did not arrive until the 2nd inst. Your cable of 5th from Montevideo arrived on that day, announcing the shipment of 1000 bales per Neko.

2. 94-4. The indents for the Thetis are coming in unnecessarily early. As regards coal, you have no doubt explained that the question of supplying a cargo is practically in the hands of the farmers themselves, and that if they wish for a direct shipment from England they have only to combine to make up a sufficient quantity. Further, that we do not consider it expedient, or in the least incumbent upon us, to run the risk of spoiling a quantity of fine goods by taking on board a part cargo of coal, which cannot but be detrimental to everything else. I suggest for your consideration whether we might not make an arrangement with Capt. Thomas for coal, if he could give a low enough freight by the Orchid.

3. Par. 5. It really does not matter what number of bales you instruct us to insure, as long as you give the value per bale, except that it is a sort of guide to us as to what cargo to expect. The insurance is not declared until we have the Bills of Lading.

4. Par. 6. We shall, of course, be content to do anything the Governor wishes as regards making the telephone line serviceable without risk of constant breakages; Paterson & Cooper did not say that they could supply the discs, and I question if they ever made any. I propose to write to the Telegraph Department of the

A. E. Baillon, Esq.,

Manager,
Stanley.

Post Office for advice. You do not say over what length of line the breakages have occurred, but from your estimate of the cost I judge that you are thinking of some four miles of underground wire, which I should hardly think would be necessary. Mention of the telephone reminds me to say that this improvement should have been transferred to London in making up the accounts, as far as it has gone, and that the Government, having paid up their proportion apparently, up to a certain time, should now be asked to contribute at least monthly half of whatever you may be spending. It was not part of our arrangement that we should advance the Government's share of the cost for months and years.

5. Par. 7. I hope that you have told the Governor the suggestion I made lately as to the West Falkland mail, and assured him that the conveyance of the bags across country was always most unsatisfactory. He had better not touch the collection of produce, or rely upon it to any extent, because the differential freight by the steamers which we charge in the case of cargo brought in by outsiders would apply, and unless people happen to be in a great hurry and are willing to pay anything, they would be unlikely to give the mailboat much support, besides which we should not like to appear to be running in competition with the Government. The most feasible plan, I consider, would be to try for a decent subsidy, and run the mail with our own vessels, this subsidy being provided by the abolition of the three-weekly service by the Kosmos. If he is in favour of three outward steamers only per annum, surely he would not object to the number being reduced from eight to six, if it were pointed out that the latter is the minimum number that would suit importers. I thought that the increased number of callings was arranged for in the interest of the poor, struggling, down-trodden private importers.

6. With regard to buildings, if he is willing to profit by the experience of older hands than himself, you might point out that while theoretically a stone building is the best to erect there are practical difficulties in the way of damp stone, the great difficulty of procuring really fresh sand, except at great expense, the cost of lime, if the walls are to be built throughout with mortar, the risk of damp creeping up the walls, and a host of

other pitfalls, of which knowledge is only gained by experience. To look at it practically, I should advise him to enquire how many stone houses there are in Stanley, not excepting Government House, in which paper can be put on the walls without falling off or discolouring in a short time, and whether it is not a fact that such houses are for the most part damp and unhealthy to live in. As regards stability they have, naturally, an advantage, but that has not much relation to comfort or healthiness.

7. Par. 9. You do not give particulars of the Navy Bill for £830.19/., and we do not, therefore, know whether the small charges for moving hulks have been settled on your side or not.

8. Par. 2. You certainly cannot insure live stock under the Coasting policies, which are for goods at a fixed rate, but I am making enquiries about the possibility of doing such insurances, and shall have an answer in time to report.

9. The Board confirm my last despatch, and with regard to Mr. Fell's application I am to say that they regret that they cannot give him the renewal he asks for in the names of himself and his sons, as they do not consider themselves justified in alienating the island, which it may be convenient to occupy ourselves sooner or later; at the same time I do not think that when the time arrives they will wish to turn the old man out, if he still wishes to live on Bleaker.

10. The Royal Insurance Co. have written about the provision in the Fire Brigade Ordinance relating to a forced contribution by all Companies doing business in the Islands. They say that there is not, to their knowledge, any precedent for such an impost in any Colony they are connected with, and they have decided to meet it by charging a corresponding increase in the rates. I see that at a meeting of Council you refrained from expressing an opinion, as you did not know what the Fire Insurance Companies would think of it. It is rather surprising that you did not see that you personally were the person most affected by the proposed tax, and that you did not give it the most unqualified opposition. It cannot be pretended that a local Ordinance can bind a Fire Insurance Company in England, excepting as regards the business done in the Colony by their agent. Our insurances are done

here, and the policies do not leave London; about these the Government cannot get any information, and have no right to enquire, consequently the tax will not fall upon us, or upon anyone insuring out of the Colony, while it is presumed that you as agent for the Royal will be called upon for a return of all policies issued by you. Therefore, any insurer wishing to escape the one-eighth per cent will only have to give you the go-by, do his insurance out of the Colony, and escape the tax, while you will suffer a corresponding reduction in your commission. Apart from this, the principle seems unjust; one man, say, prudently insures his house for £500, and is fined 12/6d. for doing so, while his more reckless neighbour runs his own risk, and pays nothing towards the maintenance of the engine. If there were a tax on all householders in Stanley who do not insure their premises, it would seem more equitable.

11. I shall have much pleasure in reporting to the Board on Monday the improved state of the Store accounts as regards debts due by customers, and I should now like you to turn your attention to the question of allowing our own servants to get into and remain in our debt, which seems to be a fixed principle with some of them, but is one that should be dealt with with a strong hand. I may refer, in passing, to Chaplin, who was always over head and ears in debt to the last, but was able to come home with a cheque on us for £175, to say nothing of the loose cash he had in his pocket. The most glaring case is that of Noble, whose balance of account with us on the 31st December for the last five years has been £31, £38, £49, £125, £140 against him. I have not said much about this hitherto, because I am aware that he is spending money on the praiseworthy object of educating his children; but there is a limit to all things, and, as you know, I succeeded last year, at some personal trouble, in getting him the chance of reducing expenses from £144 to £100 per annum, besides passing his boys over to his relations, who are looking after them gratuitously. He did not avail himself of the chance, and has not written as he promised to do. How to deal with him must be left to you, perhaps through Mr. Mathews; but I may say from here that you must charge him interest on his account, and that unless some arrangement is voluntarily made by him to reduce his expenses and get out of

debt, we shall sooner or later refuse to continue the monthly payments of £12 to Mrs. Booth on his account. In addition to this debt, we have been asked to collect the enclosed draft on him by the Bradford Manufacturing Company for goods bought in 1895, presumably when he was in England. This seems to show a recklessness almost amounting to dishonesty, for he must have known at the time that he was too much involved to be able to meet outside accounts like this. I have told the people that from what I know of his circumstances I cannot hold out hopes of immediate payment, to which they have replied that they are willing to take instalments. It is the idea that the Company, as employers, can safely be reckoned upon to make over advances on account of wages that I want you to drive out of the heads of those who possess it, and you must use every means in your power to do this.

12. You still keep up the cost of fencing, including carriage and the labour of laying down and erecting at £80 per mile; this was fairly correct as long as I was in the Colony; but with the reduction in the price of materials it will be worth while looking into the question, with the assistance of Mr. Mathews, and seeing whether the valuation ought not to be reduced.

13. Our insurance broker has reported that he has not yet come across anyone who would be disposed to take up the mortality risk for live stock in local vessels, but that if he meets with any underwriter later on who would entertain it **he** will let us know; at all events it will be very high, as this sort of risk is not liked.

14. At the wool sales on the 4th inst. we got wretched prices, and a quantity of our wool was bought in. This makes it look bad for this year's accounts.

15. The result of the two shipments of live sheep that have come to Deptford have ^sbeen disastrous, prices having run, I am informed, from 25/. to 27/., but it is hoped that a shipment by the Inca, which is coming to Liverpool will show a better return. It is fortunate for us that we did not rush into this.

I am, Sir,

your obedient servant,

Edward Lovell

Managing Director.

Dr Joley 12/10.
 Parke Bros Co 89. 4. 9
 Sharp Smith 6/9.
 J. L. Felton 16. 4. 6.

Remarks on Annual Accounts for 1897
 Copy of letter to the Royal Insurance Co dated
 4th May & their reply of the 6th
 Reply to Remarks on Stores
Letters for the following:
 E. J. Mathews
 Dr Joley.

London 7th May 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Sakkarah.

No 871.

London, E.C. 31st May, 1898.

Sir,

Since writing you per Supplementary mail on the 7th inst. your despatch no. 95 has arrived, but only came to hand this morning, the office having been closed yesterday for the Bank Holiday: it will, therefore, be only possible to write a hurried and incomplete reply by this opportunity.

2. Pars. 1 and 16. It seems strange that when you read such a manifestly absurd message as "320 casks or bales" in relation to the Glengowan, you did not search the code for a word similar to "Squancio", which you would have found in "Sguancio", i.e. if you have not sold, as cabled; you would have then seen that this agreed with my remark in 363-4, which you had before you, that the purchase was "subject to your not having yet acted on Mr. Ince's advice, and sold by auction." It is satisfactory to find that you are awaiting the mail with the confirmation of the cable, as it took definite instructions for rendering the account.

3. Par. 2. Messrs. Spearing & Waldron tell me that the Inca's sheep have met a better market at Liverpool, and have brought something over 50/.

4. Par. 5. I cannot find in this office that we have ever sent out any dip from Fenner's, and I think it most unlikely; but I will ask them. If it is in casks or drums there must be numbers on them, and you might find that something has been sent to Darwin by mistake, which may not have been missed in Stanley; Spirits of tar, for instance. This reminds me that Calverts have enquired lately as to the results obtained from the Carbolic dip they supplied free, as an experiment, and which you reported lost, I think; this might be worth while following up. You may remember that some years ago, we sent out some ingredients for making up a

A. E. Baillon, Esq.,

Manager,
Stanley.

mixture with Cooper's dip, of which particulars were supplied by Mr. Williamson, and if some of these were procured from Fenner's that may give the explanation. Perhaps some of Williamson's formulae or directions may be found among the papers at Darwin,

5. Par. 6. One of the most important points in the proposed shearing contract is not explained, that is whether the dollar is intended as "national money", that is about 1/6d. or 4/2d. If the latter, the price seems high,

6. Par. 13. We shall be glad to have Mr. Blake's explanation about the New Zealand rams. Your disclaimer of responsibility is not understood, as I do not see that there was any idea expressed from here on the subject as regards yourself. I do not see by the returns how many of the surplus 50 are alive now, and I assume that there is no chance of selling any of them on Pyne & Co's account.

7. Par. 14. There is nothing more to be done about the Pass of Balmaha, as the matter is closed; but from what the Salvage Association said there can be no doubt that they did give Capt. Scougall authority to draw upon them.

8. Par. 25. The clause about delivering 40 tons per weather working day did not escape me, but it could not be altered, and you must remember that if any question arises it will be incumbent on the Captain to prove that he could deliver that quantity, but was prevented by our inability to receive it. As the coal is assumed to be received on board a hulk, there can hardly be a question that as the work of putting the coal over the side rests with the ship our men could do any necessary trimming with that quantity.

8. Par. 27. No doubt Ogilvie is an excellent workman, but as you gave your opinion in very strong terms that he was unfit to be foreman the new man has been specially engaged as such, and the £2 per month is allowed for in the increased wages, so will not be given in addition. Under the old arrangement, when both Smiths were on equal terms as regards wages, the foreman got £154 a year, and the new man gets an advance of £6 on this. He is entitled, of course, to the extra pay for ships, as before.

9. Par. 29. I will attend to the indents from Mr. Packe and the

Assembly Rooms; some extra parts suggested by Benetfinks are going this mail for the skates, no list having been received from Stanley.

10. I have no doubt that the Board will be exceedingly pleased to receive payment for the coals on hand; I suppose you have retained a sufficient quantity for our own use.

11. Par.31. The question of Mr.Gorton's salary will be laid before the Board.

12. Par.33. I assumed that there must be an average Bond in the case of the Ramses, and you could not help signing it.

12. Par.34. I will attend to the matter of the R.C.Chapel when I have got rid of the mail.

13. It will be a pity if Captain Rees does not bring the Thetis home himself. I suppose that care will be taken to screw the ship thoroughly, so as to endeavour to take all the wool.

14. Par.36. Mr.Packe is under a misapprehension about the 17 bales of wool, which were not lost, but damaged. We have been in communication with the Brokers about this, and last week heard that the Underwriters would pass the claim through, and that we should recover the expenses of which you sent an account. You ought also to have sent a specification of the original bales and numbers, so that the new bales could have been identified, and then the Brokers could have given a certificate of sound value; but for want of this no claim on the difference of value could be made, and we had to do the best we could with the materials at our disposal. After all, the washed wool probably fetched more than it would have done originally, so that there cannot have been much harm done. This wool was included in the lot sold in March. There are two ways of dealing with wool that has got overboard; either dry and rebale at the station, sending an account of expenses to be recovered, or to have it surveyed, condemned, and sold by auction, the latter being the cleaner job, and therefore to be recommended. In either case, a protest, or statement made by a Captain or person in charge, and always certified to by yourself as Lloyd's Agent, should accompany the papers. As regards the advice of produce coming forward, in the case of wool, under "amount" state so much a bale; I have already said that the ex-

act number of bales is not material, until they are actually shipped, as the declaration on the open policy is made when we get the Bill of Lading.

15. I cannot send you the annual Report by this mail, as the General Meeting will not take place until the 13th June; but I may mention that the dividend recommended is 20%.

16. I have to report that Mr. G. L. Harding has been accepted as surety for his brother, and has signed the Fidelity Bond.

17. I regret to say that enquiries as to Mr. Havelock's personal character have not been answered satisfactorily. We learn that although a smart man at his work, he is anything but a respectable character, having deserted his family, and generally gone to the bad. Under the circumstances I suppose that you will take on someone temporarily, until the Board decide whether to send out an assistant or not.

18. The Kosmos Co. have made a further reduction in the passages of Chaplin and Mc. Pherson, and with regard to your complaint about the shipment of Dettleff's wool they say that room had been engaged, and that it had to be taken. Copy of their letter is enclosed, and I do not think that we could follow up the subject with any advantage to ourselves.

19. Mr. G. L. Harding has been good enough to get me some information about "game guards", the technical name of the bird scarers used in Scotland, and a friend of his has supplied the enclosed rough sketch. Mr. Harding has also assisted me by giving me an introduction to Mr. Curra, of the Engineer-in-Chief's Department at the G. P. O., with whom I lately had a conversation, and from him I got a copy of the Departmental circular relating to the subject. I cannot learn where they are to be obtained; but the opinion seems to be that they can be made in Stanley very cheaply, and that pieces of flat tin painted white would do. 20 to 30 yards apart is suggested as a suitable distance, and stress is laid on the necessity of soldering the wires that hang on the line to it, as friction would soon wear it out.

I am, Sir,

your obedient servant,

Edw. J. Solih.

Managing Director.

Duplicates

Enclosures.

Despatch No 840 dated 4th May
 Remarks on Accounts 194. (annual.)
 List of Enclosures.
 Ledger + Journal Entries
 Remarks on Accounts.
 Reply to remarks on Stores.
 General Invoice goods for "Janis"
 Clients Invoices

Wm Bonner

Dean Amos

Stanley Benefit Club.

Dr Foley

Clarke Bros Co

Sharp Smith

J. J. Sutton

Second of Exchange £400.

Wool reports

~~Copy of letter from Alex Robertson dated 6th May~~
 Copy of letter from "Kosmos Co" " 10th "
 Clients Appeals as follows:-

I-B 15 bales Wool "Sakkarah"

DS 39 " " "

H-B 156 " " "

SI 16 " " "

Copy of Broker's Appeals Company's Wool for "Sakkarah"
 letter from Lambert Butler dated 24th May + price list
 E. D. Rendall's account for W. W. Bertrand £444. 12. 9
 Copy of letter from General Post Office dated 25th May
 + particulars of Game Guards for telephone
 Ledger + Journal Entries
 Remarks on Accounts.

First of Exchange £400

letters for the following:-

A. E. Baillon

E. J. Mathews (2)

R. H. Byckworth

Gastano Gallini

W. A. Harding.

London 1st June 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61. Gracechurch Street.

Per Supplementary
mail via Lisbon.
No 872.

London, E.C. 18th June, 1898.

Sir,

The Board confirm my last despatch dated the 31st ult, since which date we have no further despatches. The Neko arrived on the 3rd inst.

2. With reference to your suggestion as to Mr. Gorton's salary, the Board have decided to grant him an advance of £10 per annum.

3. On the 4th inst. the following cable arrived:—"Here Laura Nordbyfano Submissive", which until explained is a puzzle. It evidently relates to the Laura of Nordbyfano, but the word "Submissive" is not in the Al code. I sent it to Lloyd's, who could not understand it, but the word in their code I understand denotes a vessel's tonnage; I also consulted Scott's and Watkins's codes, and found that in one of them it means "will sail in a fortnight". The only guess I can make is that it has come to the wrong address. I may mention that the cable sent about American ships some time ago did not come from this office, and I assume that for some reason Lloyd's must have sent it through Humphreys instead of their Agent in Montevideo. On the 16th inst. we received the message, "Haur's Aporcizia rees george"; the first word I would have had repeated, but found on enquiry that it must mean Itauri, the new Kosmos steamer.

4. James Burgess is entitled to a pension, but you have omitted again to send a record of his services. You should remember that in every case this is an absolute necessity, to enable the Board to decide the amount to be given.

5. With regard to the question of claims for damaged wool, I must modify to a certain extent the advice given in my last. You

A. E. Baillon, Esq.,

Manager,

Stanley.

should act in every case with a view to protecting the interests of the underwriters as well as the owner of the damaged property, bearing in mind that the object of insuring is not to give the latter a profit on over insurance, but merely to indemnify him against actual loss. Although to have damaged wool condemned and sold would be quite legal, I can see, from conversations I have had with our Brokers and others, that it might not be expedient, for the reason that the underwriters would be sure to have it out of us, sooner or later, in the shape of increased premiums. When it can be done at the original port of shipment, you should always advise wetted bales to be taken ashore, and dried, as in the case of Mr. Packe's at Port Louis; but it is of great importance to forward the original shipping weights, because the wool would naturally lose weight in washing and drying, and this loss of weight the Underwriters are bound to make good, as well as the expenses incurred in making the wool merchantable. As Mr. Packe carefully refrained from sending us the original weights he stands to lose by the omission, and only receives the amount of the expenses. Should, however, the damage occur in Stanley Harbour, where facilities for storing and drying the wool are not available, and where, also, there may be expected to be some competition, and still further, should the accident happen at the beginning of winter, when no drying weather may be expected for several months, then, if in your judgment as Lloyd's Agent, you decide that the interests of the Underwriters would be equally well served by a sale outright, no objection would be raised to its taking place. If cases of this kind are intelligently dealt with, with an evident view to protecting the interests of all concerned, Underwriters are not hard people to deal with. I do not think that I can say any more in elucidation of the question.

6. Although the Board have not definitely made a pronouncement on the subject of shearing by contract, it occurs to me that it will not be right to let another mail go by without giving their provisional consent to the arrangement proposed to be made with a contractor in Buenos Ayres, especially as those Directors to whom I have spoken about it are willing to have the experi-

ment tried. If, therefore, you do not receive a cancelment of this permission by cable, you may consider that it is approved of. In my letter to Mr. Mathews I am raising various questions, and will not repeat myself in this despatch; but you will, of course, read and act upon it. It will be desirable to get Messrs. F. L. Humphreys & Co. as our agents to sign the agreement in the Plate.

7. There appear to have been amendments from time to time to the Scab Ordinance, to which you do not appear to have called attention. Many of them are probably harmless, but this cannot be said of the reduction of time during which sheep should be considered infected, nor of the period necessary to pass before a clean certificate is granted. Seeing that a lengthy time of probation was the cardinal point insisted upon by all those who were instrumental in getting the Ordinance passed, an explanation should have been given of the reasons for the alteration, and, if you did not object, why you elected to be silent. We rather assume here that it was done in the interests of some of Goldsworthy's little friends, and that, perhaps, at the time it was impossible to oppose it, though this is hardly credible. Anyhow, you should recognize the fact that it is your positive duty, in defence of and for the protection of the Company, to move for a restitution of the periods originally prescribed, and this is the more important just now, since we are unfortunately in the position of having more than one unclean neighbour. In such an emergency personal feeling must stand aside, if it exists. Should we get scab, after so many years immunity, you would regret to feel that you were to a certain extent responsible for it. It would be very desirable to confer with Mr. Mathews on this subject, although you probably know his views already.

In order to help to elucidate the matter of Fugellie's accounts, you had better ask all the farmers who have had dealings with the Result to give you an account of money paid him during the last few years. You might say that we have no right to ask for it, but to enable us to settle with Rowell we shall esteem it an act of courtesy if they will do as you ask.

I am, Sir,
your obedient servant,

Edw. J. G. J. G. Managing Director.

Enclosures.



Duplicates

Dispatch No 841. dated 31st May.
Ledger & Journal Entries
Remarks on Accounts
Enclosures per Consigner's letter
Bond of Exchange £450.

Shading cargo per Sakharah.

Sturman's letter dated 3rd June & circular
copy of letter to G.E. Morton 14th June about jams &
to each's reply.

Company's Annual report (1894) for A.B. Pailow Esq.
W.A. Harding's fidelity bond for signature & return
Clients reports & contracts.

- T.R. 5 batis skins "Keko"
- S-S 5 " " "
- W.Dell 3 " " "
- MTV 2 " " "
- T.R. 2 " " "
- MD Kay 1 " " "
- 14-18 7 " " "
- FB 5 " " "
-  2 " " "
-  4 " " "

c.a.p. 26. "peal skins" "Ramses"

Ledger & Journal Entries
Remarks on Accounts
Bond of Exchange £450
Remarks on Stocks
Letters to the following:

- W. J. Mathews
- Robt Buckworth
- Geo Bonner

London 18th June 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61, Gracechurch Street,

Per Ammon.

N^o 873.

London, E.C. 13 th July, 1898.

Sir,

Since writing per Supplementary mail on the 18th ult. your despatches nos. 96 and 97 have arrived, the former on the 24th ult. and the latter yesterday. No further cables have arrived.

2. 96-3. Of course we do not want Mr. Anson to get goods from any firms but those he approves of, and I merely pointed out that the prices paid Lipton were in some cases excessive; but the point on which I want an understanding is whether he wants us to give directions to shippers or whether he will do it himself, for it is absurd that we should both be taking the trouble, and I think we are really capable of carrying out any wishes he may express.

3. Par. 5. We are very sorry to hear of Capt. Rees's bad health, and by the later despatch that his case is so serious that he has to come home by mail.

4. Par. 10. Automatic machines are, as you know, in general use in England, and I have not heard that any County Council has objected to their being placed within reach of the public. We do not expect to make a fortune out of them, and they will not add to our dividend; they were, in fact, sent more by way of educating the rising generation, who could not, until their arrival, have known the meaning of the expression "put a penny in the slot," which is shocking when you come to think of it. We may pass over the suggestion of their being "infra dig." as ridiculous. A Colonial Store should always be ready to sell anything, from a needle to an anchor, or from a cargo of coal to a pennyworth of sweets. It is certainly wrong to leave out stock in one year for the benefit of the next; rank cookery in fact.

5. Par. 12 and 97-12. The decision of the Board with regard to

A. E. Baillon, Esq.,

Manager, Stanley.

Bleaker Island was communicated to you in reply to Mr. Fell's application, and you were, of course, expected to pass it on.

6. When Mr. Blake was here I forgot to ask him about his Jam, but as the *Thetis's* indents will soon be coming in no doubt he will indent for what he wants.

7. Par. 16. We have not had time to go into the question of the *Perseverance's* goods since receiving your further explanations, and the papers are with the Insurance Broker; but I am almost sure that there were other goods besides the flour that were certified for allowance in full. Anyone who remembers the *Sangreal* wreck in 1874 would tell you that we dealt with thousands of bags, many of which had been under water for days, and that the contents of most were preserved by a thin skin of paste flour that was formed with the water all round the bag, the contents to the extent of 7/8th having been sound. It is not sufficient to write to me that the Storekeeper managed to sell the bags by private contract; you should have given a certificate to that effect, and signed it as Lloyd's Agent: I have said over and over again that your signature in that capacity smooths away all difficulties, while the absence of it, in even the most trivial matters, is likely to lead to ^{them} ~~difficulties~~. We will make another attempt to get a settlement, but we may be met with the same answer as before.

8. Par. 18. The Certificate with reference to the Welsh coal was sent to the Accountant-General of the Navy, but we have not yet received a remittance from that Official, who is most dilatory in all his dealings.

9. Par. 23. When you say that you must now inform us that you supplied the *Biene* with coal ex *Glengowan*, do you mean to let us infer that you had hitherto concealed the transaction? Probably not; but the expression reads oddly. It was a little untimely, for I think we should otherwise have got the whole for a few pounds; but I think that we have not been rash in buying the whole lot for £100, as you will see by the copies of letters enclosed. In writing to the Salvage Association I was uncertain whether you had or had not mentioned this sale to them or Lloyd's, and so was in a difficulty; the Board think that if you

have not already made a remittance for the sale you should do so, as it would hardly be fair on our part to make an offer to include it, knowing that it had taken place. If, as you now suggest for the first time, Capt. Lubke's report was meant to act as a blind, some surprise has been expressed at the Board that you did not test it by burning a small quantity of the coal in the Sissie or the boiler on shore. After accepting our offer, and thus making us the absolute possessors of the ship and cargo for £500, an official from the Salvage Association came to see me, and asked whether we should be prepared to assess the value of the gear at so much, and re-sell them the hull and the coals, telling me at the same time that there were other people nibbling at it. I replied that I could not attempt myself to make the valuation here, and that as the property was in your hands it was impossible to say whether you had parted with any of it or not, but that I did not look upon the hull as being of much value to us, as it would cost us too much to fit her up, and we might be tempted by a good offer. The position is this; - we are absolute owners of the whole, can we do better for ourselves by separating the sound from the cindered coal, and selling the former as chances arise, or can we sell the whole lot, ship and cargo as they lie, to some one who will take them away from Stanley, (this is most important) or shall we let the Salvage Association have them back again retaining the gear ashore, and if so at what price, again stipulating that under no circumstances is she to remain in the Colony? If they would spring to £400, which would be equivalent to our taking the gear at £100, would that pay us, or could you do better with Curtze? It occurs to me that as the Salvage Association are not likely to speculate in the property if they do not see their way clear to a big profit, there may be more value in it than we think, and, if so, we are in a position to take advantage of it. You need not reply off hand, but reserve what you have to say until the direct mail; this will give you time to sound Curtze. From your personal inspection of the coal, are you of opinion that there is a large proportion of cinder? With regard to the accounts, they are very well rendered, too well for the Sal-

vage Association, who you will see asked for a reduction of the charges, though they did not press their request when I declined to accede to it; but they have the blemish of not having been signed, a blemish that is characteristic of many documents from your office just now. An account-current should always be signed by the firm rendering it, and in this case it would have been proper for Mr. Harding to sign as for the Company, and for you to countersign as Lloyd's agent, as you could hardly do it in both capacities.

10. Par. 25. From correspondence enclosed you will see that I have definitely ordered the R.C. Church from Boulton & Paul, having preferred to wait until the priests had had an opportunity of commenting on the papers lately sent out. The matter of the match boarding is in suspense, pending an estimate to be obtained from our timber Brokers.

11. Par. 28. I have had enquiries made about Mr. Packe's weights said to be missing, but am not aware of any reply having been received. If there is anything to be said, it will be in Remarks on Stores; subjects of this kind ought to be kept out of the despatches.

12. 97-2. When the assessment was made for the Land Tax originally, I demurred to the round estimate of 700,000 acres always applied to Lafonia, and asked that Mr. Bailey might measure it up on the system applied to the rest of the islands, with the result that he made it much less. This included the Islands, and to the best of my recollection we paid the tax on the whole, and charged our tenants with an acreage that I fixed myself. You ought to have compared the new measurements adopted when the assessment was made in connexion with the scab Ordinance, and seen that we were not unfairly dealt with. It is true that there was no tax paid on certain sections which had been renewed at double rental, but those acreages were clearly defined. As the case stands at present, we are rated on our traditional acreage, whereas we ought to pay only on the area ascertained on the same system as that on which all other measurements are taken. You ought not to let this question rest.

13. Par. 3. You must not take any more insurances of the kind

reported in Cull's case. You have accepted a premium of 30/. on £100 insuring wool which is neither to our consignment nor with London as its destination, while our open policies are for wool "to our consignment or for which we are responsible", and with London as the port of discharge, and this lot is going to Hamburg. It is not clear why Cull pays the premium on wool which he has sold to Nilsson, but this is not our affair. The proper people to hold the policy are the consignees. We shall take out a special policy in this case.

14. Par.7. You must lie low and say nothing as long as you can about the Coinage Act, but if the question is raised you ought to point out as strongly as possible to the Governor that our Colony, from its peculiar circumstances, ought to be exempted. It would be most awkward for us; but we might make it disagreeable for the Government and others. For instance, you should tell the Governor that one of the first results will be that we shall ask them to provide £7200 in sovereigns to meet the Crown Agents' annual drafts upon them, and that we shall have to be very strict about all money we receive over £2 in the office of Store; of course it will hit us hardest, but by a judicious amount of bluff I think that the application of the Act may be averted. The cost of exporting gold would be very large, for both freight and insurance would have to be paid, and we should have to establish measures by which the loss would be equally borne by all those who depend upon us for their payments. The Mint pay shipping expenses and freight on silver exported, because they make a thumping profit on its coinage; I have had no time to enquire, but it is inconceivable that they would give the same facilities for the export of gold.

15. Par.11. It is singular that you have not taken in the meaning of the Admiralty letter of 6th January and my despatch 865-3, with reference to the payment of fees for moving coal hulks, which you cannot have done, or you would never have sent the certificate from Captain Gamble to enable us to obtain payment of the fee here. What can be plainer than the following:-
 "...it might be as well for you to instruct your local representatives to see that the course arranged for is followed in future

*forgot
 May 17
 1898*

viz:-that any fees charged by the Colonial Government for permission to move the hulks are paid locally by H.M. Ships, as was distinctly provided in letter of 29 July, 1897, C.P. 6832"? A copy of the letter containing the above was sent you on the 25th of January last. At present we have not been able to recover from the Admiralty any one of the fees charged.

16. Par. 13. With regard to the minutes of the Council having been scantily entered, I may remark that it is in the power of any member to raise an objection when they are read.

17. Par. 15. We do not want an overvaluation of the fencing, and your attention was directed to the subject because both the original cost here and the contract price for putting it up have been lowered within the last few years. It can hardly be a difficult matter to go into the figures, and ascertain whether the £80 does or does not represent an inflated value, taking freight and all expenses into consideration.

18. Par. 18. The broken machinery shall have attention. As I write the Itauri has been reported from Dover, and is to dock at 7 tonight.

19. With regard to a remark by the Governor exaggerating the cost of your house, I may mention that it cost in all £5500, as can be seen in the accounts.

20. The date of the shipment of the Walker Creek press ought to have been given, and the want of it caused much searching of invoices and old despatches. I found it eventually; but you should remember in future that these dates are of service when any repairs or additions are asked for.

21. I am thanful that Mrs. Robson gave specific directions as to her husband's tombstone, including the name of the firm from which it was to be ordered, for the cost seems huge. A photograph is enclosed.

22. I enclose a copy of a letter received from Mr. Rowell, as to whose objection to the Result accounts we have not heard from you lately. I am inclined to think that he has a good deal of right on his side; if the transfer of Fugellie's account had been made some time before the loss of the yawl, and the latter's account had been sent to Rowell, all would have been well. I am

not

able to say anything about the arrangement between you as you

- have not reported the details; but it does seem hard that he should have had no intimation of the way Fugellie was going on, if the management of the vessel was left in your hands, and you knew that the man was misconducting himself. You will observe that I make use of the word "if".

23. In further reference to the muddled papers relating to the claim for loss on the Perseverance, I am afraid that nothing can be done until we get the missing links supplied. It appears that some of the damaged goods were certified as having lost a certain percentage of value, while others were totally lost or unaccounted for, and that in each line the two added together account for the full quantity as supplied by the invoice. To take one instance out of many as an illustration, there were 1 doz. tins Ground rice invoiced, of which 9 were certified to have lost $\frac{7}{10}$, and the claim states 9 to be allowed at this rate, while 3 are claimed for in full. The average stater says he wants to know what became of the three; if lost, how, and why if the vessel was floated and brought in there was anything totally lost, unless they were thrown overboard. The survey report gives no indication of this. All this should have been set out and certified by you as Lloyd's agent. You will now know what you have to supply in order to put us in a position to make the claim, and I may mention that although it must now go forward in the way it was begun, if you had had the whole condemned and sold by auction where there was any damage at all, the Underwriters would have paid up without trouble, and that in a case like this it would have been better if you had studied the interests of our client as opposed to those of the Underwriters. I return the papers for alteration.

24. In a statement of claim for lost and broken bottles or flasks of whisky per Ramses, which is made on the Underwriters, and, unless I am mistaken, neither signed nor certified, we shall, I fear, fall between two stools, through the quantity missing and broken not having been separately stated. The owners will not be responsible for breakage, while the Underwriters will dispute the pilferage. I shall be able to report further on this by next

mail. Meanwhile, to meet a possible objection that it would be
● difficult to distinguish between broken and missing flasks, I may
suggest that if the necks with corks in had been counted it
would have given an account of the former that could not be dis-
pute.

I am, Sir,

your obedient servant,

Edw. E. Scott.

Managing Director.

Enclosures.

Duplicates

Dispatch No 842 dated 18th June.
Ledger + Journal Entries
Remarks on Accounts.
Clients reports + contracts

W Fell. 3 bales skins "Heko."

T.R. 5 " " "

S.S. 5 " " "

M.V. 2 " " "

J.R. 2 " " "

J^{OK} 1 " " "

C.A.P. 10 seal skins "Kamsis"

Second of Exchange £450.

Charter party ship "Albatros"

Wool reports

Copy of letter to Boulton + Paul dated 1st July.
Brighton College accounts £10. 10. 0., £5. 1. 1. Felton.
Bickland's accounts for 18th Stickney 4. 18. 7

" Stickney Bros 2. 6. 2

" Company. 3. 6. 6

" J Stickney 1. 6. 6.

Clients Invoices Goods for "Sakkarah"

W. D. Bertrand 3. 17. 10.

Dr Jameson 5 6. 8

Dian Brandon 4. 17. 3.

Speedwell Island 38. 11. 8

J + G Cobb. 8. 8. 1

E. J. Mathews - 5. 6

Holmsted Blake 9. 0.

Paake Bros 6 - 475. 11. 0.

99. 19. 10.

Clients Sales as follows:

J + B 4 bales skins Heko.


T.R. 5 " "

M.V. 2 " "

S.S. 5 " "

W Fell 3 " "

J-B 5 " "

 2 " "

J^{OK} 1. " "

J.R. 2 " "

H9C

7 bales skins Hoko,
C.A. 9. 76 fur seal skins Ramses.

Copy of Brokers Appales Company's skins per "Hoko"
Copy of letters to the Salvage Association dated 7th June
4th + 11th July + their reply of 6th 8th + 9th + 12th
Clients reports + contracts

H9C

64 bales wool "Hoko".

T.B.	119	"	"	"
B	174	"	"	"
I-B	168	"	"	"
H-B	52	"	"	"
MV	8	"	"	"
S	103.	"	"	"
W. J. L.	48	"	"	"
O	22	"	"	"
J.R.	20	"	"	"
S-S	103.	"	"	"

J.R. 129.

The Type Writer Co's instruction book for Dean Brandon.
Copy of letter from Rowell dated 8th July
Ledger + journal entries
Remarks on Accounts
First of Exchange £450.
Copy of letter from Fenantons dated 11th July re window sashes.
Letters for the following

- A. B. Baillou (4.)
- C. A. Gorton
- Peru Packer
- J. J. Felton
- J. S. Goodhart
- Dean Brandon

"Perseverance" Papers returned (three):

London 12th July 1898.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary Mail

No 874

London, E.C.

30th July 1898

Sir,

Since writing per "Ammoin" on the 12th inst. no mails have arrived from the Islands.

The following Cable was sent to you on the 9th inst., but the Confirmation was omitted in my last Despatch, - 'Barcelona Glenowan Calentaba Marquette', meaning 'We have bought Glenowan Cayo for £100.

1. - You should have reported that the Captain of the 'Bieni' had a difficulty in raising Steam with the Coals, as that serves to confirm Captain Liebeck's report.
 2. - If not already done, the 'Glenowan' should be pumped out, and Scuttle holes filled up by Blacksmith, not merely plugged. Yards and Masts should be shut down, rust sealed off, if any, and painted.
 3. - The Board want to know what has been the Avoyage of King's Commission for the past few years, as if this has
A. L. Bailon, Esq.
- Manager, Stanley.

Come up to £15. p. Annum he can scarcely expect to be recompensed for the drop of one year.

4. - I find you had omitted to sign the Claim for the lost and broken bottles of Whisky per "Ramses" and this Claim should have been made in the first instance on the Kosmos Agent at Stanley. Up to the present time we ^{have} been unable to get any Settlement, and, as mentioned in my last Despatch, it is more than likely that we shall ^{not} be able to fix either the Kosmos Co. or the Underwriters with it.

5. - By the last mail I sent a copy of the Charter-party of the Albatross, which will take out your 'rough Store orders' and she will sail towards the end of next week.

6. - The Board have made an allowance to Rowell of £25, in full settlement of all claims he may have against the Company re "Result", and you must place this

against Fuyellie's Account.

7. You will please note the following Corrections in my last Despatch:—

Par. 14, Awkward for Awakward,

" 21, Thankful for thanful

" 24, Disputed for dispute.

8. There is a rumour, and I fear only too true, that Mr. Greenshield and several others have been drowned at Salvador, news which I am sure will be received with the deepest regret by the Directors.

I am, Sir,

Your Obedient Servant,

Walter M. Giles

For Managing Director.

Duplicates Enclosures.

Despatch No 873. dated 12th July.
Ledger + Journal Entries
Remarks on Accounts
List of Enclosures.

Client's reports + contracts

T.R.	129	bales	Wool	Hecho.
S+S	100.	"	"	"
O	77.	"	"	"
do J. M.	48	"	"	"
City Coy.	100	"	"	"
M.V	8	"	"	"

Client's Invoices goods per "Sakharah"




J. & G. Cobb	8.	8.	1.
Holmsted Blake	9.	0.	
Jacke Cross	255.	11.	0.
do.	99.	19.	10.
E. J. Mathews		5.	6.
D. Jamieson	5.	6.	8.
A. G. Bailton	3.	17.	10.
Dean Anson	4.	17.	3.
Speedwell Island	38.	11.	8.

Secunds of Exchange £450.

Wool reports

Bill lading cargo. per "Ammon"
Pawson's Invoices goods per "Ammon" for Dr. Stickney
Client's reports + contracts

Wool 9 bales Wool "Itauri"

L	100	"	"	"
	135	"	"	"
RBC	75	"	"	"
W.P.	44	"	"	"
	114	"	"	"
	34	"	"	"
SI	53.	"	"	"

Client's A/sales as follows:-

Wool.	8	bales	Wool	Hecho.
S+S	103	"	"	"
S	101.	"	"	"
T.R.	129	"	"	"

MV 8 bales Wool "Neko"
 J.R. 20 " " "
 O 22 " " "
 H.B 170 " " "
 H.B 10 " " "
 J.B. 30 " " "
 H.G.C. 64 " " "
 S.I. 37 " " "
 B 81 " " "

C.A.P. 7 cks Seal Oil "Ramses."

Brokers copies of Apsales Company's wool spec "Neko."
 Clients Invoices Goods spec "Ammon"

A.C. Bailton	4.	10.	6
Farm Account	4.	4.	10.
E. J. Mathews	7.	9.	8
W. Stickney	28.	6.	2.
Cake Bros Co	15.	3.	11
H + G Cobb.		6.	2.
Pure Cake	284.	19.	3
J. Robson	61.	11.	3
W. Bonner	12.	9.	5
Dean Brandon	23.	10.	7
Stanley Aust Brown	6	23.	16.7
Cake Bros Co	7.	19.	6
do.		10.	8.

Clients report + contracts.

No. 9. 1 bale Skins Hauri
 H. 3 " " "
 L 12 " " "
 No. 7. 1 " " "
 9 " " "

Ledger + Journal Entries
 List of Exchange 1450.
 Letter for J. J. Helton

London 30th July 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Itauri.

N^o 875. London, E.C. 22rd August, 1898.

Sir,

Since writing you on the 30th ult. your despatches 99 and 100 have come to hand, on the 6th and 19th inst. respectively, the former having brought duplicate of 98. The Tanis delivered the mail yesterday morning, having made an unusually quick passage.

2. 99-2. The news about the loss at Salvador was anticipated by Captain Rees, and was remarked on in my last.

3. Par. 6. There is no insurance claim on the goods alleged to be damaged in the Thetis. There might have been in the case of the tinned apricots, had it been proved at the time that the damage did not arise from improper stowage; but the clause on the Bill of Lading as to damage by rust or vermin absolves the ship in the case of the rat eaten apples, and there could not under any circumstances be a claim on the insurance in ^e respect of such damage. However, I think that as this is the only damage, and that from the fact of the San Carlos cargo being the last out there is reason to suppose that damage to the apricots arose from rough usage on the ship, we may fairly compromise by charging her with the cost of the case less the amount received for it, without insisting on the completion of the formalities necessary to establish the claim. After all this will only amount to 13/. plus freight and charges, and Mrs. Bonner is fortunate in getting her cargo so well delivered on the whole.

4. Par. 7. In former days the indents for hydraulic leather were always sent for "thick" or "thin", usually a hide of each; this could be verified by referring to old orders. This reminds me to say that I think we ought to be able to supply all hydraulic leathers ordered from the Islands, as we have a full set of stamps or presses at Goose Green; you can ascertain this by see-

A. E. Baillon, Esq.,

Manager,

Stanley.

ing what Tylers charge for the leathers that are being sent to-day by parcel post to Fox Bay.

5. Par.9. It has been exceedingly difficult to get any information from Spearing & Waldron about the later shipments of live sheep, and as they hope to get some from us sooner or later, this means, I think, that they have nothing favourable to report.

6. Par.16. Captain Rees came home in a very nervous state, but the last reports from him lead us to hope that his trouble will entirely disappear before long.

7. Par.24. Noble's rambling statement is more or less unintelligible, and I am sorry to see that you have not further alluded to his account in the later despatch as promised. The reduction in the payments to Mrs. Booth will help him, but I have to report that his aunt, Mrs. Clare, was here while I was away, with the information that she could get the girls looked after properly and clothed for £60 per annum, and that she was going to write to him on the subject. I hear that the boys were here also, and that they looked thoroughly well and were nicely groomed, so that there is no doubt that Mrs. Clare is doing what she undertook thoroughly well.

8. 100-2. Mr. Gorton's rise of salary may date from the commencement of the present year.

9. Par.3. The mistake about the telegram for Nordbyfano seems to have been that it was not made sufficiently plain to Humphreys & Co. that Laura was the address, and not a message for this office.

10. Par.7. Your explanations as to proceedings in Council about the Scab Ordinance are noted, and we hope that the old periods of infection will be re-instated. We know that this will hit our good friends Messrs. Felton & Benne Packe hardest of all, and for this reason it was considered advisable to give you a word of warning not to be influenced by them personally, for although we do not wish to injure them, the interests of ourselves and of the other clean farmers ought to be paramount.

11. Par.8. As reported in the last despatch we have compromised with Mr. Rowell, and therefore it does not matter much about getting details of dealings with the farmers, if there is any

difficulty about it. It seemed to us that we had such a thoroughly weak case, that it was better to compromise it rather than allow it to go into Court.

12. Par. 10. The reduction in the Store sales is disappointing, and under the circumstances you exercised a wise discretion in not taking on Mr. Lewis. The time has nearly arrived, I think, for seriously considering whether we ought not to set Store matters on an entirely new footing, by dispensing with our old-fashioned people and their ways, and sending out one or two up-to-date, smart shopmen, who might put new life into the business. This would, of course, involve a pension to King, who has served us faithfully, according to his lights, for many years. I have no doubt that Turner means well, but he is hopelessly antiquated, and his manner is enough to drive away many customers.

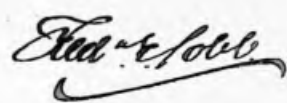
13. Par. 12. With regard to the Glengowan, your advices led us to infer that she was afloat, pumped out by the Biene's crew, and that as the Captain declined to take a little Welsh coal you offered him there must be some good in the damaged stuff. Now it turns out, from a casual remark by someone who came home, that the ship was allowed to fill again, and that the Biene could not trust the coal to take over a cargo of sheep, but went across for more coal. Had we known this it would have probably prevented our making the purchase, and, as mentioned in the last despatch, these facts ought to have been reported. We shall now await your advices as to what can be done with the ship and cargo, and your opinion on the subject of the Salvage Association's proposal.

14. I must here allude to the subject of the order for potatoes, which Turner wishes sent out at his own risk. On consulting our potato merchants, some of the largest people in the Borough, they told us that they were just now having great difficulty with their stock, having continually to pick over for blight, and that to attempt to ship just now, with the thermometer standing between 80 and 90, would be little short of madness. It is to their interest to sell to us, but in view of the decided opinion they express, what can we do but decline to risk the shipment? It occurs to me that Williams may get his from Hamburg, where the crop may be more matured, and had I had time, after my return to

town, to find out whether his annual autumn shipment is made from that port, I might have solved the mystery. It is certainly curious, if true, that at the very time our people, whom we look upon as experts, tell us that the risk is too great, Williams is able to get potatoes out in good condition; but is it not possible that he has had losses of which you know nothing?

15. The Albatros sailed on the 10th ult. with a very full cargo, having unfortunately shut some goods out, which are forwarded by this boat, for particulars of which I refer you to remarks on Stores enclosed.

I am, Sir,
your obedient servant,



Managing Director.

Duplicates

Enclosures.

Despatch No 874 dated 30th July.
Ledger & Journal Entries
List of Enclosures.
Clients Invoices as follows.

Stanley Aubly Rooms.	rs.	16.	7.
Dean Brandon.	rs.	10.	7.
M ^{rs} Bonner.	12.	9.	5.
M ^{rs} J Robson.	61.	11.	3.
E. J. Mathews.	7.	9.	1.
B. Stickney	28.	6.	2.
Packer Bros Co.	15.	3.	11.
H. G. Cobb.		6.	2.
Pere Oake	284.	19.	3.
Sarn Account.	4.	4.	10.
Packer Bros Co.	2.	19.	6.

Clients A/sales as follows


C.A.P. 4 chs. Oil Ramses.
T.R. 129 bales. Wool Wicks.
M.V 8 " " "
J.R 70 " " "
do Sell. 8 " " "
Sitzing 131. " " "
O. 77. " " "
S-S 103. " " "

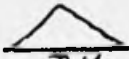



Clients reports & contracts.

do 1 bale skins Itauri
 3 " " "
 W.P. 1 " " "
 9 " " "
 L 12 " " "
 W.P. 444 " Wool " "
 114 " " " "
 135 " " " "
 RBC 25 " " " "
 do 9 " " " "
 L 100 " " " "
 34 " " "

Second of Exchange £450.

Miss Joldie's schooling account for W. W. Bertrand
Clients A/sales.

 135 bales Wool "Itauri"
FB

	114	bales	Wool	"Itauri"
W.P.	44	"	"	"
RBC	25	"	"	"
	34	"	"	"
W.P.	9	"	"	"
SI	32	"	"	"
I-B	5	"	"	Weko
L	12	"	Skins	Itauri
	9	"	"	"
W.P.	1	"	"	"
W.P.	1	"	"	"
	3	"	"	"
	100.	"	Wool.	"

Invoices for Bertrand Selton's gunpowder for "Albatros"
 Ledger & Journal Entries

Remarks on Accounts

First of Exchange £450.

Credit Note for Botcher's Apricots damaged for "Iteta"
 Freight Account ship Albatros

Duplicates of enclosures of letters for "Albatros"
 letters for the following

- E. F. Mathews 3.
- S. Miller
- W. W. Bertrand ✓
- Peru Paque. ✓
- J. J. Selton ✓
- A. E. P. Pillow
- Dean Brandon. ✓
- J. S. Goodhart.

London 23rd August 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 876.

London, E.C. 10th September, 1898.

Sir,

My last despatch was dated the 23rd August, since which date no mail has arrived from the Islands.

2. The Thetis is making a long passage, but she has had easterly winds against her. The Orchid arrived on the 31st ult.

3. Mrs. Bonner informs me that she will be going out shortly, and that she will ride across to San Carlos.

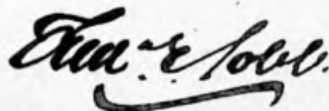
4. We shall be shipping 40 rams by the Tanis next month. In arranging for insurance I shall endeavour to get a rate from here to Stanley, with an extra payment if they go on by sea, so you will understand that whatever you decide with Mr. Mathews they will be covered to a port in the East if necessary.

5. I have written to Hamburg with reference to the question of shipping potatoes, and have also got the name of J. W. Gunn of the Borough Market, as the shipper of potatoes by Itauri. I understand that they were packed in barrels.

6. The next wool sales begin towards the end of this month; at the present time I have nothing of importance to report as to produce, except that sheepskins sold yesterday at fair prices. I may remark that Felton's new mark ^FS is too much like our own Stanley mark; it is a pity that you cannot get people to adopt more distinctive ones.

I am, Sir,

your obedient servant,



Managing Director.

A. E. Baillon, Esq.,



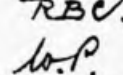
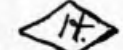
Manager,

Stanley.

Enclosure.

Duplicates

Despatch No 845 dated 23rd Aug.
Ledger + Journal Entries
Remarks on Accounts
Bertrand's invoice Gunpowder for "Albatross"
Bonner's credit note 15/6 "Shetis"
Clients Affairs.

	£	100	bales	Wool	"Stauri"	
		114	"	"	"	
		135	"	"	"	
		9	"	"	"	
		34	"	"	"	
RBC.		25	.	"	"	
W.P.		44	"	"	"	
£		12	"	skins	"	
		9	"	"	"	
W.L.		1	"	"	"	
W.P.		1	"	"	"	
		5.	"	"	"	

List of Enclosures.

Duplicates of Consignee's letters for "Stauri"
Second of Exchange £450.

Brighton College Account for J. J. Selton
Bairns invoice for Pillars shipped for "Stauri"
Corrected General Invoice Goods for "Stauri"
Freight returns schooner "Becko" J.M. Dean.
Clients reports + contracts.

J.F.	5	bales	skins	Orchid
Stanley	13	"	"	Tanis
Ditroy	5	"	"	"
Port Louis	1.	"	"	"

Remarks on Accounts
First of Exchange £450.

London 10th September 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Tania's.

N^o 877.

London, E.C. 4th October, 1898.

Sir,

Confirming my last via San^dy Point, I have now to acknowledge receipt of your despatch no. 101 of 10th August, which arrived on the 16th ult.

2. Par. 4. It is satisfactory to find that the Governor takes a sensible view of the scab question; I understand that Mr. Blake returned the draft Ordinance some time ago.

3. Par. 4. Until we took to using wire at less than £10 per ton against £15 or more that we used to pay, and until the cost of erecting was reduced, probably £80 approximately represented the cost of fencing per mile. As you now make it to be about £70 it should be capitalized in future at that figure. The Board consider that the cost of repairs, which must be kept strictly separate from that of new fencing, ought to be charged to Profit & Loss, as in the case of Buildings. Doubtless by a clerical error, you have misstated the valuation you put on fencing in 1893, it was £63, not £67 per mile, and the additional £17 made it up to £80 as before.

4. Par. 5. On looking into Messrs. Packe Bros.' account, it appears clear that until they were credited with the proceeds of their wool they had no cash in our hands, and therefore the sum paid for freight was advanced to them. This charge is invariably made by merchants and brokers who pay freight before the proceeds come into their hands. If there is any account which unquestionably shows a balance in our hands all the year round, the Board consider that it would be right to credit the interest charged, if you are asked to do so; but we do not suppose that many would raise a quibble on such a small matter. We are under a disadvantage here in two ways; the affairs of this office have been run

A. E. Baillon, Esq.,

Manager,

Stanley.

for many years on lines that may fairly be called eccentric, and it has taken much time to get into line with people of ordinary commercial habits, and then again, we have a set of clients in the Colony who are absolutely devoid of all business knowledge, beyond the details of the management of their farms.

5. Par.6. As soon as a definite proposal is made for the shipment of sufficient coal to fill a vessel of 300 tons or so, we will enquire as to the practicability of getting one to go round the Islands; but we cannot take any risk on the mere suggestion that "there ought to be no difficulty" about it.

6. Par.7. The Board regret that they are unable to look upon hide money as anything but a gratuity at the time it was earned, in addition to wages, but not forming part of them. If they were to concede the principle of reckoning it in for a pension, the next thing would be a pension asked for ~~for~~ overtime. As a matter of fact, the payment of £46.10/. per annum for life is a very handsome recognition of Smith's services in the past, and is not only entirely gratuitous on the part of the Company, but it is a thing he has had no reason to look forward to during the greater part of his term of service. I may add, but it is not necessary to hurt his feelings by repeating it, that he has practically been pensioned for years, as it cannot by any stretch of imagination be said that he has been worth his pay since the cattle work came to an end. Had he not been a very good fellow and a thoroughly faithful servant, his services would have been dispensed with long since. With regard to the payment of pensions, you are to understand that they are payable either in London or Stanley quarterly; if desired to be drawn elsewhere any risk of loss either in forwarding by post or in exchange must be borne by the recipient, and you are not authorized to make any payment until you have been satisfied by a certificate by a responsible person, in the case of the pensioner living in another country a Consular officer would be the right one, that the man was actually alive at the time the pension was due. A payment by Braun & Blanchard monthly, as suggested by you, would not meet the Board's requirements, firstly because we cannot expect them to do it without charge, and secondly because we are unwilling to delegate

to strangers the authority which you alone in the Colony have the right to exercise. When you have received the necessary certificate, probably the best way of sending Smith's pension to him would be by a draft on the London office, which I understand he would have no difficulty in selling at Sandy Point. There will be a certain amount of delay in getting the pension across to him, but not more than he must expect to put up with if he lives away both from the Colony and this country.

7. Par.9. We hope to hear something definite from you as to disposing of the Glengowan's cargo; if we can see our money back again the opportunity should not be lost, and the question of the disposal of the hull must not be allowed to drop.

8. Par.10. There is no reason why you should have sent the proceeds of the sale of coal to the Salvage Association without charging them a penny by way of commission.

9. Par.12. Probably, as you say, the appointment of a Director of Public Works is a good move, but it is odd that the Council were not told of it, and his expenditure ought to be watched.

10. The Board have fixed pensions as follows:- Burgess £33, J. Biggs £25, John Smith £24 per annum. When a man's case is mentioned as deserving of pension you ought to give the date he left off work. We do not know when Campbell's £12 per annum began, I think he told me he left on the 20th of May, but there is no record of it officially, nor do we know the day in April when Burgess was paid off.

11. On the 14th ult. I cabled at the request of Peter McPherson "Cancel McPherson's letter returning". He had written to Mr. Mathews that he would not return, but thought better of it. On the 27th ult. I cabled to Dean Brandon c/o Fleetwing "Benney dead inform son". I have to say with much regret that Mr. Benney died rather unexpectedly a short time ago; his nephew at Saunders Island is Executor, and instructions will be sent him by this mail. Mrs. Benney was anxious that the news should be broken to the son by the Dean, as it would come as a great shock to him.

12. The Crown Agents have written to ask whether we are prepared to increase the amount of the drafts we buy of them, and we have informed them that we cannot reply definitely until we receive

your report on the subject. Unless you see special reason for it the Board are not anxious to increase the amount; if you can sell bills on the London office it suits us very much better, as we have the use of the money for two months for nothing, while if we buy bills here we lose interest between the time we pay for them and their arrival at Stanley, generally about five weeks.

13. The Thetis arrived on the 13th ult. after long detention in the Channel; her cargo is in good order, and she has earned a little more freight than last year. She has been into dry dock for cleaning and painting, and it was gratifying to find that no extra work whatever was required. Captain Rees will be unable to take her out, and therefore Thomas will have her again. Should Rees, however, ultimately recover, it is possible that the Board might be inclined to re-instate him. The vessel has just begun to load.

14. There are 40 rams shipped this time, which are insured at £9.9/6 if carried by schooner beyond Stanley, with a return of £1.1/ if the voyage terminates at Stanley and they are driven overland, and a further £1.1/ if all arrive alive. You will have arranged with Mr. Mathews what is to be done. Should there be any deaths you must get a certificate from the Captain of the Tanis, which you will yourself sign as approved as Lloyd's agent; this is all that is required. We take half the risk ourselves with the British & Foreign. Should Mr. Mathews elect to drive, and the risk is over on landing from the Tanis with no casualties, cable the word "Tuchelchen", which will be understood to mean "40 rams landed alive ex Tanis", and we shall then claim the return of £2.2/., should they go on by sea, and all arrive alive, cable next mail "Tuchhalle", i.e. "40 rams arrived safely by schooner", and we shall then get 21/6 back. In the event of any deaths you need not cable at all.

15. Mr. Rupert Vallentin goes out by this mail on a scientific expedition, his intention being to put up in Stanley, and study the marine fauna. He will be in Stanley several months, and I need not say that the Directors would wish you to give him whatever assistance and advice he may be in need of. He takes out a boat of his own, and will try to get a small shed or room for

drying his specimens, in which I think you can perhaps help him.

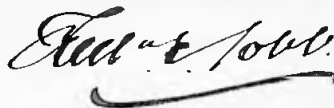
16. By cable we learn that a man of war leaves for the Islands today, and as the season has commenced I shall be glad if you will put right the question of the fees for moving the hulks for coaling. The Admiralty have not paid a single one of the fees, having deducted it each time on the plea that they had to refer to the ships first. You may say with confidence that not a penny has been received here, for if, after this, they propose to make a payment, I shall refuse to receive it until I hear from you again. The Senior Officer can hardly be so tied up with red tape as the Department is, and you will have a better chance with him than we have here. It must be understood that we want the fees paid; it was part of the bargain, and we must stick to it. Possibly they will be able to make the Governor see what a monstrous anachronism this fee is, kept up, as it is, long after any pretence of service rendered in exchange for it has passed away. It was another thing when the Harbour Master actually directed the hulk's movements, and got his guinea for it.

17. The question of Noble and his children is always with us; I enclose copy of some correspondence, from which you will see that Mrs. Booth is dissatisfied with the new arrangement, but that I have declined to revert to the old payments. I only mention the subject here: for details I refer you to my letter to Noble.

18. Eight labourers go out this time, four from Scotland and four from Bath. Peter Mc. Pherson & family, Leel, Spamer, J. Rae and his sister go on their own account, and Mrs. Nichol and her sister are also passengers.

I am, Sir,

your obedient servant,



Managing Director.

P.S. Since closing this despatch the mail per Theben has arrived; but having to go down to Tilbury with Mr. Blake to see the rams, and make sure that there is no hitch about their shipment, it is quite out of the question attempting to answer it. I had a letter this morning from Capt. Beelendorf telling me that the letters intended to be posted in Montevideo had accidentally been brought on; had this not been the case your despatch now in could have been answered. The cable you advise as having sent about the labourers has not reached this office, which is a serious matter, as there is nothing to be done now but to have the men sent down from Montevideo, and I am cabling the agents to select them.

File.

P.P.S. I am cabling Humphreys today, "Send by Tanis twelve ^{for season} labourers sheafers preferred Fleetwing", and to you "Sending labourers from Montevideo".

Enclosures.

Duplicates

Despatch No 846 dated 10th Sept
Remarks on Account.

Reports + contracts:

Stanley 13 bales skins "Janis"
5 " " "
Fitzroy 5 " " "

Second of Exchange \$1450.

B/Lading Cargo for "Itanui"

Wool reports

Rendall's schooling accounts for Bertrand for. 6. 4

Whinns reports + contracts:

to Feb. 1 ck Tallow "Janis"
Roybne. 14 " " "
1490 6 " " "

Copy of Brokers reports + contracts Company's Tallow (62 cks) "Janis"

Whinns Reports + contracts:

L 21 salted Hides "Janis"
SS 24 " " "
A 42 " " "
S. 161. " " "

Copy of Brokers reports + contracts Company's Hides in "Janis"

Whinns reports + contracts:

F 282 bales wool Orphid
A 189 " " Shetis
Fitzroy 2 " " Heko.
to Feb. 40 " " "

Copy of Brokers reports Company's wool for "Janis"
Whinns Invoices as follows:

Waldron	44.	14.	1.
Dr Jamieson		12.	10
Stanley Quilty Rooms	18.	1.	4
L. J. Filson	38.	9.	9
Pere Baker	35.	11.	11
Dean Anson	59.	5.	0
E. J. Washers	11.	1.	9
Robmsted Blake	11.	4.	0
H. G. Cobb	6.	10.	4
Mr J Robson	8.	0.	4
Baker Bros Co.	10.	16.	6.

Ledger + Journal Entries
Remarks on Accounts

First of Exchange £ 450.
 Letter from Honey 6th dated 2 inst
~~Letters for the following~~

W. J. Mathews
 A. E. Baillon
 W. A. Harding
 W. W. Bertrand (r)
 J. J. Felton
 Dean Brandon.
 R. H. Buckworth.
 Deu Packer
 Peter Kettle.

Certificates relating to Mackinder's Rams

London 4th October 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61. Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 878.

London, E.C. 22nd October, 1898.

Sir,

I confirm my last per Tanis dated the 4th inst., and have now to reply to your despatch no. 102, receipt of which has already been acknowledged.

2. Par. 2. Since you reported the arrival of the "Enola C" the only allusion made to her was in despatch 99, in which you mentioned that she had been in Salvador. We have heard nothing about her erratic and uncertain movements, and understood that her account would be so trifling that it was not worth while cabling about her. The Board think that you ought to have given us an opportunity of enquiring as to the standing of the owner, but hope that the draft for over 2500 dollars, which has gone forward for collection, will be duly met.

3. Par. 3. I think that the amended documents relating to the Perseverance now supply all the missing information that was required by the Underwriters, in whose hands the papers now are; but we shall probably hear from them before it is necessary to close this. Par. 4. The whisky papers have also been sent in; but I have to remark with regard to both these matters that we do not want the claims made out in your office: all you have to do is to provide us with clear and properly certified statements, leaving the claims to be made on this side.

4. Par. 5. I have read the correspondence with the Colonial Secretary about the assessment of our land for the Scab tax, and agree with what you say, though, as the matter in dispute is confined to the one point, the acreage of Lafonia, it was unnecessary to complicate it by an allusion to our remarks about the leased islands. I do not remember where I got the account of 46792 acres I gave you, unless from some paper that has got mislaid, but

A. E. Baillon, Esq.,

Manager,
Stanley.

as I have said, it is outside the question. If you can save me from the unpleasantness of a Colonial Office correspondence I shall be very much obliged to you, and I hope that you will win the game off your own bat. I now send a copy of the details of acreage upon which we were assessed for the Land Tax in 1883, the original of this must still be in your office, and if you can find it I think you will see that it is in the handwriting of Mr Bailey. This paper was an enclosure in my despatch from Stanley of 2nd February, 1883, no. 351, and references were made to it in outward despatch 622-7 of 27th March and 358-16 homeward in the same year; this fixes the time when the estimate was made, and if you look in Sundry Farm memos. or Sundry papers about that date you will probably light on the original. You will not understand the 25,058 acres without explanation: they consist of ^{sec} 29,600 acres, 1000 and 462 acres purchased at different times on sec. 8, being the land between Darwin and Camilla Creek, the original 160 acre freeholds on sec. 7 & 8, and the final measurements of secs. 7 and 8, when they were bought outright, 11,776 and 5,500 acres respectively. In the present assessment the Government have overlooked the 1000, 462, and 320 acre lots, and I do not think it is necessary to point out their error until they recede from the preposterous claim on 700,000 acres which they are asserting. It would have saved much trouble if you had objected in the first instance. It is a point to be made against them that if, as the official despatches quoted show, Governor Moody, with a stroke of the pen reduced his estimate by 100 square leagues, or 50%, the subsequent rough and ready guess of 700,000 acres can never have been made in the anticipation of its being made the basis of taxation, or compare for exactness with Mr. Bailey's computation of the nautical measurement, which is applied to all the other stations. With regard to the estimated acreages of the leased islands, if you had looked back to the land tax payments you would have seen, I think, that they were put at 12,000 for Lively; 14,000 for Speedwell, 10,000 for Bleaker, and 6,000 for Great Island, but I am uncertain whether D. Smith has or had the use of Swan Island; if so, perhaps this accounts for the larger acreage for which he is charged. Information on this point is wanted, and

you should look the matter up carefully.

5. Par.9. Please state when it was that you reported the difficulty experienced in raising steam on the Biene. As far as I can see, had it not been for a casual remark I dropped to Rees we should still be without any later information than was given in your despatch 96-23 of 18th May last. It was highly optimistic: the Biene had taken 72 tons of coal from the Glengowan at 5/.a ton, had pumped the ship dry, and plugged up the rivet holes; the Captain must have considered it fit to burn, or he would not have taken that quantity; probably Capt. Lubcke's report was made with a purpose, could we not raise on Aslachsen's offer, &c. &c? We did so. Rees came home in the Itauri, and arrived in July. Talking to him one day; I remarked that we had a good thing in the Glengowan, the coal was evidently good, and the ship was pumped dry and I supposed afloat. Not at all, he said, the Biene could not raise steam with the coal sufficiently to carry a cargo safely across to the Straits, and had had to go there slowly to get a more suitable supply with which she returned to the Islands, and as to being afloat, the plugs had either been purposely knocked out after the coaling was done or had washed out, anyhow the ship was full again. This news came in July, and I now hear from you at the beginning of October of the removal of these plugs. Had we known from you in time, as we should have done, about these matters, it is questionable if the Board would have bought the vessel at all. I am giving you these facts and dates, both for the purpose of getting you to furnish an explanation, and of pointing out that we like always to get information first hand direct from yourself instead of from outsiders; but we can hardly expect to get it unless you carefully note down at the time anything that you may hear that ought to be reported. The Board want to know how you have ascertained that the coke is worthless. The Salvage Association have again enquired whether we are disposed to sell, but I cannot give a definite answer until your estimate of the cost of decking here is received. The yards, masts, rigging, and all gear but the anchors and chains would be left to us, but I feel sure that the purchasers would want the ground tackle.

6. Par.10. The sum involved in the matter of Auction commission is too small to be worth troubling about.

7. Par.11. This paragraph is a little incoherent: it refers to a paragraph of which the number is not given, and alludes to a "lost and." We are not aware that anyone has made a claim for a lost and, and the passage must remain in obscurity. As regards a press copy of a paper relating to the lost whisky, I think that you will find that my remark about it was qualified by the words "unless I am mistaken", and it should have applied to the document that accompanied the statement, i.e. the Collector's certificate, which was not countersigned.

8. I have to add to the above paragraph that the claim was not "signed" at all in the proper acceptation of the term, that is to say it was not signed for the Company as making the claim, but was merely a vague expression of a claim by somebody, supposed to be rendered impressive by your own signature as Lloyd's agent. If it was intended to represent a claim made by the Company it should have been signed for them by Mr. Harding or some official, and then countersigned by you; but it is unnecessary to say more on the subject, as you will understand that claims will be made from here in future.

9. Par.14. The Board agreed to send out a boat to replace the whaleboat which has been so many years in use, and I gave the specification to King, who is considered the best boat builder in London of working boats, to estimate the cost. To my utter surprise he has sent in a tender for £103, which I at once rejected as ridiculous. To the best of my belief the one at Stanley came out in the West, which arrived in July, 1869, with another one of precisely the same dimensions, for the use of the Lotus as whaleboats. They were considered too heavy, and I sold one of them, I think, at all events she has disappeared for many years. I want you to look up the invoice, and let me know what they cost. The copy is, of course, in the invoice book of the time, but the original, like other invoices previous to the time of guardbooks, was put away in a bundle, and will be found in one of the boxes of old papers. You must let us know, too, whether there is any difference in the size or specification generally of the boat asked

for sufficient to account for the enormous price. The old boat having done good service for 29 years, it may be assumed that it would be difficult to improve on it, and in any case £103 for a rough knockabout boat would be out of the question. Since beginning this paragraph we have ascertained that the two boats per West came from Forrestt & Son, and the invoice amounted to £88.8/ but the office copy has long ago been destroyed, nor can Forrestt help us, as their firm has been changed three times in the last 30 years. I will now ask them for an estimate.

10. Par. 15. The sundries for the Great Britain's boiler will be sent.

11. Par. 16. The Board cannot arrive at any decision about Noble's boys until you furnish precise information as to how we stand with him as regards passages. Did he not bring some or all of his children home when he came himself? Is he entitled to a return passage for himself? The Board would be unwilling to set any precedent under which any of our people could consider themselves entitled to send their families backwards and forwards at the Company's expense when it suited their convenience.

12. The wool having been all sold, I have been able to get up the statistics for the year, and the result is most unsatisfactory. We have sold the clip at an average price of 5¹/₄d. per lb., a price for which there is no precedent to be found here. As the prospects of the market for coarse wools is still gloomy, it is more than ever necessary to exercise the greatest economy in all branches of the Company's business, and the Board will look to you to see that this is done.

13. You have sent an order from R. B. Gull, which is of a retail description, and it is stretching some points to undertake to execute it. While we have undertaken to supply goods in a wholesale way to the larger farmers outside Stanley, we have never contemplated shipping on a paltry 2¹/₄d. commission little orders that ought to be supplied from the Store. The order has been executed this time, but you must make it clear that we do not undertake either to deliver the goods at New Island or to fetch from such a distant station the little lot of wool Gull ships on the same terms as we do for the larger and nearer people, and the

carriage to and from New Island must be at his expense.

14. We should like to know who Wood Brothers, who advertise in the Magazine, are?

15. There has been some confusion about the hides received per Tanis, owing to the want of a specification. The Bill of Lading for our lot gave 27 bundles and 787 loose hides, and we have sold 877 in all; but as we have no information as to the number in each bundle it is impossible to say whether we have them all or not. In the case of Mr. Packe's hides there are two short, for which a claim has been made on the Kosmos Co.

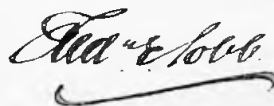
16. As all our clients are suffering with ourselves from the low value of wool, you will have to be circumspect about advances, and see that none of them get too heavily into our debt. We cannot help observing that Mr. Packe's account has been increasing for some years altogether out of proportion to the amount of his produce, and although it is not an account about which we have any reason to feel alarm, it is obvious that, unless his expenses are curtailed or his produce increased, a time must come when it will be necessary to protect ourselves. Perhaps by the exercise of a little judicious diplomacy you might get him to see the necessity for retrenchment.

17. Dr. Foley has written me privately as to a few points on which he is rather dissatisfied. As he has not asked me to bring his remarks before the Board, I have not done so, but I send my reply open, so that you may see what his grievances are.

18. I send some copies of a notice about the increase of primeage by the Kosmos Co. from 5 to 10%, which renders necessary a corresponding rise in our freights. This was unfortunately overlooked until now, but the matter will have to be put straight.

I am, Sir,

your obedient servant,



Managing Director.

Copy.

F A L K L A N D I S L A N D S C O M P A N Y .

Freehold in Lafonia and adjacent Islands originally computed at 200 square leagues and granted to S.F.Lafone for £60,000, (see despatch of Governor Moody no.21, 1st May, 1844) but afterwards on the application of Mr.Lafone it was computed at half the supposed area and the price was reduced to £30,000. (Earl Grey to Mr Lafone, 21 June, 1849)

100 square leagues = 576,000 acres nautical measurement

Lafonia and surrounding Islands	576,000
Freeholds no.29, no.7 and no.8	25,058
Leasehold including compulsory freeholds	75,460
	<u>676,518</u>

Enclosures.

Duplicates

Despatch No. 847 dated 4th Oct.
Ledger & Journal Entries
List of Enclosures.
Client's reports & contracts

- LI 26 salted Hides "Janis"
- L 21 " " "
- S 161 " " "
- R 42 " " "
- S.S. 27 " " "
- Roy book. 14 chs Saltoo "Janis"
- to Sell. 1 " " "
- F 287 bales wool Orchid
- R 189 " " Thetis
- Sitzroy 2 " " Heeko
- to Sell. 40 " " "
- S.I. 21 " " "
- J.B. 80 " " "
- H.B 42 " " "
- B** 43 " " "

Client's Invoices, as follows:

- J. J. Felton 58. 9. 9
- Pearl Backe 55. 11. 11.
- Dean Anson 59. 5. -
- St Watdron 4. 14. 1
- Dr Jamison 12. 10
- R. J. Mathews 1. 1. 9
- Robert Blake 11. 7. -
- St G. Cobb 6. 10. 7
- J. Robson 8. 0. 7
- Backe Bros Co. 10. 16. 6.
- Stanley Assembly Rooms 5. 10. 1. 14.

Duplicates of Enclosures per Consignee's letter
Second of Exchange. 1450.

B/Lading Cargo per "Janis" (two)

Client's sales as follows

- 3 2 bales wool "Heeko"
- to Sell. 40 " " "
- F 287 " " Orchid
- R 189 " " Thetis
- B** 43 " " "

1B 80 bales Wool in bales

H.B 42 " " " "

Company's Copies Brokers A/sales Wool per "Janis"
Clients A/sales as follows:

- upm 4 Hides in "Orchid"
- R 42 " " " "
- L 21 " " " "
- S-S 24 " " " "
- S 161 " " " "
- ZI 26. " " " "

Company's Copies Brokers A/sales ~~Wool~~ Hides "Janis"
Clients A/sales as follows:

- Fs 5 bales Skins "Orchid"
- S 19 " " " " " " " "

Company's Copies Brokers A/sales Tallow in "Janis"
Clients A/sales. as follows.

- W. J. Ell. 1 ck Tallow "Janis"
- Roy Cool. 14 cks " " " "

Sweetmeat Co's invoice goods shipped per "Janis" / 16. 9. 5.
Rose White Co's

Corrected general "Invoice" goods per "Janis" £402. 11. 5.

Copy (free) of claim on broken Whiskey returned.

Eight Assurance Life Policy for D. Foley.

Clients Invoices goods per "Janis"

Burgund - Felton	45.	9.	11.
Bailton - Stickney	39.	8.	11.
Dean - Anson	30.	12.	4
J Robson	7.	3.	1
H & G Cobb.	5.	12.	9
Mr Williams	-.	10.	6.
Mr Bounce	1.	15.	-
D. Jamelon	9	2.	4
Lee Cackey.	62.	9.	4.
Sharp & Smith	1.	1.	-
Cackey Bros Co	23.	14.	6.
Mr H Waldron	4.	1.	2.

Ledger & Journal Entries

Remarks on Accounts.

Remarks on Stores

Wings. quotations for boat dated 19th inst

List of Exchanges £450

Brown Jocke's notice re rise of 5% - Primage

Letter for G. J. Mathews & D. Foley

Sturgeon's account for fodder for Rams per Janis £66. 0. 7

• Credit Note for Pure Packer \$ 3. 9. 3. —
Tylers Invoice attached.
Tylers corrected Invoice for Company.
Pearson's credit note for allowance Board clips
Particulars of Company's land.

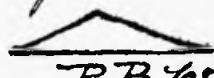
London 22nd October 1898.

Enclosures.

Bills of Ladings:-

 BS

Fox Bay.

 PB6

Fox Bay.

D S

Port Stephens.

Blake.
Still Cove.

L
Roy Cove

 CC

+ general Bills (Stanley goods).

Remarks on Cargo &
List of Dubitable Goods
Letter from Boulton & Paul dated 31st Oct.
& plans of Church.
Manifest of Cargo.
General Invoice of goods, & supplies
Suppliers invoices for clients

London 12th November 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61. Gracechurch Street.

Per Theben.

N^o 879.

London, E.C. 15th November, 1898.

Sir,

Confirming my last via Sandy Point on the 22nd ult., I have now to acknowledge receipt of your two despatches nos. 103 and 104, both of which arrived on the 11th inst. by P.S.N. str. Oropesa. The first should have come by the previous boat, the Orellana; I received your private letter by the Itauri by her, with an English stamp on, on the 31st ult., having evidently been posted on board, so the mail must have arrived at Sandy Point, and the probability is that the Postmaster there, as on previous occasions, put it under his bed and forgot it. I am going to write to the G.P.O., and you should make a formal complaint to the Government; there is nothing like worrying officials about things of this sort. The presentation at odd times of sundry cheques of which we had no advice was most inconvenient.

2. 103-2. It is to be hoped that you will be able to get at Fugellie when across with the Biene; if so, do not spare him.

3. Par. 3. Surely the amount of goods brought by Parcel post must be comparatively inconsiderable?

4. Par. 4. I have not had time to go into the matter of the land measurement again, but will do so after the mail has gone, and write in support of your Memorial with a statement of my personal recollections.

5. Par. 5. You must reply to Mrs. Hansen's question about insurance by thanking her for pointing out the clerical error committed in this office; the charge should have been 30/. in both cases. We get a return on insurance of wool per steamers, but not on ^{seal} sheepskins; I give this for your information only.

6. Par. 6. It is not clear why you thought it necessary to fence with Goodwin about the house promised him, or to refer it

A.E. Baillon, Esq.,

Manager,
Stanley.

back to the Board, who have had their last say on the subject. On the strength of a testimonial backed by you, they made Goodwin a promise, out of which there do not appear to be any grounds for getting, and it was understood that instead of building him a house he could be put into one of the old ones that was likely to be vacant. The Board wish to do more in the way of educating the Camp children than can be managed by one schoolmaster stationed at Darwin, and naturally agreed at once to do what they could for a man who had been so highly recommended. It is not creditable to make promises and then back out of them, and unless there are any serious grounds to be brought forward against Goodwin's character the Board expect that you and Mr. Mathews will manage before long to get him housed.

7. Par. 7. The circumstances under which the letter to Humphreys with the telegram was delayed have been explained. I do not think from what you say that there can now be any shortness of hands, rather the other way if Armstrong brings men over from Sandy Point, and the whole 20 are sent from Montevideo, and besides these there were several more I think by the Tani's than were expected, to say nothing of those you have been able to get in Stanley. I hope that the result of the actions you are taking will be good; it always seems to me that if a man who has been with us some years, and has worked off his debt, wishes to leave at a proper time, there is little use in preventing him from doing^{so}. It is clear from the polite intimation I received from Mr. Brown that Mr. Mathews' idea of getting men for a season only can not possibly be carried out, and he probably sees that himself by this time.

8. Par. 12. The remark about the desirability of introducing a new system and new men into the Store Department was no doubt rather sweeping, and was rather put as an ideal to be aimed at than as a project that can be carried out at the present time. Still, there is no doubt that new blood is required, and the subject should not be lost sight of.

9. Par. 13. It is curious that the fact of the Glengowan filling again was known in London before or about the same time that you knew it in Stanley.

10. Par. 14. Next year we shall know what to do about early

potatoes.

11. Par.15. The sailing of the Albatros was stated as the 10th July; it should have been August.

12. 104-6. Your remarks about the "Yankee" schooner Enola C. are noted; the bill went forward about the 5th October, and in the ordinary course we should get the money in about ten days' time. As we have heard nothing of its having been dishonoured, and the enquiries we have made about Mr.Green are satisfactory, we conclude that it is all right.

13. Par.7. As you are in treaty with Curtze about the Glengowan, we shall not entertain any proposal the Salvage Association may make with regard to her. If you can get a fair price on condition that her masts and rigging are left in her, it would be a pity to strip her; in any case, you must have it made perfectly clear in writing, and the arrangement must be legally binding, that if after purchase she is not taken across to the Coast, or if under any circumstances she returns to Stanley, the ownership must revert to us. I do not much like to hear of Williams having anything to do in the matter; it may be a trick to get a hulk in Stanley Harbour, and against a surprise of this kind you must take every possible precaution.

14. Par.8. The news that you have discharged Jones is good, and the only wonder is that you did not do it before. There is no advantage in keeping on the books an inefficient and drunken servant for the purpose of getting his debt to us wiped off, and in this case his retention on that account has had apparently little effect. It is hard to believe that with a man on regular and high pay for over seven years his debt could not have been squared off if you and the Storekeepers had pushed him regularly and persistently. As regards the employment of Campbell, it will not do at all, and I was astonished that with his record you could have taken a step so certain sooner or later to end in disaster. You must know that he has lost for us every vessel of which he has had charge, excepting the Perseverance; first the Brenton Loch cutter, then, in order, the Lotus, the Sparrow Hawk, and the Black Hawk, costing many thousands of pounds; that after finally leaving us with an intimation from me that he could never

under any circumstances look to us for another command he dis-
 masted and nearly lost the Orissa, besides nearly wrecking the
 Bishop in the Messenger; that afterwards as Government pilot he
 mismanaged ship after ship, and put several ashore in the har-
 bour, until he could be borne with no longer; and yet this man
 whose notorious incapacity or recklessness, or both, is known to
 every schoolboy in the Islands you have thought fit to put in
 charge once more of one of our vessels. Immediately on reading
 your despatch I looked to see if there was a chance of getting a
 cable to you, and found that I could just catch the Pacific boat
 at Montevideo, I therefore cabled you "Educamos Campbell", meaning
 "Do not employ Campbell", and hope that it was in time to save
 the schooner from the certain loss that awaits her under his
 command. Better far to lay her up until some trustworthy master
 can be got, or yield to the extreme pressure of circumstances and
 let Hans have her for a time. I shall, however, talk to the Board
 about the desirability of sending out a man accustomed to coast
 work, even, perhaps, sending him by next Pacific mail. I know what
 a dearth of nautical talent there is in the Islands just now, and
 if Rees when he gets home can find us a man who, in his opinion,
 is fit for the work, I think that he ought to go as soon as he
 can. As regards the Fair Rosamond, you may not be aware that we
 insure her entirely ourselves, not having been able to get any-
 thing but a most exorbitant rate quoted. We have a little Under-
 writing fund, which we keep to ourselves at present, but which now
 exceeds in amount £2000; the greater part of this we have put
 together by running our own risks when the Companies or Lloyd's
 have asked exorbitant rates: we have a share in the insurance of
 the Fortuna, the Thetis, and the Hornet as well, besides having
 taken half the risk on the rams lately shipped. It is as well
 that you should know this.

15. I am sorry to say that by force of circumstances Mr. Cam-
 eron is unable to let us have his wool this next season; he is
 quite contented with the way it has been carried by the Thetis,
 but not having enough homeward cargo on the coast as yet, and be-
 ing obliged to ship cargo including coals both there and to San
 Carlos, he has been obliged to take up a small vessel to do the

work for both places. He has been to see Mrs. Greenshields to make sure that there is no misunderstanding about the shipment of her wool, and that is all right. What you will have to do is to find sufficient cargo to fill up; I wrote to Mr. E. Baillon, but he quoted his partner as saying that he did not care to ship at 30/ & 5⁰/₆; however, it is possible that Mr. Stickney may be of a different mind if you put it to him. There is a saving of 5/ per ton, which is a consideration in these bad times, and the Thetis, unlike old wooden sailing ships, carries her cargoes absolutely without damage; there was not a single bale damaged this time, which is very creditable. Failing Mr. Stickney, there must be several people who are in no hurry, Mr. Bertrand for instance, or perhaps Mr. Dean would like to have some from Port Stephens in her, I will ask him. If, however, there is no wool to be got, you must save up all the bales of sheepskins you can to take the place of the San Carlos wool. With the whole season before you, there ought not to be much difficulty.

16. James Burgess says that he was paid off on the 16th April last; is this correct?

17. I have been enquiring about anthracite coal, and am informed on good authority that although by itself it does not burn well in the furnaces of steamers, if used in the proportion of $\frac{1}{4}$ to $\frac{3}{4}$ of Welsh coal it does very well. Could you not try this, and perhaps get Curtze to make a bid for the cargo of the Glengowan, or again, if Noble's statement that it does not damage by water is a fact, would it be possible to get a price quoted in Valparaiso that would make it worth while shipping it round?

18. You must get authority from the Executor of the late W.D. Benney to regularize the payments that we have to make from time to time to the widow for current expenses. You do not acknowledge receipt of the cablegram sent to Dean Brandon about Mr. Benney's death, which ought to have arrived by the Ammon.

19. The Admiralty have been pressing us to send out some more coals, at first asking for 1100 tons, but upon my representing that we might not have storage for so much, they agreed to a smaller shipment. We have chartered the Serena, 472 tons, for a full cargo, and she is now on her way round to Cardiff to load.

20. Mrs. Bonner's window for the Church goes by this boat; if you can arrange it I think it ought to be opened on board to see that there is no breakage, which, if it occurs must be made good by the steamer, as we are giving the agents full notice of the fragile nature of the contents. We enquired as to insuring it against breakage, but found that we should have to pay something like £8.8/. to £10.10/., and not having Mrs. Bonner's instructions to incur this expense I could not do it.

21. The Thetis left the Docks on the 12th inst., but I am afraid may be detained by a heavy fog in the Channel. Thomas, the late mate, is in command, and I heard from him of his arrival at Deal the day after sailing. The Catholic church has been a most unwieldy and difficult parcel to stow, and has thrown out our calculations a good deal, besides causing much delay. When all cargo ordered was on board, there was still a space of about 40 tons left, and for want of anything better I sent on board 140 barrels of Read's ale and stout together with 12,000 droppers, all of which will be useful sooner or later. Had the Itauri's mail not been delayed, I might have made a small selection from her indent. Mr. Sawyer, son of our Auditor, takes a passage by her, for which he has paid £20, and his father wishes you to advance him any sum up to £100, which will be repaid here. If Mr. Sawyer, who has an idea of getting some sport in the Islands wants to go round, let him take passages in any of the schooners, or, perhaps, there might be a chance of a trip in a man of war. Mr. Sawyer is a very old friend and shareholder, and the Board would like you to show his son every attention. After writing about the boat you have asked for to replace the old one in Stanley, I looked round for a second hand one, but could see nothing suitable, and I then got Rees to see some builders at South Dock, who undertook to build one for £40, or less than half asked by King. This boat is on board, and although planked with pine, is in every respect suitable, more so, both Rees and I think, than an oak one would have been. I remember that when the old whale boat went out it was considered absurdly heavy, and all the builders here concurred in thinking that oak planking would be a mistake,

22. It seems that the carrying plates charged to Mr. Backe be-

longed to the Walker Creek box, being probably what were called the axles, i.e. the plates under the bottom with eyes at the ends to carry the wheels. It seemed to me that they were very dear, and I told Tylers so, but they say that they are an expensive forging. Some of these, I know, used to be made in the Blacksmith's shop in Stanley, and it is possible that it would have been better to indent for the wheels only, and have the rest made by our own men.

23. With reference to steam coals, I always used to take them by Bill of Lading, instead of weighing out, and I am assured that this is quite safe with a cargo of Welsh coal, and probably to our advantage. With the last cargo you had to pay for a small quantity delivered over the Bill of Lading weight.

24. Steps must be taken to prevent a recurrence of the irregularity that has occurred of late in getting the mails forward. In writing by the direct homeward boat it is not sufficient to post one copy of the despatch and send the other by hand to Montevideo, this makes it safe as far as the despatch is concerned, but you should also take the precaution of sending a copy of the cablegram homeward both through the post and under the care of the Captain of the steamer. As regards the Sandy Point mail, a copy of the despatch should be posted, and another sent under cover to Stubenrauch; had this been done, we should have had the Itauri's mail by the Orellana. I think that you often send the despatch to be posted by our agent, and it was a pity that it was not done this time. If your copying ink is strong enough to give triplicates, so much the better. Sandy Point postmasters and Kosmos Captains are human, and liable to err, and it is necessary, by the exercise of a little forethought, to make provision against their possible mistakes.

25. Should any excessive expenditure by the Government, likely to lead to increased taxation, result from the engagement of the new Surveyor of Works, you would do right to direct the Governor's attention to the fact that the Colony is passing through a period of severe depression caused by the disastrous fall in wool, and that with the principal trade of the Colony crippled in this way, temporarily we hope, the time is most inopportune for

launching out into any schemes tending to still further impoverish the sheepfarmers. There can be no doubt that if these low prices continue they will have to exercise the most severe economy wherever possible, if they wish to keep themselves out of debt, and this is a point upon which we also must have our say.

26. The Board take a very serious view of Mr. Packe's account, to which I alluded in my last despatch, and it needs only a cursory glance at it to see that unless he exercises immediate retrenchment it will grow before long beyond all bounds. An analysis has been made of his expenditure for several years, of which I will only refer to that for 1897, as you have all the figures before you, and can see for yourself. In that year we made him advances in cash here and at Stanley and in shipments out just over £5000, and the total debits shown by the account were £6066.2.1, against produce realizing about £3000. The shipments from London amounted to £1507, on which we got a miserable 2½%, and all this has been done on no security whatever, beyond our belief in his integrity. The Board want to be assured first of all that no one else holds any preferential security on his property; we know that he has borrowed £1000 to reduce his indebtedness to us, and unless we know that his creditor is on the same terms as ourselves we cannot be satisfied to leave things as they are. In fact, in any case, I should not be surprised if the Board insisted on substantial security in the shape of a lien or mortgage until the account comes within reasonable dimensions, and it has become necessary for you to have a frank understanding with him as to the future, and to get to learn that by ~~retrench~~ retrenchment to be put immediately in force he intends to do what he can to safeguard his indebtedness to us. The system of shipping out goods on commission was only inaugurated comparatively a short time ago, when the sheepfarmers, who had hitherto bought their supplies from us, became in a position, through the improvement in their circumstances, practically able to cover the advances we made them by the year's produce. Where this is not the case, it is very bad business to allow an account to be piled up by advances in the way of goods which we ship on such unremunerative terms. In Mr. Packe's case, for instance, we find our-

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selves shipping out to him on a mere commission, far more in the way of provisions than he can possibly consume himself, and what does this mean? Simply that we are lending him money, without security, to buy stores to sell to his men, instead of selling them the stores ourselves, in fact helping him to run a Store against ourselves, and can anything be more ridiculous? While the account is in its present condition, we think that his indents to London, except for goods that we cannot supply him, should cease. In the old days, when many accounts were in the same condition, no farmer would have dreamt of asking us to do such a thing. There are other items in the account that seem quite unnecessary; take for instance the fodder and other things he gets down so often from Montevideo; are these necessary, and if so, cannot we supply them ourselves? Probably he has hardly given sufficient thought to the necessity for retrenchment; if so, it is your duty to point it out. The Directors have no wish to bear hardly on him, but with this account before them they cannot overlook the fact that they are acting for their shareholders, and are responsible to them. There are other accounts besides this that are not in a healthy condition, to which your attention may be drawn later, but knowing the views of the Board you must, where you think it desirable, act for yourself, and insist upon a lessening of the drafts upon us. We pay a large sum of money annually on account of our clients, and financing these advances is becoming increasingly arduous. In fact in the case of those who do not consign their produce to us, it may shortly become questionable whether it is worth while retaining their business at all. We hold no security, and although we do not doubt the good faith of any, it is not good business to scatter large sums of other people's money when we get no adequate return for it. The Board will be glad to have your views on the whole subject when you have time to give to it.

27. The Ammon was off St. Catherine's two days ago, but is probably blocked at the entrance of the river by a dense fog that has prevailed since yesterday morning. The wool by her will be put up for sale at the next ^r sales, which will shortly commence.

28. I ought to have mentioned when reporting the coal charter that we have contracted with the Admiralty to supply them at 54/ per ton, the other terms being the same as before, including the charge for moving hulks, which you must get paid by the ships in Stanley.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatch No 848. 21st Oct /98.
 Ledger + Journal Entries
 Remarks on Accounts.
Clients As sales. -

S 5 24 Hides "Janis"
 R 42 " "
 Apr 4 " " Orchid
 S 101. " " Janis
 S 19 bales. Skins "Janis"
 F 5 " " " Orchid
 B 40. " " Wool. Tocco
 10 Feb. 40. " " "
 L. 14 cks. Tallow Janis
 10 Feb. 1 " " "

Clients Invoices -

Gache Bros Co.	rs. 14. 6.
Mr Williams	- 10. 6
Mr & Robyn	4. 3. 1.
J & G Cobb.	5. 1. 9
Dean Anson	30. 12. 4
Bailon Stickney	39. 8. 11.
Bertrand Felton	45. 9. 11.
Mr Bonner	1. 15. -
D Jamison	9. 2. 4.
Felix Gache	62. 9. 4
Mr J Waldron	4. 1. 2
Sharp Smith	1. 1. -
Peru Gache.	3. 9. 3.

Remarks on Stores
 Particulars of Land
 Second of Exchange of 450.

Correspondence with the Admiralty re coals dated 1st & 2nd + their reply of the 4th 1800
 Hickson's letter dated 3rd 1800 re sale of Boots.
 Copy of letter to Stayward Jyles 26th Oct + their reply of the 28th.

Kirkland Copet's account for
 J Bonner 4. 6. 1.
 J King 17. -
 A B Bailon 18. 6.
 Messrs Thompson's account for Q Foley 12. 3. 8.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 880.

London, E.C. 3rd December, 1898.

Sir,

My last despatch went per Theben on the 15th ult., and no mail from the Islands has since come to hand.

2. The draft on account of the Enola C. has been paid, and I have received a letter from Mr. Green expressing surprise at having heard by cable from the U.S. Consul that the vessel had been seized for debt. I have written him that it was not done at our instance, and that you will do all you can to facilitate his business. I also gave him an epitome of what you had reported, and am not surprised at his perplexity.

3. The Board have had before them the subject of the memorial about the assessment of our land and have examined Mr. Harding's chart with much interest. They give him great credit for the trouble and care expended upon it, but regret that the objection taken to the assessment was on the wrong lines altogether. The point we ought to have stuck to was the precedent set by the acceptance by the Government of land tax for ten consecutive years on the computation of 576,000 acres for Lafonia, and if you could not find this paper, although it must be in the office, it would have been better to wait until the actual acreage we paid on under the 1882 Ordinance could have been ascertained. The acreage you give is entirely wrong, and this has unfortunately gone as an enclosure in your letter to Mr. Chamberlain. You put it at 712, ⁵¹⁸~~000~~ acres, but where you got this it is impossible to see. You did not take the trouble to verify it by looking at the payment made every year from 1883 to 1892, which was £469.16.1, according to the cash book for those years; it would not have taken a minute to calculate that at one-sixth of a penny per acre the total works out at 676,518 acres, which was the correct quantity exactly. Again, in giving the details of your supposed acreage you in-

A. E. Baillon, Esq.,
Manager,
Stanley.

clude sections 24,25,18,and 44,and the reserves,although you must have known that these paid double rental,and were not liable to taxation,in fact this was clearly stated to you in the Colonial Secretary's letter of the 28th of May. And then,to make up your imaginary acreage you have taken a shot at Lafonia as being 572,558. This can be arrived at by adding to your figures the reserves,5224 acres,which were not liable,and deducting from this sum the 1782 acres of freehold which were; but how you arrived at this is,as I have already said,impossible to see. The sum of it all is that there are in question four separate estimates of Lafonia,the 700,000 wrongly charged,595,042 according to your letter,your imaginary 572,558,and 576,000 upon which we should have paid according to precedent. Is it possible to imagine a more hopeless muddle? Of course when I speak of Lafonia I include the Islands adjacent; as to this I have found in going again through the figures where I got the 46,792 acres I enquired about some mails ago. It was from working up the amounts charged to our tenants under the 1882 Ordinance,and should have been more correctly 46,800 acres,i.e.Lively 12,000,Bleaker 10,000,Speedwell 14,000,and Great Island 10,800. With regard to the last I find that David Smith paid £4.3.8,(why not £4.3.4?) apparently on 6,000 acres for Great Island up to 1889,and then on 10,800; was this the year he was allowed to occupy Swan Island,was it computed at 4,800,and does he still occupy the Island,and on what terms,is it a lease or a yearly tenancy? You mentioned some time ago that in assessing our tenants Mr.Harding had had to make an estimate; this would have been unnecessary if the payments under the land tax had been taken as a guide. I enclose a copy of a letter I have written to the C.O. on the subject; so far I have only been obliged to give you away to the extent of 36,000 acres,but it is possible that I may have to go more into detail. The moral of all this is that you should not enter into a controversy with the Government without being sure of your facts and figures,and that if you are not certain about them it is most hazardous to invent them.

4. When making up the farmers' accounts current for the year we want two press copies taken in future,one to be sent home,as

they give more information than we can get from the Journal entries.

5. The complete invoices per Thetis go this time; I observe that on Cull's goods we get a commission of 11/8d. and on A.E. Felton's 15/1d. I need hardly say that such retail dealings give no adequate return for the trouble caused by them, and they ought to buy on the spot in future. I have remarked about Cull's account before. There is an invoice for a man named Harries charged to Packe Bros., £14.19.5. Is he one of their farm hands? If so we must really decline taking such orders in future, we are very glad to buy things for our regular clients if their business is worth it, and they can keep us in funds, but if this sort of thing is encouraged we shall have every shepherd and labourer in the Islands sending us an indent for his year's stores.

6. We notice with regret that the amount of goods sent to Mr. Packe by the Thetis is higher than any other invoice, and the dissatisfaction of the Board is increased by hearing that he actually does keep a Store in Stanley, and that notwithstanding his large indebtedness to us we are actually finding him in funds to run a business in opposition to ours. Astonishment has been expressed that you have been so blind as not to see this; you have passed on his indents without remark, you have never called the Board's attention to the account, and if you have at any time remonstrated with Mr. Packe, we have not been told of it. It is your duty to defend and protect the Company's interests in Stanley upon your own initiative, when you think necessary, and not simply act as the mouthpiece of the Board. The system of buying and shipping goods on commission was only started a few years ago, at a time when the majority of the Co's clients were in a position to keep us in cash each year; in former days no one would have dreamt of asking us to do it, and those who are now in debt ought to see that in their present position they cannot ask us with any reason to grant them privileges which no business house in London would think of entertaining. An order was lately sent to Montevideo for 50 bags Maize and 25 of Pollard for our Store, and 40 and 15 of each for Mr. Packe; we get no pull out of this, and have to find the money. Unless he is a position to pay for

these shipments, he has no right to ask for them, and this you ought to know without being told.

7. In your despatch 103-10 you said that you would write by the following mail on the subject of Noble, but, as so often happens, nothing came. The same remark must be made with regard to the further report on the Storekeeper question promised in para. 12 of the same despatch.

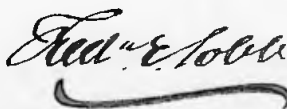
8. I understand that the Great Island sheep have been boiled down at Port Howard for some years; has the tallow always been sent to us? There does not appear to have been any charge made to D. Smith at Goose Green for some years, and as he has sent tallow probably the report is correct, but things of this sort ought always to be reported on by yourself.

9. Mr. Felton has mentioned that one of the Government servants has received a circular stating that the Government would import goods for them, and that corn was to be had at Government Store at much less than Store prices; if this is so, a protest should be made, for Government are not supposed to interfere in trade, and such a course would never be upheld by the authorities at home. Mr. Felton also mentions a rumour that there are to be cottages built in front of the Manager's house; I think that it ought to be pointed out quietly to the Governor how much Stanley would be spoilt by doing away with the open front, and the property on Ross Road depreciated in value.

10. Your attention is called to remarks enclosed on the subject of freights by steam home, as to which there are constant and inexcusable blunders; the question has arisen before, but no attention has been paid to what has been said.

I am, Sir,

your obedient servant,



Managing Director.

11. P.S. The Board have decided to send out a master for the Fair Rosemond by the next steamer.

Enclosures.

Duplicates

Despatches No 849 dated 15th 1000/98.

Ledgers & Journal Entries

Remarks on Accounts

Client's reports & contracts

F 44 Hides "Theben"

R 70, bales skins Shetis

DS 7 " " "Theben"

L 175. " Wool "

DS 34 " " "

J.B. 49 " " "

Remarks on Stores

Duplicates of Enclosures "Consignee's letter"
Second of Exchange £450.

Trading Cargo per Theben & Orchid
Chartered Party ship "Scrymgeour"

10th Smith's cheque for £100 returned.

Copy of letter to the Colonial Office dated 24th 1000

Client's reports & contracts

IT 19 cts Tallow "Amsonon"

H.W. 12 " " "

W.P. 9 " " "

B 7 " " "

RBC 5 " " "

W 40 Hides "

RBC 67 Hair seal skins "

L 249 bales Wool "

ITW. 56. " "

Wallace's invoice for ~~goods~~ "5/-"

Copy of W Whiteley's letter dated 28th 1000. & credit
note for difference £1. 2. 8.

Wool reports.

Assessed carriage for land & sheep tax.

Client's Account sales

F 44 Hides Theben

IB 99 " " "

DS 7 bales skins "

R 70. " " Shetis

W 200 skins "

Goods per "Theben"

Backs to pros. 6. 12/-

(press copy)
Client's Invoices

J. Best. 4/6.
 Wm Bonner. 172. 16. 2.
 O McPherson 17. 1.
 A. E. Baillon 7. 3. 8
 Cacke Bros. & Co. 25. 16. 2
 E. J. Mathews 16. 10
 Kerr Cacke Bros. 7. 13. 3
 Holmsted Blake. 1. 3
 Baillon, Stickney 93. 3. 6.

Clients Invoices' goods per Thetis

Wm Bonner. 535. 19. 1.
 Stickney Bros. 340. 1. 2
 Wm Williams 291. 10. 10
 Cacke Bros & Co. 49. 10. 11
 196. 14. 8
 Baillon, Stickney 412. 12. 2
 Cacke Bros & Co. 584. 7. 10
 A Vitaluga 419. 7. 0
 E. J. Mathews 49. 18. 9
 G. G. Diamond 594. 18. 4
 A. E. Felton 30. 19. -
 R. B. Bull. 23. 19. 2.
 Dean Anson 41. 16. 5
 H. Waldron 44. 4. 8
 Kerr Cacke 486. 3. -
 Holmsted Blake 644. 0. 0.
 Bertrand Felton 650. 11. 6
 W. G. Standing 3. 14. 10.
 J. J. Felton 583. 1. 2.

(Ozchid). Corrected General Invoice goods per Thetis " ledger & journal entries

Remarks on Accounts
 List of Exchange \$1450.
 Remarks on ~~Stocks~~ + replies
 letters for
 E. J. Mathews
 Martin Johnson

London 3rd December 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Ammon.

No 881.

London, E.C. 23rd December, 1898.

Sir,

My last despatch went per Supplementary mail on the 3rd inst. and your no. 105 arrived on the 12th. I now reply to this to get it away before Christmas, but there will be another mail in before the Ammon leaves, to which I will reply later.

2. Par. 2. Messrs. Humphreys advised having sent six men only by the Tanis, and it appears from Mr. Mathews's letter that you countermanded half those I cabled for, which was a good thing, but you ought to have reported it. The news about the rams is bad; we have not put forward the claim yet, because you have not said whether they would be sent on by sea or not; but if they are to be detained an indefinite time in Stanley we cannot keep the matter open. As the pens were in every respect precisely similar to those which have carried rams without loss on three previous occasions, and were approved by Mr. Sturgeon and Mr. Blake amongst others, it is nonsense to talk about their defective construction, and the loss must be attributed to the weather the Tanis met with; it is reasonable, however, to point out that the tarpaulins might have been whitened, although no such remark has ever been made before. As regards the scab, from enquiries I have made I cannot think that the mutton sheep from Hamburg were infected, as Mr. Pepper tells me that the disease is not known in the neighbourhood, and that all ^{their} ~~the~~ stock are carefully selected and inspected before shipment; we have therefore to fall back on the theory that they may have taken scabby sheep on board at Sandy Point on the homeward voyage, and that the pens may not have been disinfected afterwards, which is rather far fetched, and I quite hope to hear that the Inspector's hurried diagnosis was a mistaken one.

A. E. Baillon, Esq.,

Manager,

Stanley.

3. Par. 6. We have no desire to tie up C. Smith with any red tape in the matter of his pension, and if any responsible person in his neighbourhood can be found to vouch for his being alive at the times the instalments are due, and if Braun & Blanchard can make the payments without any commission or loss in exchange to us, there is no reason why they should not do so. The certificate is not a mere formality, and is considered necessary to avert the possibility of fraud. We cannot agree to break through the custom of paying the pensions quarterly; it would be very troublesome to us to have to send out monthly cheques, and cannot favour one more than another.

4. Par. 9. The cable from Mc. Pherson was sent as requested by him in his own words. You could not have known that he was writing to Mr. Mathews, if, as I understand, the letter and cable were expected to arrive by the same boat. If they did, I rather wonder that they were not understood. There is no punctuation in telegrams, and of course a comma was intended to be read after the word "letter."

5. Par. 10. We did not want you to search for a good reason for increasing the monthly, or I should say the three weekly purchases of drafts from the Crown Agents, and I shall now inform them that we cannot do as suggested. All the Board have to say about the issue of Treasury notes is that they should be safeguarded by being restricted to the actual amount of coin in the Treasury; they may be useful as currency, and save time in counting out silver, but why they should be issued in less sums than £1 is not clear.

6. Par. 12. All I can say today about Noble is that on receipt of his message through you, finding that his aunt was still willing to take the children I wrote to Mrs. Booth, who flatly refused to give them up until she heard direct from Noble himself. To this I replied that the monthly payment of £8.6.8. would cease after the 1st prox., and this morning I have a letter from her Solicitors. It is astonishing that he should not have written to Mrs. Booth himself, and unpardonable that he should give me so much trouble. If what Mrs. Booth says is true, he is acting with great duplicity, for I have always understood him to say that he

wished his rich relations would do more for him. At the expenditure of a good deal of time and trouble I have succeeded in getting him in the way of having his children looked after for £80 a year instead of £194, which we were actually paying Mrs. Booth until last year, and yet he has not written a line to me on the subject in reply to my last letter, and not taken the trouble to ensure the last arrangement being carried out. On the top of all this is his debt to the Company, as to which he appears indifferent; but the whole thing must be brought to a head now, and I shall get Mr. Mathews, as being nearer him, to take him in hand. The boys with Mrs. Clare are doing so well, and are evidently so nicely cared for, that it would be a great pity to have them all sent out prematurely.

7. I do not think that I mentioned that the invoice of the Church was sent out free of commission, although it caused a good deal of correspondence and trouble.

8. I send you the Weekly Budget of the 10th inst. containing an article on the Colony by a Frank G. Carpenter; who is he? Like all newspaper reports it contains inaccuracies, but is fairly correct.

9. I will delay sending you the book on Master and Servant until I hear that it deals with the law as at present in the Colony; that is to say according to the Ordinances 4 and 5 of 1882 extending to the Colony the Imperial acts on Employers and Workmen and Employers' liability. It may be so, but as the last act has not become law in the Colony, the information it contains may not apply.

10. The Serena was delayed at Cardiff by head winds, but is reported as having sailed on the 19th inst.

11. I find that there was some misunderstanding about the cargo for Weddell Island, per Thetis, which it was too hastily assumed would be discharged in Stanley and sent on, on account of the small tonnage. This must be left to you to decide, for as the vessel passes Weddell there does not appear to be any reason why she should not drop the cargo there. The same may be said with regard to Spring Point; in both these cases there may be wool to be picked up or some good reason for going in which we cannot

judge about here. The cargo for those places is stowed in such a way as to leave in your power the decision as to the Thetis's programme.

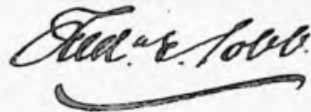
12. The average adjusters have noted that no fee is charged for your certificate on the Ramses matter, and have entered it as 1/.

£1, which is credited to you.

^

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatch No 880 dated 5th inst
List of Enclosures.

Ledger & Journal entries
Remarks on Accounts.

Client's Affairs.

- F 17 hides "Sheben"
- R 10 bales skins Shetis
- DS 7 " " Sheben
- I-B 99 hides "

Client's invoices goods for Sheben
" " " Shetis

Client's reports & contracts

- 14W. 40 hides Ammon
- 14W. 10 chs Tallow "
- W.P. 9 " " "
- B** 4 " " "
- R.B.C. 5 " " "
- IT** 19 " " "
- 14W 56 bales Wool "
- L 249 " "
- R.B.C. 67 hair seal skins "

Remarks on stores & replies to
General Invoice goods for Shetis
" " " Sheben

Charity Party ship "Serena"

Particulars assumed average for land-tar
Second of Exchange £450.

Wool reports.

Client's reports & contracts

- 14W. 8 bales skins Ammon
- L 5 " " "
- I-B 9 " " "
- B** 11 " " "
- R.B.C. 4 " " "

Client's Affairs as follows:

- J.B. 49 bales Wool Sheben
- L 249 " " Ammon
- 14W 56 " " "
- DS 34 " " Sheben
- L 123 " " "
- 14 40 hides Ammon

N.P. 9 cks Tallow Ammon

B 7 " " "
HW 12 " " "
R.B.C 5 " " "

Copy of Brokers' A/sales 6-14 ides. per Ammon
Post adms, gratuity Receipt \$5.5.0, ~~freight~~ ^{import} ~~life~~ coats of "serena"
Mail tables (2)

Certificates of ~~men~~, when applying for pension
Ledger & Journal entries
Remarks on Accounts.

Letters for the following
Martiny Johnson
A. G. Bailon
G. J. Mathews

M^r Charles & M^r Booth's letter of the 14th Dec
& 19 Dec respectively.
Trust of Exchange \$4.50

London 27th December 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street,

Per Ammon.

N^o 882.

London, E.C. 27th December, 1898.

Sir,

Since writing on the 23rd inst. your despatch no. 106 posted in Montevideo has arrived, and the Herodot's mail has also been delivered.

2. 106-2. It is to be hoped that there will not be any serious damage in the Albatros discovered after further discharging her, as there will be no claim. The manhole in the tank with the oilcake ought to have been properly secured here.

3. Par. 4. Iron damage arises from bare iron having been at some time improperly allowed to come into contact with hides. When they have passed through so many hands it is always difficult to fix on the place where the mischief occurred, and practically there is little chance of making good a claim.

4. Par. 5. A few lines written by some trustworthy person, preferably an official, are all that we require in the shape of a certificate, and it is not necessary to go to the expense of having forms prepared for use in an isolated case. I enclose the certificates received in the cases of Armstrong and Fraser to show you what is sufficient.

5. Par. 6. I have heard nothing more from the owner of the Enola C.

6. Par. 8. It is clear that we have never received from you any information, such as now supplied, about the Glengowan's coal; had it been received in time we should not have wasted £100 on it, but it is doubtful whether it could have reached us in time. It would, however, have been of the greatest service to know the real truth about the coal, as we could some months ago have re-sold it to the Salvage Association without difficulty.

7. Par. 11. I shall be glad to get further information about Noble when it comes. Since writing on the 23rd Mrs. Clare has

A. E. Baillon, Esq.,

Manager, Stanley.

been here with his two boys, and he may, if he takes any interest in them, be glad to hear that they look like lads that would be a credit to anyone. They are cheerful and happy without a doubt, and I hear that they are doing very well at school. Mrs. Booth through her Solicitors wishes me to infer that Noble has very little respect for his relations; but when I tell you that the old couple, who are wealthy and have no children of their own, are taking the interest in his children now that he always wished they would, you will agree with me that he must be more than a fool to himself if he tries to keep his family away from them.

8. Par. 18. The reason for the telegram about Campbell has been explained; you will see the force of our not wishing to doom the Fair Rosamond to certain destruction. As regards the new Master, I was in hopes of sending out a young man recommended by Rees, but he failed three times in three consecutive weeks to pass the examination from mate to master, and so it is possible that we are as well without him as with him, for he would, in any case, have had to learn the coast. We have therefore decided to send out Willis, and though I know that his engagement is not quite free from objection, as I should have preferred both a younger man and one who has been in the habit of running a trading coaster; still, it is to be said in his favour that he has always proved a safe man, that he is not a drunkard like Jones or a wild man like Campbell, that he is a good navigator and knows the Islands and the tides and currents as no stranger could do under a year or more, and that he may be expected to keep his ship in good order. He goes by this mail, and his agreement is enclosed. I have fully explained to him that he will be expected to drive and look after the vessel and the men himself, and though I have little doubt that he will acquit himself creditably his engagement can be terminated at any time should he fail to give satisfaction.

9. Par. 19. Your remarks about the Crown Agents' drafts are quite in accordance with the views of the Directors.

10. The Board are of opinion that there will have to be some alteration in the terms on which we do business for and with the clients who do not consign their produce to us. On looking for

instance into the account of Baillon & Stickney we are struck with the very small profit we make out of it, considering the facilities we give them, and the long time we have to wait for our money. Take the account for 1897 for instance. During that year we advanced them in cash in Stanley over £1000, we bought goods for them and made some cash payments exceeding £400, on which we reaped the handsome commission of £8.18.7 in the year, their interest, which is by no means profit, as we have to finance here to meet drafts from the Colony, came to £64, and the balance due on 31st December was £1405. Although this balance includes payment for goods which are actual cash, the resident partner thinks that it is sufficient to repay us in December this year the £1405, leaving the rest of the account that has accumulated until the sale of the wool next year. If doing so much for them for a trifle resulted in business in the Store, it would not matter so much; but their whole purchases in 12 months only came to £135. The Directors consider that little as we make from our agencies they can only pay us when we do the whole of the business, and say that Messrs. Baillon & Stickney should be offered the choice of several courses: (1) they should consign their produce to us, (2) they should prevent our being under cash advance to them by placing a sum in London to be drawn against in consideration of our giving them the facilities they enjoy in the Islands, or (3) they should be charged for the accommodation given them the same terms as the Port Howard account. This has been communicated to Mr. E. Baillon, who you may be sure does not like it; I believe that his ideas about our business are singularly hazy, and that he fancies that we are making large sums out of the farmers, and sit in this office surrounded by bags of gold, which we are only too much pleased to invest in what he calls a safe five per cent. Mr. W. Stickney has arranged with his Brokers to hand us £800 on the 2nd of January; this is a step in the right direction. Mrs. Bonner's procedure in the matter of money might be imitated with advantage by all the rest.

I am, Sir,

your obedient servant,

Edw. E. Solli

Managing Director.

Enclosures.

Capt Willis's agreement.
Letters for the following:

E. J. Mathews (r)
A. B. Baillon
Fire Packs.
W. A. Harding
J. S. Goodhart.
W. W. Bertrand.
C. A. Cotton

London 28th December 1898.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61. Gracechurch Street.

Per Supplementary
mail via Lisbon.
No 883.

London, E.C. 14th January, 1899.

Sir,

Since writing to you per Ammon on the 27th ult., we have received your despatch per H.M.S. Basilisk, which arrived on the 6th inst., and the cable, "Tanis Stagionare", i.e. 930 bales of wool, on the 10th inst., which is very satisfactory.

2. 107-2. It is a pity that you did not quote Woolfe's invoice in asking for another whaleboat, as I could have got a tender from them; at the same time, considering the increased length and beam, and the higher cost of materials and labour, I do not think that the price paid for the boat per Thetis was excessive. After a lapse of nearly 20 years it is not easy to remember details of purchases, but now that you mention this boat I am able to call to mind that it was built under my own direction when I was in England in 1879. Even now I am not quite clear whether I was wrong in saying that the present boat was one of those sent out by Forrestt, for I have a kind of notion that Woolfe's was built for the use of the Black Hawk, having in view the probability of her being taken out of the mail service the following year. I know that when she was wrecked in Back Harbour(?), Staten Island in 1881, and the crew were taken off another part of the Island, I was very much vexed at having to abandon her boat or boats, and I still think it possible that one of them was the whaleboat that I had had built only a short time before. On this point some of our old hands would be able to speak I think.

3. Par. 3. It appears that there is a shortage in the hides received per Tanis, and our Brokers are making a claim on Browne Geveke & Co. for them. It should be remembered that a specification of all shipments should be sent at the time of shipment, and the discrepancy in the tallies you now mention ought to have

A.E. Baillon, Esq.,

Manager,
Stanley.

been reported by the following mail at latest.

4. Par.4. Mr.Packe's bale of skins has been received from Hamburg. You do not clearly explain why it escaped the notice of those taking tally, for one would naturally think that anything going on board would be noted, or some receipt given to the boatman who took it off. It is well to mention that as the skins are all sorted and laid out in lots it could not possibly prejudice the sale of the portion shipped if some bales were left behind, and keeping it here means extra warehouse rent.

5. Par.5. The Board have considered the question of the telephone, and are of opinion that we should not agree to share the estimated cost of putting the line in order until we are supplied with far more detailed information than is afforded by the Government in the letter of 5th December. It does not state what is needed, who has made the estimate, or why such a sum is required, which is far in excess of the original cost. If, as far as we can learn, the portion that has so often broken down is confined to the stretch that passes over sand, where the posts cannot be sufficiently stayed, there does not seem to be any reason why the repairs should not be confined to that portion, and be carried out by laying an insulated line underground, which could probably be done with a plough. We agreed in the first instance to join in the cost of this line, believing that it would benefit us; we got the materials from a first class firm, whom we consulted as to the best materials to be sent out, and more we could not have done. We now find that it is of no service to us whatever, and further that the pilot service is so inefficient, that proper advantage could not be taken of it, even if there were any ships coming in, which unfortunately is not the case. Under these circumstances, unless we hear that an improvement will be carried out, and we see that there is a likelihood that ships will again put in for repairs, we are inclined to cut the loss, and write it off our books, rather than throw away, in these hard times, good money after bad. As for such fads as luminous paint and asbestos paint, when tarring the posts, as in England, would have been sufficient, you should never have agreed to share in their cost.

6. Par.6. Messrs.W.Lowden & Co. have accepted the draft on ac-

count of the Knight Commander.

7. Par.7. Your arrangements for the schooners will have had to be modified when you heard that we were sending a master out. If you want to see a sufficient reason for not employing Campbell, read my despatch from Stanley of 9th March, 1881, no.306, pars 9 and 10.

8. Pars.9. You will have heard of the despatch of steam coal, and should now inform us whether we ought to send out another shipment to follow the Serena. If the American ships take much, no doubt more will be wanted, and we would send some even now, if we knew what accommodation you have for stowing them. If urgent you should cable.

9. Par.10. In case the fact of Mr.Green's memorandum was not sent to the G.O. by the Basilisk, I notified them that it had been found, and in reply have been informed that a copy of my letter of the 24th November had been sent to the Governor for his consideration. I am rather surprised at this, as it was written to confirm your memorial and elucidate certain points that were not quite clear; I am inclined to hazard a guess that he may have been told that if the facts were as stated by me, the point ought to be decided in our favour.

10. Same par. What you say about the acreages of the Islands is correct, as you will have already seen, but I still think that D. Smith's payment ought to have been £4.5.4, not £4.3.8, as I could never have estimates so closely as 24 acres. If on examining the chart you are of opinion that these acreages ought to be varied, and Mr. Harding's calculations seem to be exact as it was possible to make them, you ought to make the alterations.

11. There is an insurance advised on account of J.L.Waldron, as to which I took the precaution of enquiring before doing it, and found, as I expected, that the produce was covered under the consignee's open policy. I must again point out that the Company's policies comprise only such produce as is consigned to us, and that insurance is always attended to by the consignees here; if we have to do any other a special policy has to be taken out.

12. The Board have considered the question of the deficit in cash referred to by Mr.Harding in a private letter to me, and

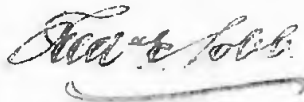
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are willing to accept his suggestion to transfer a part of the surplus cash, now standing in Deposit Account, to meet his deficit of £50, which you will accordingly have done.

13. It may be as well to sum up the decision of the Directors with regard to Mr. Packe's account, as to which you have already been informed. They are willing to make him all reasonable advances for carrying on his farm properly, relying on his doing all in his power to reduce the account as quickly as possible; but they are of opinion that while this large debt still stands it will not be reasonable on his part to ask them to supply provisions and other necessaries for carrying on a Store business, nor do they think that, if his own establishment is unable to supply sufficient sheep for his Butchery, we should be asked to advance money to enable him to compete with us in this business. This has actually been done, but a moment's consideration only is necessary to show the absurdity of it.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatch No 881/882.
Ledger & Journal Entries
Remarks on Accounts.
Clients reports & contracts.

L 5 bales skins "Ammon"
H.W. 8 " " "
B 11 " " "
R.B.C. 14 " " "

Clients Appals:

TB 49 bales Wool "Theben"
L 249 " " Ammon
H.W. 50 " " "
D.S. 34 " " Theben
L 143. " " "
H.W. 12 cks Tallow Ammon
R.B.C. 5 " " "
B 7 " " "
W.P. 9 " " "
W. 40. "Hides " "

Duplicates of Enclosures "consigned letters"
to trading Coals per "Seyna"
second of exchange £450

to trading Cargo. per "Ammon"
Wool report of

Refused invoice goods shipped per Ammon for
the Stanley Assembly Rooms 6/12
Brighton College Account for 12/11/18
Certificate of Entry "Theben" for Capt Thomas
Clients Appals:

B 19 cks Tallow. Ammon
R.B.C. 4 bales. Skins "
B 11 " " " "
H.W. 8 " " " "
L 5 " " " "

Clients reports & contracts

L 30 Hides per "Ammon"
TB 55 cks Tallow "Luciana"
R.B.C. 5 seal oil Ammon
B 9 cks fur seals

Copy of letter to the Colonial Office 6th Jan'y.
Copy of letters to Bradford of 10th & 13th & replies of 12th & 13th inst
re Rowlands biller & credit note, attached
for 1. 2. 9

Client's Invoices:

St Clements	5/6.
Stanley Aubly Room.	19. 0. 5
Holmsted Blake.	4. 3. 10.
M. Williams	9. 16. 3.
Packe Bros Co.	1. 17. 10.
Bertrand Feltow	4. 11. 6.
Paul Packe.	26. 13. 8.
A. Vitaluya	19. 19. 11.
J. Robson	2. 6. 11.
James Watton	10. 4. 11.
J. J. Feltow	11. 18. 3.
Ledger & Journal Entries	
Remarks on Accounts.	
Remarks on Stores & replies	
List of Exchange. £450.	
Corrected General Invoice goods per "Ammanig"	
Willow's invoice Almanac sent per Theben	
in Pearson's case. (14/6)	

London 14th January 1899.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Itauri.

N^o 884.

London, E.C. 7th February, 1899.

Sir,

I have to acknowledge the receipt of your despatches nos. 108 and 109, which arrived on the 23rd ult. and the 6th inst. respectively.

2. 884-3. Your remarks on the subject of the acreage of Lafonia are noted, and we hope that the Government will eventually rate us according to the precedent shown in the estimate obtained from Mr. Green. The proper way of obtaining information from or communicating with the Government has to be regulated by circumstances; in this case the estimate obtained in answer to a private note to the Colonial Secretary was probably more favourable to us than it would have been if a formal application had been made to the Governor, which would probably have had the effect of routing up a number of conflicting figures.

3. Par. 4. The Directors are always anxious to co-operate with the Government in the matter of improvements, if they can do so without wasting money; but in the case of the telephone they do not at present see that they would be justified in joining in the large expenditure proposed, for reasons already given. The substitution, practically, of iron posts for all the wooden ones does not seem a desirable step; as regards this proposal, it would be instructive to learn whether the posts put up in the year 1880 between the Store and your house have perished much in the 19 years that have elapsed. To the best of my recollection none of them are less than 80 yards apart, and with this space the 160 posts suggested would cover over 7 miles. On the coast road between Brighton and Newhaven, a most exposed situation, there is a line of telegraph, and many of the posts are more than 100 yards apart, carrying I think several wires. If the fau

A. E. Baillon, Esq.,

Manager,

Stanley.

faulty part in the Peninsula could be righted less expensively, and we could be satisfied that the pilot service was going to be improved, I have no doubt that the Board would still be willing to contribute a share, although the total expenditure would come out far more than was anticipated at the outset.

4. Par. 7. The Kosmos Co. want the Glengowan for a hulk at Sandy Point, and we have agreed, subject to your not having already disposed of her to Mr. Curtze, to let them have the hull for £500. This means that we retain everything else, including the lower masts and ground tackle; we assume that for moorings there she would require much heavier anchors and chains, and that they will supply them from Hamburg. The list of spars and other gear sent shows that we have got some value out of her; we now want a valuation of all this at moderate prices, together with a list, also valued of the sails and other property that you have on shore. No doubt some of these spars are worth for sale £80 to £100, but they may be years on hand, and what we should like to do is to pass them over to the Store at such prices that the latter cannot lose, while we shall be able to close the Glengowan's account as soon as we have sold her. As regards the lowermasts, we want to know if they have been damaged below the deck by the fire, and whether, in fact, they are worth lifting out; if they are, I should be inclined to ask the Kosmos what they would charge for ^{doing} ~~lifting~~ it, ~~them-out~~, assuming that it would be rather a tough job for us to take in hand ourselves. I enclose a copy of a letter from Mr. Pepper, from which you will see that he means business; I understand that an Inspector is going out by this mail to report on her. After looking over Johnson's estimate of the cost of re-decking her, it struck me that he had allowed for a first class deck, probably 4 by 5, of sufficiently good quality and strength for a sea-going ship; but it occurred to me that as it would not be subjected to the strain and wear to be encountered at sea, a much cheaper and thinner covering would be enough, say not more than three inches or less, sufficient in fact to take oakum sufficient to keep it tight, while the wood if sound and durable need not be of the first class. This subject was being considered before the idea of a sale to the Kosmos cropped up, and will

[Faint handwritten notes]

[Faint handwritten notes]

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now go for nothing as far as we are concerned, as the Board would much prefer getting out of the purchase to fitting up a hulk that is not wanted. We have not heard anything about the condition of the beams, which are understood to be twisted and sunk; is the work of straightening them beyond the capacity of our Blacksmiths? If sold to the Kosmos I should expect to get some work for our shops in refitting the hulk for the trip across. The question of the coals remains to be settled later.

5. Par. 8. With regard to Campbell, you will probably have seen before this that his removal from the Fair Rosamond was a step that could not be delayed. In connexion with this affair, I have to report, without comment, that we have heard from Mr. C. M. Dean, on the authority of Mr. Hennah, that Campbell got the schooner ashore upon "The Twins" outside Carcass Island, and that she was leaking badly & seriously damaged. I say without comment, because such a statement cannot be reconciled with his having made "a remarkably successful and quick passage", as reported by you, and I hope to hear either that the rumour is untrue, or that Campbell, if he did get into a mess, failed to report it.

6. Same par. I should have added that it is not necessary to inform you as to how our vessels are insured, and that the fact of our underwriting the Fair Rosamond was communicated more with a view to preventing any unnecessary expenditure in surveys and repairs in case of loss than anything else. Whoever may be the Underwriters we expect equal care taken of all our vessels.

7. Par. 14. Your remark that you would have preferred to see more fencing materials and less ale and stout for filling up the Thetis was made under a misapprehension. It is impossible to tell in loading whether there will be extra room or not until the last few days, and then the question is what can be got on board most quickly. Bottled ale can be obtained in three or four days, fencing takes from four to six weeks to prepare, the latter, of course, would be the best, but such delay would be out of the question.

8. Par. 16. Your remarks on mails are noted. I thought that you were in the habit of sending the despatches to Stubenrauch, as the envelopes have frequently borne Chilian stamps.

9. 109-1. It is a strange thing that when the Sandy Point postmaster forgets to send a homeward mail on board a Pacific steamer he invariably makes matters worse by putting it in charge of the next Kosmos boat bound to the Islands, this happened repeatedly in my time, and eventually resulted in his dismissal. One would have thought that as soon as he got sober he would do his best to retrieve his error by despatching it direct to England. I never remember an occasion on which the fact was not known as soon as the steamer came in, and if Mr. Schlottfeldt knew it he ought not to have concealed it.

10. Par. 2. I will endeavour to approach the owners of the Albatros through our Brokers, but they will have no legal hold on them.

11. Par. 5. I note that Burgess was paid off on the 9th of April; he gave the 16th as the date.

12. Par. 9. Soon after Captain Packe died, and for some years after, Mr. Packe's account was kept within reasonable dimensions, and if he was told that he might "go ahead", there is reason in all things. The actual amount of his debt has only been prominently before us for a comparatively short time, and it has only been lately that wool has had such an alarming drop. The Board have not so far decided that he must be asked for security, and if he manages to curtail his expenses I do not know that anything more will be said on this subject at present; but it was high time to point out to him that at the rate he was going a check in the pace had become necessary.

13. Par. 11. I have to report that Noble's family have been brought down from Aberdeen, although in his usual casual way he has omitted to say anything to Mrs. Booth about it. I do not know whether he is obliged to me ^{not} or for being the means of reducing the payments made for them from £194 to £80 per annum; at all events he has not said so, and he wrote Mrs. Booth some time ago that it was against his will that the boys had been removed, but that, I take it, was by way of saying something pleasant to her.

14. Par. 10. There can be no objection to the Great Island tallow being boiled down at Port Howard, if more convenient; but it had never been reported by you. If the JJ tallow lately re-

ceived from the Islands came from Port Howard, Noble might learn a useful lesson by enquiring how they manage to turn out stuff equal to the best New Zealand.

15. Par. 14. I do not know that there will be any advantage in pursuing the subject of the land acreages, but I will try, as shortly as possible, to explain the remarks you do not understand. It was considered that the objection had been taken on the wrong lines because the point you should have stuck to, disregarding everything else, was the precedent allowed to be established for ten years which included the acreage of Lafonia at 576,000 acres. On that point our case was unassailable; once outside it there are several conflicting estimates to be discussed. That the acreage given was entirely wrong was shown in the parallel lists furnished to you, from which you would learn that you had put in some acreages on which we were not liable, omitted some that were, and incorrectly stated the acreage of Lafonia. Of course you were not meant to understand that every figure was wrong, and the word "entirely" was used in a qualified sense, you may substitute "very" if you like. Sections 18 and 44 were included, and you will have seen that they were not liable. Upon your explanation I can now see that you added the 36,000 acres, including these and 24 and 25, but the heading of your column is misleading, as it is stated to be the assessed acreage for Land tax under Ordinance 14 of 1892, and I naturally turned to the cash book for the payments, and found that they represented throughout 676,518 acres, the extra payment of £25 being entered subsequently, in one year only I think, and the fact that Mr. Kerr conjured this little extra payment out of us had escaped my memory. As to not making a shot at Lafonia, since you say that you took it to be the balance after deducting the other acreages, which acreages happened not to be completely correct, if it was not a shot, I do not know what to call it. I think, perhaps, that I did not make sufficient allowance for your inability to find Mr. Green's statement, or of working out the figures it contained; now that you have them you must see where you went astray.

16. It is satisfactory to learn that Mr. Stickney is likely to ship his wool by the Thetis, and it will be good if she gets away in June.

17. The Brokers say that Mrs.Hansen's wool is particularly bad,the worst lot they have ever seen from the Falklands,and they think that she ought to be advised to do something in the direction of improvement.

18. By this mail we send a new table of homeward freights, which ought to prevent any mistakes in future; if there is anything not quite clear,perhaps you will mention it.

19. Referring to a letter from the Commodore about the moving fees,in which he mentions £2 as being due,I am under the impression that it should be £3.

20. I enclose copy of correspondence with Browne Geveke & Co. about the hides still in dispute,upon which an explanation is wanted. I see that the two belonging to Mr.Packe have turned up this mail,but the question of the 17 is still open.

21. I have seen Lawes's Co.about Little's dip being sold at 3/.delivered in Stanley,and they have communicated with Morris Little & Son about this cutting of prices: the latter have replied that they did not wish to do it,but found from their agent that we were selling Lawes at the same price and other brands at even less. Is there any foundation for this? It actually costs us close on 3/.

22. I see that Humphreys sent you a draft on W.R.Hardy for £70 for collection,but assume that we are in no way responsible for it,although they seem to have drawn upon London for it before it was collected. We do business for people in Montevideo gratuitously,and always have done so,but it will be necessary to devise some arrangement for making a charge,as we ought not to find money and take trouble for nothing.

23. Major Curtis,R.E.called here last week and had a talk about Stanley. He is going out for the Admiralty to start the Naval works,and expects to be away about six months.

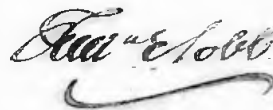
24. In the London despatch of 31st May,1890 there were some particulars and estimates about telephones,which you might find useful if you look them up.

25. From your remarks on Stores and other sources we hear that the Government are importing and selling maize &c.from Mon-

tevideo. We do not want to make ourselves unpleasant about this, but such a thing has surely never been done before. Whether they are selling with or without profit, it is equally an interference with the trade of the place, and we understand that Government people are expected to abstain from any kind of interference. If representations were made to the Colonial Office it would almost certainly be stopped, but it would be an unpleasant thing to have to do. If it were represented that owing to high prices charged in Stanley it was thought necessary to protect the pockets of the poor public, the natural reply would be that there is perfect freedom of trade in the Islands, and a healthy amount of competition, and that after all business people must live. If this principle were established and carried to extreme lengths, there is no reason why the Government should not keep a large retail store, and enter into competition with all the other traders; but the C.O. could never countenance such action by the authorities. It is a pity that this little wedge should be allowed to be driven in.

I am, Sir,

your obedient servant,



Managing Director.

*Northampton
148.15.5*

Duplicates Enclosures.

Despatch No 883 14th Jan / 99
Ledger & Journal Entries
Remarks on Accounts
Remarks on Stores & replies to
General Invoice goods from "Ammon"
Clients Appals:

IF 19 cks Tallow Ammon
L 5 bales skins "
B 11 " " "
IB 9 " " "
RBC 4 " " "
H.W. 8 " " "

Clients Invoices:

Osborne & Co 1. 15. 10.
Bertrand & Felton 4. 11. 6
O. Pitaluga 19. 19. 11
James Watson 10. 4. 11
Stanley Aubrey Rooms 19. 0. 5
St Clement 5/6.
Mr & Robson 2. 6. 11
Fens Packer 26. 15. 8.
Mr Williams 9. 16. 3
J. J. Felton 11. 18. 5
Holmsted Blake 7. 3. 10.

List of Enclosures.

Seconds of Exchange £450

Wool reports.

Brighton College Ac for J. J. Felton, £10. 15. 3
National life Boat Capers for Capt Thomas.

Copy of letter from Browne Jockey 23rd Jan 9
our reply of 24th re claims Hides from "Janis"
Clients reports & contracts:

IF 01 bales wool "Herodot"
TR ✓ " " "
L 31 " skins "
TR ✓ " " "
L 18 cks Tallow "
C. 02 Hair seal skins as "Ammon"

Clients Appals:

J.B. 55 cks Tallow "Juciana"
IF 488 seal skins "Ammon"
L 30 Hides "Herodot"

R.B.C. 5 chs. Oil "Ammon"

Rates of freight with Kosmos Co.
Copy of letter from the Kosmos Co dated 7 Feb re

"Jengouan."
Ledger + Journal Entries
Remarks on Accounts + replies to
First of Exchange \$450
Mr. Lane's letter of 5 inst. re Noble's children
Letter for the following

- Mr. Backe.
- J. J. Felton.
- A. G. Baillon
- W. W. Bertrand
- J. A. Harding
- E. J. Mathews

London 7th February 1899.



The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary mail
via Lisbon.
No 885.

London, E.C. 25th February, 1899.

Sir,

Since writing you per Itauri on the 7th inst. I have received your despatch no. 110 per H.M.S. Swallow to Montevideo, which arrived on the 13th inst.

2. Par. 2. As the settlement of insurance on the rams is delayed, pending the report of their safe arrival by schooner, I hope that you will have reported the fact by the incoming mail. The Tanis arrived on the 2nd of November, and the rams were sent away previous to the 14th January. No doubt this was done with the permission of the Inspector, but was it not against the law, which, I think, provides for an infected period of at least three months?

3. Par. 4. Before we had hydraulic presses we never used hydraulic leather; it costs about three times as much as ordinary leather, and the latter used always to be used for ordinary pump work. We had at Goose Green presses for 5, 6, and 8 in. ram leathers, but 6 is now our standard size, and I doubt if we have a 5 in. press in use, unless at Goose Green skin shed, and the only 8 in. ram was in the greaves press at Goose Green, long since discarded. The hydraulic leather formerly sent out was used solely, to the best of my recollection, in the hydraulic presses, and I think that King will bear me out in saying that the indents were always for thick and thin, the former for rams the latter for cup leathers. I do not understand what is meant by the statement that Noble intends to make another block, and use it up for ram leathers; if by block is meant a mould or press, I repeat that we had one of each size, and ought to have still. It would be well to direct Mr. Mathews's attention to this subject, as if the

A. E. Baillon, Esq.,
Manager,
Stanley.

costly stuff we get from Tylers is used for all sorts of purposes, the practice ought to be discontinued. With regard to Noble's being able to supply the Colony with leathers, that was never in doubt; the question was, having regard to the price charged by Tylers for the finished article as compared with the cost of the leather, can he do it without loss at the same price? If so, indents to London for press leathers need not be sent.

4. Par. 5. I think that you have now been informed that the cable about the Parkdale was sent on account of Messrs. Anning & Cobb, who were interested in a parcel of hides on board. Messrs Humphreys & Co. were asked to include the charge in the Islands' account, and if I had supposed that they would not have made an explanatory note in the account, I would have mentioned it, though advice from here would probably have arrived after the account.

5. Par. 6. You have sent a receipt for 100 tons coal, but as this was taken out of the Admiralty stock, surely it was a mistake sending it; if not, why was there not a receipt given for the former delivery? At all events, it has not been dealt with in any way.

6. Par. 8. I have written to Mr. Green, asking him to place the Enola C's business in our hands. We used to do all business for the American Consul, including the purchase of his monthly drafts on Washington; how is it that he has passed us over? I think that considering the risk we took in giving the ship credit in the first instance, Mr. Green can hardly help seeing that the removal of the business was an ungracious act, and hardly justified.

7. There was no list of enclosures in this despatch, and I am accordingly sending a note of those found in the packet.

8. Mr. Dean has complained that some of our prices are out of date, and instances wire nails, which are charged him at 35/- per cwt. It is within my recollection that at his Store and ours the standing price used to be 5d. and 6d. per lb., but seeing that they cost from 7/6 to 15/- per cwt., there seems to be room for a revision of prices, which might be graduated according to the

size of the nails.
Cable just in :-
Sakkarah Stahldicht.

I am, Sir,
Your obedient Servant,

Duplicates Enclosures.

Despatch No 884 of February.
Ledger + Journal Entries
Remarks on Accounts.
Rates of Freight with the Cosmos Co
Client's reports + contracts.

- L 31 bales Skins "Herodot."
- L 18 cks Tallow.
- T.R. 2 bales Skins
- C. 02 Hair Seal Skins "Ammon"
- 17 01 bales Wool "Herodot."
- T.R. 4 " " "

List of Enclosures.
General Invoice goods for "Stauri"
Client's Appals.

- 17 488 fur seal skins "Ammon"
- RBC 5 cks Seal Oil "
- L 30 Hides "Herodot."
- J.B. 55 cks. Tallow "Luciana"

Enclosures per Consigue's letter for "Stauri"
Second of Exchange £450.

Boading Cargo for "Stauri"
Hick-Hickonah's Invoice for Pure Gacke Exp.
Carroll Co's Invoice for Mrs J Robson

Wau Son-Thompson's statement for Dr Foley.
Sander's Invoice for Tompstone for St Deau
Client's Appals as follows:

- 17 01 bales wool "Herodot."
- TR 4 " " "
- L 31 " Skins "
- T.R. 2 " " "
- L 18 cks Tallow "Ammon"
- C. 02 Hair Seal Skins "Ammon"

Copy of Brooker's account Sale Co's skins for "Herodot."
Copy of letter to R. J. Green dated 10th Feb re "Anola C"
Copy of letter from Sheld Bushmills Co dated 10th Feb.

Client's Reports as follows:
S.S. 30 bales Wool Lanis
TR 74 " " "
J.B. 99 " " "
S. 66 " " "

+ contracts { T.R. 14 Hides "Janis"
 72. " "
 S. 119

Copy of Brokers report "Coe wool per Janis"
 Copy of letter from Board re claims dated 16th Feb.
Clients Invoices:

Stickney Bros.	8.	4.	3.
W. A. Harding	-	3.	6.
W. Clement	1.	4.	8.
Bertrand Filton	10.	14.	2.
Peru Sackel	24.	16.	2.
Wm. S. Robson	8.	13.	5.
Sackel Bros. Co.	144.	7.	1.
J. J. Filton	32.	10.	6.

Corrected General Invoice goods per "Stairij"
 Freight return schooner "Herodot". skins, skins, skins.
 " " " " wool, wool, wool.
 List of Enclosures found in despatch No 110.
 Ledger & Journal Entries
 Remarks on Accounts
 List of Exchange 1450.
 Remarks on Stocks

London 25th February 1899.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary mail
via Lisbon.
N^o 886.

London, E.C. 3rd March, 1899.

Sir,

My despatch 885 left on the 25th ult., and on the 27th your no. 111 of 23rd January per H.M.S. Basilisk arrived, with enclosures in order, and was submitted to the Board.

2. Par. 2. The transmission of the Swallow's coal receipt is now explained, and it will be forwarded to the Admiralty.

3. Par. 3. It is not clear whether the £90 said to have been due for the mail service still remains unpaid, or whether Rowell is supposed to have withheld it; at all events we can do nothing about it here.

4. Par. 5. The Directors have considered the very full statement of Mr. Packe's affairs, and are of opinion that he will soon, with care and ordinary luck, be able materially to reduce the amount advanced to him. They very much appreciate the frank way in which he has given the explanations they were in need of, and also his offer to provide security. They have sufficient confidence in his integrity, however, to be willing to dispense with this at present, and if after a year's time they find that satisfactory progress is being made, it is unlikely that they will ask for any at all. At the same time they trust that Mr. Packe will see, as from his letters to me I know he does, that on the figures shown in our books it was incumbent on them to draw attention to the large and rapid increase in his liability to the Company.

5. Par. 7. The report of your conversation with the Governor about the importation of Stores is satisfactory; it is always well to get to the bottom of stories of this kind, which are usually, when sifted, found to be greatly exaggerated.

6. Par. 9. I do not think that I have ever read anything more

A. E. Baillon, Esq.,
Manager,
Stanley.

incomprehensible than the correspondence and this long paragraph about J.B.Frazer. He is absolutely in the right, and what you have sent proves it, although you do not seem to have grasped the fact. You mention more than once that he has not produced a letter guaranteeing the passage he asks for, and that he is unable to give the date, which would have enabled you to settle the question, and yet you not only send a copy of that very letter, but also quote from it verbatim in one of your letters to him. I refer, of course, to the letter of 27th February, 1891, which told him as clearly as possible that the passage he had asked for would be granted. Having that date I at once turned up the despatches from and to London, and find that the Board's assent was received on the 24th February, and communicated three days later; I have also found that it was in reply to par. 10 of my despatch 511 of 10th November, 1890, written after I had had an interview with Frazer in the Camp. It is difficult, if not impossible to see any difficulty in the case at all, or how, having the statement in the letter that I had "referred the matter to London in "November", you failed to follow up the clue given. Of course, all reference to endorsements on expired agreements is outside the question; Frazer came out, just as a new Schoolmaster would have done, in 1888, but without a written agreement, and it was to secure the passage that he asked for at the expiration of his time that he spoke to me at the end of 1890. The principle on which it was allowed is that, unlike shepherds and labourers, schoolmasters and others have no other employment to turn to when they leave us, and that it is therefore only fair to send them away. The same principle applies to Managers and Clerks. The Board would have no objection, in Frazer's case, to give him a passage to Sandy Point in lieu of the one to England, or, if it can be done without much expense, to send him across in a schooner; but in the event of his wishing to come to England they think that the passenger accommodation of the Thetis might be utilized. It must be understood that this is not to be taken as a precedent, but as a concession to one who has ~~always~~, notwithstanding his abrupt manner, always been a faithful and valued servant. With regard to getting a man to take his place I can only say today

that enquiries for a successor will be set on foot at once. It will probably be considered by the Board that it would be a retrograde step to reduce our teaching staff to one again, and that a man stationed at Darwin, and I do not think that Goodwin carries weight enough for the chief post; we want a certificated master if we can get one, as we cannot lose sight of the responsibility that rests upon us to provide what education we can for the rising generation in the Camp. An explanation should be afforded of the incidental remark in your letter of 24th December to Mr. Mathews that P. Mc. Pherson understands that he is entitled to a passage for himself only; this is impossible, as he went out in the Tanis by his own wish and at his own expense.

7. I send you a copy of a letter lately received from the Colonial Office, as also of my reply. Probably the substance of the former has been communicated to you already, as it came just after the last mail had left. We know of old that the Government will never give way until the last moment, and then in a grudging way; but I cannot help thinking that, unless gross injustice is done, they must climb down this time, for they have completely given themselves away in acknowledging that we are rated at 850 acres to the nautical square mile, while there is abundant proof that the whole of the rateable land outside Lafonia is reckoned at 640 acres, and that they know it. What check is there on the expenditure of the Scab Tax, and is any statement of the appropriation of the money issued from time to time?

8. The Kosmos Co. complain that the shipment per Sakkarah is far short of the quantity promised, causing them considerable loss. I have replied that I have not heard from you yet, and am unable to express an opinion.

9. Having been informed that weekly mails are being sent down to the flag-ship, I am forwarding this to Montevideo, in case of an opportunity before the next outward boat, the Modestia. If this is to be the practice in future the G.P.O. will have to be asked to make up mails.

I am, Sir,

your obedient servant,

Edw. J. Webb

Managing Director.

Enclosures.

Duplicates

Despatch No 885 dated 25th ulto.
 Ledger & Journal Entries
 Remarks on Accounts.
 Remarks on Stores.
 List of Enclosures.
Clients Affairs:-

L. 51 bales Skins "Sterodot."
 C 62 Hair Seal "Ammonit"
 L. 18 chs Fallow "Sterodot."
 (H) 61. bales. Wool "
 T.R. 4 " " "
 T.R. 4. " Skins "

Clients Reports

S 119 Hides "Janis"
 T.R. 24 " "
 (H) 42 " "
 T.R. 24 bales Wool "
 S.S. 30 " " "
 S 66 " " "
 JB 99 " " "

Clients Invoices

Bertrand Felton	10.14.2
J. J. Felton	32.10.6
W. A. Starding	3.6
Stickney Bros	8.7.3
Cakey Bros Co	144.7.1
Pere Cakey	24.16.2
St Clement	1.4.8
Mrs. J. Robson	8.13.5


Company General Invoice Goods per "Janis"
 Second of Exchange 4450

Copy of letter from the Colonial Office 25th February
 " " " " " " 1st March
 Receipt for Dr Foley.

Clients report & contracts

S.S. 4 bales Skins "Janis"
 S 34 " " "
 J.B. 11. " " "
 (H) 32 " " "

Brokers copy of Company's skins per "Janis"
 Copy of letter from the Cosmos Co dated 25th Feby

Client's contracts :-
 *  38 Hides "Janis"
 J.R. 76 " "
 S. 107. " "

Letters for the following
 E. J. Mathews
 W. W. Bertrand.
 Dr Soley.

London 2nd March 1899
 *

* Three Hide contract appeared on the last list of enclosures but were not sold in time to be included in the mail packet.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Modestia.

N^o 887.

London, E.C. 21st March, 1899.

Sir,

I last wrote you per Royal Mail on the 3rd inst., and have since received your despatch 112 per H.M.S. Flora on the 15th inst., and 113 and 114 per Sakkarah to Montevideo, thence per P.S. N. steamer, yesterday. All these despatches have been before the Board.

2. 112, par. 9. Captain Willis took out his son at his own expense.

3. Par. 11. Your remarks on the subject of certain farmers' accounts are noted and approved. I am sorry to find that through an oversight a copy of the correspondence with Mr. E. F. Baillon was not sent you at the end of last year, although the gist of it was more or less given you in the despatches on the subject. It is now enclosed, and requires no comment.

4. Par. 12. The letter from Mr. G. W. Benney will be a sufficient authority for the payments to be made to Mrs. Benney.

5. Par. 15. I assume that the Surveyor of Works will have taken the necessary steps to prevent a further slip of the peat at the spot where it started.

6. Par. 18 and despatch 113. There has, of course, been no time to examine the accounts, but at the first sight they are better than the Board had been led to expect, and the Store profits, taken in conjunction with your remark that the Store Debtors have decreased substantially, is distinctly re-assuring. It almost seems as though the retail sales in the Colony had not materially suffered, and that the reduction is due almost entirely to the absence of ships, while we are getting our money in for the goods we do sell, instead of making profits on paper.

A. E. Baillon, Esq.,

Manager,

Stanley.

7. 114 - 2. I am surprised to hear that you have no invoice of the boat built by Leslie, as the amount was included in the corrected General Invoice per Thetis, which went out by mail of the 3rd December, and it seems almost certain that the builders' invoice went with it; however, a copy is enclosed. As regards the boat herself, I am sorry to see that there is reason to complain about her. I do not pay much attention to what is said about soft wood, because I am inclined to agree with Rees in thinking that it will be found lighter for use and at the same time quite durable enough for the work she has to do. It was a question between that boat and nothing, as we had decided not to pay the enormous price asked by King for a hard wood one. She is not intended to be constantly hauled up on a rocky beach, and the rubbing strakes provided were considered sufficient. The breast hoops (hooks?) can be replaced by the Blacksmith at no great expense, and being a new boat carried out on deck just after building she would naturally require re-caulking after the voyage in any case. But what you say about the sternpost and the keel and the knots dropping out is serious, and as Rees was constantly at the yard superintending her building, he was either not sharp enough, or the builders were clever enough to cover up the defects with paint before he could see them. We shall not go to these people again, in fact, had you given Woolfe's name in time they would have been asked to build her. You do not say whether the old one was built for the Black Hawk or not.

8. Par. 5. In the fifth line I understand the word "see" as intended to follow "shall". In yesterday's papers the arrival of the Serena is reported.

9. Par. 11. It is a good thing that we are to get our dip cheaper; I have already told you that I saw Messes. Lawes about Little's competition. I should be very glad to hear of a definite trial of the former dip having been made on an undoubted case of scab; Mr. Mathews used Little on the rams, and knowing its undoubted scab curing properties, he no doubt exercised a wise discretion. Of course it does not matter in the least to us what dip we use, being pledged to no one, and if the result of the competition is to cheapen dips all round, and Littles like to undo

their short sighted action of some years ago, it may be to our advantage. No one with any knowledge of the Islands could ever expect any agent but ourselves to give satisfaction.

10. Par.13. We shall be glad to have your further report on Mr.Duncan, although I am still in communication with the agents about a schoolmaster. It was not as a Storekeeper that Frazer particularly shone, as there was often a want of method about him, and the Store was at times very untidy; but as a schoolmaster, as an accountant, and as a sterling, good, honest man, we may have to go far before we come across his equal.

11. Par.14. I have not lost a day in having my tit-for-tat with Mr.Pepper over his premature complaint about the Sakkarah's cargo. I saw him last week, and he more or less prepared me for what you have stated. I think that the Valparaiso agents will receive a lecture, and I am not sorry for what has occurred, as it will provide us with an answer in future, and we may, perhaps, not have reason to regret the delay of 500 bales.

12. Yesterday your cable sent from Montevideo on the 18th inst came to hand, "Orelheira Spotti tombstone", meaning "delay executing the order (for) Spotts's tombstone". We should have laid ourselves open to a charge of negligence if we had not put this order in hand as soon as it arrived, and I can only say that it has been in hand for five weeks, and that we only heard a few days ago that it could not be ready in time for this steamer. The stone can be of no possible use for any other purpose than the one for which it was ordered, and it will have to be sent out, unless your advices point distinctly to the contrary, in which case we must hold the person who ordered it, presumably the U.S. Consul, responsible for its cost.

13. Although the arrival of the Northernhay with damage to spars, sails, and steering gear was in the papers yesterday, no cable about the vessel has arrived for us, which seems strange, for we cannot for a moment suppose that anyone else is doing the repairs. The owner, Mr. Gayner, is a man of large means, and must know us as we chartered his barque "Humbleton" for a round voyage a good many years ago. I assume that this news came up by a man of war, and that on the 24th we may get a further message by the Ib-

eria, due at Montevideo that day. The mail that brought the news of these vessels probably caught the Thames on the 18th.

14. I regret to have to report that the draft on R.T.Green on account of the Enola C. has been refused acceptance on the ground of "no authority to draw". Upon the statements received from you this is inexplicable, for we understand that Mr. Rowen, the U.S. Consul was appointed agent by Green, and that he was authorized to disburse not exceeding \$4000, whereas this draft amounts to a little over \$3840. Is it possible that there has been a misunderstanding, and that the sum mentioned was intended to cover the whole, including the first bill? However that may be, we have, under legal advice, asked Messrs. Brown Shipley & Co., to whom we handed the draft for collection, to ask their house to protest it for non-acceptance and return it to us. Unfortunately, although the request was cabled the draft cannot be here in time for this mail; but if it arrives before the end of the week I will send it under cover to Humphreys, and once in your possession it will place you in a position to have the ship seized on her return. In the meantime I enclose you a formal notice received yesterday from Notaries in Boston, which will, no doubt, serve in case the ship arrives before the draft to begin proceedings; we assume beforehand that you will have the active co-operation of Mr. Rowen, as it must be to his interest to see the thing through. For your information and his I may tell you that the firm above named procured us a confidential report on Mr. Green, which described him as an "enterprising and capable man, with means estimated at from \$50,000 to \$100,000", so he is worth powder and shot, and in the event of your not getting satisfaction out of the ship you must ask Mr. Rowen to provide you with full evidence as to the agency given him, and the powers conferred under it. I enclose copy of a letter received from Green yesterday; it rather suggests that he is hard up, but may be a try-on; we shall have nothing to do with his proposal, but it gives us a suggestion that the cargo, if any, will be seizable, as his property, and on this you must act if necessary. On the 16th inst. I cabled, "Pegotearia Enola Banalidade Impetrable Citaron", meaning "Following is strictly private

"Encla (C) bill has not been accepted inform Consul", which may seem contradictory, but it is hoped that you will understand that while the matter should be kept private so as to prevent the chance of the news reaching the Captain at Sandy Point or elsewhere, and inducing him not to return to certain seizure, it is right that the Consul, as a party to the bill, should have notice of its dishonour. It is a pity that the account was not certified by the Consul as well as the bill, and the Board do not understand why we should have been called upon to pay cash to Williams to such a large amount, as he ought, having made the profit on his stores, to have taken a bill himself for the account due him. As regards Mr. Green's complaint that the people at Stanley gave the Captain credit, knowing what sort of a man he was, I shall ^{not} write him that it was a matter for your consideration at all, as the affair has been represented to us, the Consul being vested with powers as agent to do as he chose within certain defined limits, which were not exceeded.

15. I enclose copy of a letter from the Colonial Office, which is intended to be final as regards the assessment of Lafonia. We have Mr. Chamberlain's opinion of the 25th February that Gov. Moody's original estimate "was no doubt based approximately on the accurate calculation of 850 acres to the nautical mile", and now that it has been pointed out to him that if this is accurate we are rated at 850 while all the other farmers only pay on 640 acres to the mile, he shuffles, and declines to alter the law. I do not quite know why an alteration of the law is necessary; but, anyhow, we have the admission of unequal treatment costing us over \$40 a year, and the sum of the ^{whole is} ~~wholes~~ that while we are indisputably in the right, the C.O. possess the power to perpetuate an injustice. I am not quite sure, even now, that the question is finally at rest. I should be rather curious to know if the Governor, with the facts before him, considers that we have been treated fairly.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatch No 886 dated 3rd March.
Clients reports + contracts:-

	◆	37 bales Skins "Janis"
	S	34 " " "
	S-S	4 " " "
	J.B	11 " " "
	S	107 "Hides"
contracts only. {	T.R.	24 " "
	△	38 " "

List of Enclosures.

Wool reports
 Copy of letter from Brown Shipley's letter of 11th March
Clients Account sales:-

	△	38 salted Hides "Janis"
	T.R.	20 " " "
	S	102 " " "

Clients contracts:-

	◆	6 Fur seal Skins "Ammonit"
	S-S	30 bales Wool "Janis"
	T.R.	24 " " "
	Out. Louis	66 " " "

Copy of letter from the Colonial Office dated 7th March
 " " R. J. Green dated 10th March re Enola C.
 Copy of Correspondence with E. J. B. Bailton Esq.
 Ledger + Journal Entries
 Remarks on Accounts
 List of Exchange £ 450.
 Letter for A. E. Bailton Esq.
 E. J. Mathews Esq.
 Protest of Draft on R. J. Green for \$ 3842.46.

London 21st March 1899.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary
mail via Lisbon.
No 888.

London, E.C. 24th March, 1899.

Sir,

Following my despatch dated the 21st inst. per *Modestia*, I now write in the hope of catching that vessel, as the *Liguria* is due at Montevideo a day before her.

2. This morning we have received from Boston the bill on Green protested for non-acceptance, and as the protest is verified by the British Consul it provides you with all you want to enable you to have the *Enola C.* arrested on her return. I am also taking steps to have her safe arrival at Stanley insured at Lloyd's, as in the event of her loss down south our chances of recovering from Mr. Green would be rather slender, unless the Consul can provide you with indisputable evidence of agency, and of his having acted strictly under instructions. In this, for his own sake, he ought to give you all the assistance he can.

3. At the time of writing the *Sakkarah* has not been reported, but as she passed St. Vincent some time ago, I conclude that she is kept back by the strong north-easterly winds we have been having lately. From the list of enclosures in her despatch I do not think that we shall be able to clear up a doubt that has arisen about the Store sales of last year, as the stock does not seem to have been sent. From what I can see in the accounts to hand, I judge that you have done the Store less than justice in the matter of the sale of coals to the Admiralty last year. The amount paid by them was £1310, and I cannot see that the sum was included in any of the monthly sales; if ever there was a genuine sale this was one, for the coals were not only bought right out, but paid for, and we have merely been holding them for the

A. E. Baillon, Esq.,

Manager,

Stanley.

Admiralty since. If, then, you are only crediting Store Debtors as each delivery takes place, as the entry regarding the Basilisk seems to show, you are benefiting 1899 at the expense of 1898.

4. I am not writing to Mr. Mathews this time, but wish to communicate to him the decision of the Board as regards T. Patterson's application for a pension, which I omitted to mention when I last wrote. It is considered that as he has not completed his 30 years, and was fairly advanced in life when he joined the service, a pension of £20 per annum will meet the case, and we shall be glad to know if Mr. Mathews thinks that he will be cheaper at that than if he continued at full pay in his somewhat decrepit condition.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures.

Draft on R.T.Green for #3842.46

Letter of advice.

Protest and Consular Certificate.

Copy of Brown Bros. & Co.'s letter & Telegram charge.

Remarks on Stores.

Copy of letter to R.T.Green of 22nd March.