

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Supplementary
No. mail via Lisbon.
889.

London, E.C. 8th April, 1899.

Sir,

Since writing you per supplementary mail on the 24th ult. I ~~had~~ have received your despatch of 3rd ult. which I found here after Easter, I believe that it arrived on the 1st inst.

2. 115-2. The Board have not yet seen the despatch, but I have no doubt that they will fully approve of the action you have taken with regard to the overtime. If it is the case that the steamers are always unable to take wool as fast as you can give it, I should be inclined to say to Mr. Schlottfeldt that you are prepared to pay the usual 8d. per hour for night work, but that any extra payment necessary to keep the men at it should be defrayed by him, otherwise you will stick to the usual working hours. You are quite right in saying that it does not matter in the least to us whether the wool is delayed a day or two or not; I cannot remember any occasion when it has been run at all close, and in this case it is lying here until the beginning of next month, when the sales begin. I shall write to the Kosmos Co. and say that we cannot continue to pay huge bills for overtime simply for their convenience.

3. Par. 3. I have not had time to go to the Bank to get the title deeds, but will do so as soon as I can. In the meantime I think that you are confusing the West Suburban allotments with the South ones. You may not be aware that all the land south of Fitzroy Road is suburban, and these I take to be 3, 4, 5, 6, and 10 Pensioners special allotments, while 4, 5, 6, 7, which with the exception of 6 belong to the Company are the suburban allotments West, which on my list are given as 4, 5, and 7. Surely all this can be cleared up by looking at the plans of Stanley and the

A. E. Baillon, Esq.,

Manager,

Stanley.

suburban land, which I have over and over again seen in Mr. Bailey's office, and which now must be in the hands of the Government. I may be wrong in what I am saying, but I do know that the suburbs start on the other side of Fitzroy Road on the hill. I never heard of the 25 acre lots having been cut down, but it may have been so. You can easily find out which are the deeds of the Dairy land, I am inclined to think that they are 25 acre lots, and as to Simpson's lot, I have a strong suspicion that it is on the hill. In a plan in the office I am inclined to think that the Company's allotments are shaded.

On reviewing what I have written I am inclined to think that I have done so with more certainty than I should, however, it will give you perhaps some clue.

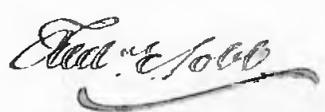
4. It was very good of Captain Gamble to give us the services of his diver for cleaning the Fortuna; I hope that the bottom was in good order.

5. In order that we may know how the steam coal is running out, the approximate stock, or the sales since the last mail should be reported in each despatch whenever there has been any delivery made. We shall be interested to hear whether any coal was left over after the ships had taken what the Admiralty paid for, if such was the case you, of course, have charged for it, as they only paid on an estimate.

6. Mrs. Bonner has arrived in England, but we have not received the press copy of her account.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatches Nos. 887 + 888.
List of Enclosures.
Clients A/sales.

S. 102 Hides Tanis
T.R. 70 " "
△ 38 " "
H. 6 cks. seal skins "Ammon"
S 60 bales wool "Tanis"
T.R. 74 " " "
S-S 50 " " "

General Invoice of goods per "Modestia"
Ledger + Journal Entries
Remarks on accounts.
Seconds of Exchange £450.
Duplicates of Enclosure per Consignee's letter.

Wool reports.

Blading cargo per "Modestia"
Clients contracts as follows:

T.R. 1 Hides as Tanis
△ 34 " "
S 14 " "

Copy of letter from Kosm's Co dated 23rd March
Freight return on wool schooner "Tanis" £28. 10. 4
Clients A/sales as follows:

H. 57 bales skins "Tanis"
S 34 " " "
S-S 4 " " "
T.B. 11. " " "
H. 6 Fur seal skins "Ammon"
S 60 bales wool "Tanis"
S-S 30 " " "
T.R. 24 " " "
T.B. 99. " " "

Brokers. copies Company's Wool + Skins A/sales per "Tanis"
Ledger + Journal Entries
Remarks on Accounts.
First of Exchange £450 "
Clients invoice goods per "Modestia"
Here packed £100. 10. 9.

A Smith	50.	15.	11.
W & C Standen	5.	10.	5.
Bertrand Felton	5.	15.	10.
Dean Anson	26.	8.	7.
Fiske Bros Co	94.	15.	9.
W. H. Haver	10.	10.	1.

Remarks on Stocks.

London 8th April 1899

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Sakkarah.

N^o 890.

London, E.C. 2nd May, 1899.

Sir,

Since writing you for the Supplementary mail of 8th ult. your despatches nos. 116 to 118 have arrived, the dates of their receipt having been the 10th; 17th and 24th ult. As you will see by correspondence enclosed, a serious blunder was made over the last mail out, which by an extraordinary oversight was not sent to Lisbon; the Post Office, however, have been very active in the matter, and have written that by arrangement with the Admiralty H.M.S. Pegasus will carry the mail on to Stanley on the arrival of the Clyde, due at Montevideo on the 6th May, so that the letters will probably arrive as soon as if they had gone by Sandy Point.

2. 116-2. Admiral Spotts's tombstone will be kept here until instructions for its disposal arrive; in the meantime you might find out how and when the U.S. Government propose to pay for it.

3. 117-2. The letter to the Colonial Secretary on the subject of the telephone is quite in order; I may mention that I used periodically to have the earth removed from the posts in Stanley just about the ground line, and the latter dressed with tar when dry; if this is done occasionally they ought to last for many years yet.

4. Par. 3. It is unfortunate that the Glengowan will not be suitable for the Kosmos Co. We should like to know if it would be quite impossible for the Blacksmiths, when they have no special work in hand, and without enormous expense, to get the beams, or some of them, to their original shape. You would be doing very good business if you could sell the coal for ballast at 5*f*. per ton.

A. E. Baillon, Esq.,

Manager,

Stanley.

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5. Par.4. It appears that on Campbell's remarkably successful passage to the West Falklands he did get ashore on the Twins outside Carcass Island, and a glance at the chart is enough to show that the vessel was saved more by luck than anything else. The report that reached us was no doubt exaggerated, but such reports should not reach us without a true version of any such occurrence being supplied by the Stanley office. Getting on exposed rocks like the Twins is a very different thing from grounding on a spit at the entrance of a harbour at low tide.

6. Par.7. When any outside shippers make use of our hulk and appliances, and we have no control over the produce here, the bales, or whatever they may be, should be weighed or measured in Stanley. We leave it to the Stanley office to make such charges as will pay us; they should certainly be higher than what our clients pay, and should be collected in Stanley; roughly speaking you might put them at a little lower than the cost of boat-^sing ashore, storing, and reshipping, assuming that there would be some charge for warehousing them in the Customs shed, or wherever they may be put. If people decline to pay any charges you may think just, refuse to receive their goods on the Great Britain; we are not bound to accommodate everybody. The remark about the Chartres freight is, of course, correct; but this was mentioned in the list.

7. Par.10. Remarks on Lawes's dip are noted, and at the new prices and discounts there is some profit shown. We have received several invoices from Fisons for dip sold by their agent in Stanley, as to which we must have authority before paying for them; Bertrand, Felton, Petaluga, and H. Waldron are the purchasers.

8. Par.11. We have had some enquiries about W.R. Hardy, who seems to be requiring credit in London, and some one was here a few days ago asking us to negotiate a bill on him, which we declined.

9. Par.14. It would certainly be well to establish a tariff of wholesale prices for large purchasers.

10. Par.15. It is satisfactory to hear that Blyth is such a

good workman; Mr. Gayner has complained of the cost of the labour and appliances, and asked for a reduction, which I declined to make, explaining that the machinery for want of constant work was run at a dead loss to us. The Northernhay was reported, I think, to have lost spars and sails, and we hoped to hear that some good purchases of materials had been made.

11. 118-2. I had not noticed that the quarantine for imported sheep was shorter than in the case of an outbreak.

12. Par. 5. It is all very well for the U.S. Consul to be unconcerned about the dishonoured bill, but who is going to pay us our money, especially if the Enola C. does not turn up again? I do not follow your remark about the news having come by cable; it was so, but as we could not send the draft across to the U.S. by cable, it must be assumed that it went by the same mail as the Consul's letter. At all events, the copy of letter from Mr. Green now enclosed shows that he is determined not to pay in a hurry, and it rests with you to take ^{vigorous} ~~vigorous~~ action as soon as the ship is within reach. I notice that payments on her account have been made since she left Stanley; this makes the case rather worse, and whatever they may be, allotments or anything else, you have of course at once put a stop to them.

13. Par. 6. It is quite right about the enclosures; they did stick in the envelope, and I only found them a short time ago.

14. For the first time for a month the Monday morning mail has not arrived; it seems, therefore, that the Swallow's mail, referred to in par. 9, cannot have been despatched for the Pacific boat.

15. Par. 10. Probably the next advices will report what surplus, if any, was left after the ships had taken all the coal the Admiralty paid for. If they are going to run all the winter I expect to hear that another supply will shortly be required.

16. By desire of the Anglo-Swiss Milk Co. I sent you on the 14th ult. a cable, "Return Albatros milk". They are much concerned to find that you have been trying to sell the inferior shipment, and seem now to be prepared to go to any expense over it. If they had taken that view at first some trouble would have been saved.

17. Although some time ago you mentioned that the Government Schoolmaster on the West Falklands had applied for an engagement, and were going to write further on the subject, you have omitted to do so, and I have now to report the engagement of Mr. Alexander Moir, who has been well recommended, to succeed Mr. Frazer at Darwin. He will leave by the mail of the 13th of June, and will, no doubt, have the advantage of being initiated by Mr. Frazer in his various duties.

18. Among the copies of accounts-current for 1898 the most important one, Mr. Vere Packe's, was not found; a copy should be sent at once. We only require those of the sheepfarmers, and there are a number of private ones which are of no particular interest, as we can get the details out of the Journal entries.

19. The Crown Agents have obliged us by giving the Mint permission to ship the silver coin, but we are not to regard this as a precedent, and the requisition ought to have come through the Governor.

20. Rather than allow the Company to have the consignment of their produce, Messrs. Baillon & Stickney agree to be charged 7½ per cent in account-current, with a commission on cash payments of 1 per cent. I cannot see that they will gain much by this, especially if they continue to leave such a large balance standing to their debit as they usually do.

21. On looking up some of the plans of Stanley I find without doubt that the suburban allotments sec. 1 run from Philomel St. west to Villiers St., numbered 1 to 12, and sec. 2 runs east from the same street, numbers 4 to 11 being the Company's, both sections being south of the Fitzroy Road. On one of the plans I see different numbers entered, and it is quite possible that at some time they may have been renumbered. The original numbers are, however, marked by me, and I now remember having got them from Mr. Bailey by desire of the Board.

22. The second series of Colonial Wool sales begins today, and our first lot is to be put up tomorrow. We are rather in hopes of seeing higher prices than at the last sales; undoubtedly merinos and all fine wools will be up, and the Brokers say that some of ours may almost be classed among the latter.



23. I wrote to Mr. Pepper about the ~~over time~~ and the shipment of oil by the Kosmos steamers, having ~~previously~~ failed to get any satisfaction with regard to the ~~letter~~ ~~sent~~ ~~to~~ the London agents. His reply, as in fact all his ~~communications~~ ~~invariably~~ are, is most obliging and conciliatory, and ~~having~~ ~~established~~ the point about the overtime, I should suggest your ~~giving~~ ~~them~~ some little latitude, such, for instance, as not ~~objecting~~ ~~to~~ ~~shar-~~ ing the extra payments, as long as they do not exceed ~~id,~~ an hour, or any other concession that may occur to you to ~~mark~~ the appreciation we feel of their civility.

I am, Sir,

your obedient servant,



Managing Director.

* Brunner's quotation of the 13th April.

London 2nd May 1899.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Oravia.

N^o 891.

London, E.C. 17th May, 1899.

Sir,

Since writing per Sakkarah on the 2nd inst. your despatches 119, 120, and 121 have arrived, and have been considered by the Board; 119 and 120 came together on the 8th inst. and 121 on the 15th inst. The departure from the practice of sending duplicates of the despatch to Tilbury caused some inconvenience, and might have occasioned more. When the Kosmos boat gets away to time, she catches the Pacific steamer of the following Friday, and we get the letters posted in Montevideo from three days to a week earlier than the mail. But if she is late, then the letters sent ashore do not arrive until the following week, generally by Royal Mail, and, as on this occasion, after the Kosmos. The Ammon delivered her mail two days earlier than ours, and the consequence was that cheques were presented of which we had no advice, and we were entirely in the dark as to what preparations to make in the way of money. Had there been a heavy drawing it would have been awkward, but as it happened the cheques were few. It should be remembered that we want to be sure of getting our original or duplicate at least as soon as anyone else, and the late departure of the Ammon might have warned you that omitting to send a duplicate would be almost sure to frustrate this.

2. Par. 2. No more can be done about the acreage of Lafonia, unless you like to have another shot with the chart. All reason and justice are on our side, but the power rests with the Government to perpetuate an injustice.

3. Par. 3. It is not good news that there has been broaching of cargo again on the Thetis, and it does not speak well for the

A. E. Baillon, Esq.,

Manager,

Stanley.

new mate. All claims should be carefully investigated, and then paid, an account of them being rendered to London.

4. Par.5. I have asked the Admiralty if they wish any more coal sent out, but have no reply as yet.

5. Par.6. The Directors are not interested in lamp burners and chairs, remarks on which would have been better written separately.

6. 120-2. There does not appear to be any reason for selling coals to chance steamers like the Lovart at less than the old price of 60/.per ton, which was always charged when there was no contract.

7. Par.4. You are now in a position to treat people like Captain Danielsson with a high hand if they make themselves disagreeable, but, as I said before, considering the civility shown us by the Kosmos Co., the Directors are quite willing to meet them in a reasonable manner, as long as it is recognized that we are under no obligation to provide overtime labour at all.

8. 121-2. I suppose that it would be impossible to have the Captain of a foreign steamer arrested for debt which had not been contracted by the ship herself; but everything you can do to make it hot for Fugellie would be approved of.

9. Par.7. A telegram yesterday announced another chance of communicating with the Islands, so that it seems that the men of war are still going down. Next season we ought to find out the best way of getting letters forward, as Messrs. Humphreys report that the ship sails directly the mails for the fleet are on board, and there is no time to get anything from the shore that may have arrived. I wonder whether the Captains would object to our letters being addressed to the care of the Senior Officer.

10. Par.8. The report of the accident to the Hornet is most serious, and the conduct of Fugellie dastardly. It ought to be brought very strongly before his owners and the Chilian Government, and a representation from the Government to the latter should be asked for, if the Enquiry shows that he was to blame,

of which according to your report there can be no reasonable doubt. We are most thankful to hear of the fortunate escape of Mr. Harding and the others on board. You do not mention the most important thing in connexion with the disaster, that is whether the Hornet's side lights were properly burning or not. If they were, then the steamer is liable for every penny of damage, and ought to have been arrested and brought back to Stanley from Salvador. If not, although I have not had time to consult any authority, I believe that each vessel pays her own damages. This question of side lights used to give me a good deal of trouble, and I know that they were frequently neglected, although such negligence is next door to criminal. You should bring the subject strongly before our Captains, and insist in future that the exhibition of the side lights should be noted each night in the log. The Hornet is insured for £600, of which our Underwriting account takes three, so that supposing that we were in fault as regards the side lights we pay half the cost of re-instating her, which we hope will not be very serious, or consume much time.

11. Par. 9. You do not state if the Serena's coal was taken, as suggested, as per Bill of Lading, and we are still without information as to the outturn of the previous cargo, which must be known by now.

12. In going through the accounts this time, the Auditors raised a question as to the amounts added to the value of some of the Shipping property for repairs, and I succeeded in satisfying them this time; but it must be understood as a rule that repairs go to revenue account, and that it is only under special circumstances, which ought to be reported beforehand, that an addition to the value of property can be made. The better way is to reduce or hold in abeyance the usual percentage taken off this side for depreciation.

I am, Sir,

your obedient servant,

Wm. E. Cobb.

Managing Director.

8372
P. 102

Duplicates Enclosures.

Despatch N^o 590 dated 2nd May.
 Particulars of Suburban allotments
 Replies to Remarks on Stores
 Corrected General Invoice Goods per "Modestia"
Clients Appals:

△ 34 Hides "Janis"
 S 17 " "
 TR 1 " "

List of Enclosures.
 Ledger + Journal Entries
 Remarks on Accounts
 Remarks on Accounts for 1898.
 Second of Exchange £450.
 Enclosures per Consequents letter.

Bill of lading Cargo per "Sakkarah".
 Wool reports.
 Read Bros report of meeting
Clients Appals.

△ 51 bales Wool per "Sakkarah"
 1 Hides "Janis"

Copy of Brokers Appals Company's Wool per "Sakkarah"
 Schooling account for W.W. Bertrants
 Copy of letter to Chas Day & Co re whisky 12th May.
 Corrected General Invoice Goods per "Sakkarah"
Clients Invoices:

Holmsted Blake.	13.	2.	5
Lake Bros. & Co.	1.	8.	8
Sharp Smith	41.	1.	5
Stanley Aubly Rooms	12.	2.	4
A. E. Felton	34.	14.	6
Per Lake.	20.	6.	11.

Ledger + Journal Entries
 Remarks on Accounts
 List of Exchange £450.
 Remarks on Stores
 Letter for G. J. Mathews Esq.

London 14th May 1899.

Enclosures.

Duplicates

Despatch No 891 dated 17th May.

Remarks on stores

Corrected General Invoice goods "Sakkarah"
Clients reports + contracts

MV 9 bales wool "Ammon"

14 " " "

T.R. 20 " " "

1 Danielson 1 " " "

S 115 " " "

Hammock 3 " " "

O 31 " " "

Royce 252 " " "

95 " " "

W.P. 24 " " "

L. 110 " " "

Clients Invoices

Stanley Ashby Round 16. 0. 1

A.P. Felton 37. 14. 6

Hobnsted Blake 13. 2. 5

Lacke Bros & Co 1. 8. 8

Pure Lacke 26. 6. 11

Lacke Bros & Co 41. 1. 5

Sharp Smiths 112. 2. 4

List of Enclosures

ledger + journal entries

Remarks on Accounts.

Sum of Exchange £450.

Mr. Noir's agreement

Contract for 5 bales wool Pure Lacke "Ammon"

Clients Appals:

O 31 bales wool "Ammon"

MV 9 " " "

14 " " "

W.P. 24 " " "

J.B. 100 " " "

J.R. 12 " " "

94 " " "

95 " " "

W.P. 94 " " "

I.B. 41 " " "

1 Danielson 1 " " "

Hammock Ltd 3 bales wool "Ammon"

Rylee 207 " " "

17 116 " " "

Fitzroy 115 " " "

Copy of Brokers Apsall's Company's wool for "Ammon"

Copy of letter from Dawson dated 31st May our reply 1st June

Copy of letter to Ince dated 2nd June their reply of 3rd

Copy of special report on 3 bales wool in Ammon for Mr. Byckworth as requested.

Account recd for Dr. Foley

Jellis's invoice for boat for "Shetis"

Freight return on wool schooner "Ammon" J. M. Dean

Letter from Somerell Bros. dated 6th June re boots.

A party party ship "Langstone"

Ledger & journals & entries

Remarks for Accounts

First of Exchange £450.

Cutting from the Globe. (failure to stand by).

Old & new rules relating to collisions at sea

Letters for the following

J. Mathews (3)

Herbert Packer.

Dean Brandon

A. C. Bailton

London 12th June 1899.

Received for "Modestia", June 21/99.

Enclosures.

Wool reports & contracts

S.	115	palest wool	"	"	"
L.	252	"	"	"	"
Hummock	3	"	"	"	"
O	31	"	"	"	"
<u>B</u>	94	"	"	"	"
1-B	100.	"	"	"	"
J. Jamieson	1	"	"	"	"
1-B.	94	"	"	"	"
MY	9	"	"	"	"
<u>H</u>	14	"	"	"	"
TR	20	"	"	"	"
<u>H</u>	95	"	"	"	"
<u>H</u>	116	"	"	"	"
W.P.	24	"	"	"	"
T.B.	100.	"	"	"	"

Wool reports
Copy of Brokers Reports on Company's wool of "Ammon"
Remarks on Accounts (supplementary)
Ledger Entries

London 19th May 1899.

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The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Hathor.

N^o 892.

London, E.C. 13th June, 1899

Sir,

My last despatch was dated the 17th ult., and I have now to acknowledge the receipt of your no. 122 and letter of the 25th April, which arrived on the 26th ult. Your cable advising 850 bales per Lavinia came to hand on the 24th ult.

2. Par. 5. I am sorry to learn that the invoice of the boat was Leslie was not enclosed, in consequence of carelessness in the office; a duplicate has now been obtained and is enclosed. The old boat was not built under Captain Dyer's superintendence, for the very good reason that he arrived home in 1879 very ill, took to his bed, and I believe never left it again; at all events he did not return to London. As I said before, I saw to the building of the boat myself, but I did not remember whether it was intended to be a knock-about boat, or whether it was ~~in-~~built for the Black Hawk.

3. Par. 7. You will have heard soon after writing that we have engaged Mr. Moir as schoolmaster, and he goes out by this boat with his wife and infant child. From his testimonials I believe him to be a very superior man, and I hope that his engagement will turn out satisfactorily.

4. Par. 10. Your remarks on the subject of the Enola C. are noted, and we can only await the vessel's return to Stanley.

5. Par. 14. I send copy of correspondence with Messrs. Ince, who are the Solicitors we employ in shipping matters, and are considered the best in London in that line. Probably, if the case has already come off, you will have gleaned the information they give from some of the Shipping Law manuals you have, but I send this in case it may be useful. I learn that in case

A. E. Baillon, Esq.,

Manager,

Stanley.

of collision between a steamer and a sailing vessel the former has to prove the sailer very much in fault in order to gain the day. This case will hang much on the question of lights, and Fugellie has given himself away somewhat by his remark about the Hornet's red light, while it seems almost incredible that if all three lights were burning on the Albatros Ennenga and his crew could have failed to observe them.

6. With regard to your letter of the 25th April, the Directors are sorry that you should have put forward requests which they do not feel themselves able to grant. In your despatch 54 you mentioned having put up a rose house without having previously asked leave, and the Board replied in despatch 841-13 that they would offer no objection on the understanding that it was your private property, and that the Company were not asked to pay for it. They think that you can have hardly remembered this, or must have overlooked it for a moment. They do not want the rose house, and consider it quite an unnecessary addition to the house, seeing that there is another greenhouse attached to it. They would much prefer its being taken away, and hope that you will be able to find a purchaser for it; but should you be unable to do so they would be prepared to give you £25 for it, although it is by no means certain that your successor will care for the trouble and expense of keeping it up. As regards the passage, the Board would be very sorry to think that either you or Mrs. Baillon were taking a passage in an unsuitable vessel, and Messrs. Browne Geveke & Co. have been asked as to the accommodation on board the Hamburg-Pacific ships. Their reply is that they are, with one or two exceptions, as good as the regular vessels of the Kosmos line, but that they have been informed that the inferior vessels will on no account be allowed to go to the Falklands. The Board have noted that in no case has any Governor or other Colonial Official, to the best of their knowledge, taken passages either out or home in any but the Kosmos boats, and they cannot therefore see that they are not good enough, although of course there is more amusement on board an English ship. All that they are prepared to concede, therefore, is that you are at liberty to take credit for £65, the cost of two

Kosmos passages, towards the expense of returning by an English boat if you elect to come that way.

7. I forward copies of letters that have passed between Joseph Dawson & Sons and myself on the subject of a retail order for boots which which Miss Madge Pimm of Stanley has favoured them. I send it for the purpose of showing that an improper use has evidently been made of Dawson's price list, assuming that we are the only people they supply, and I would point out that in future outsiders should not be allowed to see catalogues which are forwarded for the information of our office and Storekeepers only.

8. Mr. Dean mentions that one of his late lots of wool was taken direct from the Richard Williams on board the steamer, and that we ought to have charged the reduced rate agreed upon. This is quite right as far as he is concerned, but there was no note on the specification, and we do not know what lot he referred to. When this occurs a note should always be made of it.

9. The Admiralty have informed us that they will require 1600 tons of steam coal sent out for next season, and although I intended to wait for a month or two before taking it in hand, tonnage is scarce, and there is a vessel on offer just now, the Langstone, capable of carrying 1100 tons, which I have thought it prudent to close with, as she has been beaten down to the extraordinary low freight of 20/. and coals are secured at 13/3d. with a tendency to rise. I hoped to get two ships of 800 each, but there is increasing difficulty in chartering small ships, and we must take our chance about the remaining 500 tons.

10. As this will be the last mail that will reach you before the one by which you will take your departure, I take the opportunity of saying that it will be necessary for you to hand over to Mr. Harding and go over with him a complete inventory of all the furniture in the Manager's house, and all cash and documents being the Company's property in your possession, for which you will take a receipt, as also any papers or other property belonging to others that may have been entrusted to you as the Company's Manager.

I am, Sir,

your obedient servant,

John E. 1000

Managing Director.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Supplementary
N^o mail via Lisbon.
893.

London, E.C. 1st July, 1899

Sir,

My last despatch went per Hather on the 13th ^{ult} inst., and I have since received your despatch no. 183, which arrived on the 16th id.

2. Par. 1. You will have since heard that the bags which were distinctly seen at Sandy Point on the 5th of May were at that date somewhere between Montevideo and Rio on board the Clyde.

3. Par. 4. The silver coin (not specie) asked for will be sent, but in the absence of any explanation we fail to see how we have any disbursements to make in connexion with the Admiralty works, and the Cask Book throws no light on the subject.

4. Par. 5. No remark has been made as to how the sale of coal as ballast to the *Serena* fell through.

5. Par. 6. The £5 paid by Patterson has been refunded, and I have written a letter of complaint to the Kosmos Co. about the miserable accommodation on board the *Lavinia*, a copy of which is enclosed. It is clear from what Mr. John Dean says that the Hamburg-Pacific boats are unfit to carry decent people, and should one of them be sent in August I have no doubt the Board would agree to your changing at Montevideo. I suppose that the Kosmos line proper have been improved by contact with English people, and that these other ships which have not had that advantage can hardly be expected to be run in a civilized way just yet.

6. Same par. Patterson was very persistent as to his right to a passage from the Company for his wife, but I declined to entertain the question. He put it on the ground of not having had a track allowance at Arrow Harbour, but I told him that such a claim should be made on the spot, where it could have been in-

The Manager,

FALKLAND ISLANDS COMPANY,

Stanley.

investigated; besides which the two matters could not be mixed up, - if he was entitled to a track allowance he should have asked for it while in the service. I very much object to having any questions of this kind left for discussion here.

7. Par.7. We shall be more comfortable when we hear that the Albatros has returned to Stanley. There is no doubt that she ought to have been followed to Salvador and arrested there; and should there be a chance of doing this it must not be lost. On the point of our right to arrest her Mr. Snow is quite clear, as will have been seen by his letter.

8. Par.8. This is evidently written in forgetfulness of the fact that a ship is chartered in Cardiff for coal only; some years ago we had some timber from there, but mixing anything with coals is unsatisfactory.

9. Care should be taken that the Auditor's certificate is properly made out: in the last one the word "paid" was written for "received", and in other respects it was not as clear as former ones have been.

10. I notice that the Gazette speaks of the "late" W. Bound; I may have overlooked it, but I do not recollect your mentioning anything of his death, or what arrangements have been made for a new tenant for the Ship Hotel.

11. I have not seen Mr. Halkett, but he wrote this week to ask if the Company would sell the land on the other side adjacent to the Naval Reserve, about 270 acres. I do not know in what capacity he wrote, as I take it that he does not occupy an official position in London, and I was inclined to ask if he was joking. That land is, of course, extremely valuable to us, more especially since the Naval Works scheme has really taken shape. I cannot find a properly marked plan of it, and should like one made and sent home. We have now all the lots from 37 to 39 inclusive, and the fence was shifted when we got 37 at Fairy Cove from Messrs. Dean, but I cannot recollect how that fence was, or who are the owners of 40 and 41; I rather think that I wanted to get them, so as to run a fence straight across.

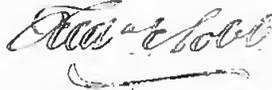
12. Your two cables about the John R. Kelley and the Cyrus

Wakefield arrived on the 17th and 25th ult. respectively. I have tried without success to find the agents of the former, and have written him as to a credit; but as the ship is reported to be likely to be a total wreck it is most improbable that the owner will make himself responsible for any outlay, and all I can say at present is that, if he does not provide credit, you must see that you have security for any advances made, even if you have to take a Bottomry Bond. With regard to the Cyrus Wakefield, the London agents are David Bruce & Co., and I am already in communication with Rosenfelds through them. If they are not authorized to accept the mate's drafts before this mail leaves, I shall have a chance of cabling up to the 9th inst. With regard to American ships, you must bear in mind that we always like to have bills on London rather than on the U.S.

13. I enclose copy of correspondence with Houston & Faulk as to the Rev. P. J. O'Grady's complaints, and when I hear further from them I will advise you. They are very dilatory and unsatisfactory people to do business with.

I am, Sir,

your obedient servant,



Managing Director.

Inlosures

Duplicates.

Despatch N. 892. dated 13th June
 Ledger + Journal Entries
 Remarks on Accounts
 List of Inlosures
 Clients Affairs -

S	115	Bales Wool p. Ammon	"	"	"
Danielson	1	"	"	"	"
\diamond H	14	"	"	"	"
Hammock	3	"	"	"	"
Island		"	"	"	"
JR	12	"	"	"	"
WP	24	"	"	"	"
\diamond B	94	"	"	"	"
NV	9	"	"	"	"
O	31	"	"	"	"
\triangle IH	95	"	"	"	"
Raymond	207	"	"	"	"
Z	116	"	"	"	"

By Ladings 6 Bales Peas p. Hathoi
 do 20 Cs. Milk do
 Second of Exchange for £450
 Inlosures per Consequence letter

By Ladings Cargo p. Hathoi
 Charter party, Ship "Langstone"
 Collected General Invoice p. Hathoi
 do "Mogestia"
 Clients Invoices p. Hathoi as follows; -

See Tacke £61. 6. 0

Stanley Assembly }
 Rooms Co. } 17. 14. 3

Dean + Anson 407. 11. 7

Tacke Bro. Co. 5. 6

Bailton + Steadney 1. 4. 0

Copy of letter to Kosmos Co. dated 29th June
 do Boulton Paul Co. " 29th June

Wool Circulars

Copy of letter to Consul General U.S.A. dated
 20th June + reply dated 21st June

List of Exchange for £450 -

Copy of Cable messages from D. Bruce Co to
 H. Langridge Co.

Ledger + Journal Entries
Remarks on Accounts
do on Stores

Copy of letter from J. Prime Sons dated 21st June
+ their debit note for £14.11.3

Letter to Dr. Foley

" E. J. Matthews

" W. A. Harding (duplicate of 13th June)

London 1st July, 1899.

27

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Itauri.

N^o 894.

London, E.C. 25th July, 1899.

Sir,

My last was dated the 1st inst., and I have since received despatches 124 and 125, which arrived on the 10th and 21st inst. respectively, and have been seen by the Board.

2. Par. 1. The G.P.O. are making enquiries about the eccentric conduct of the Post Office of Uruguay.

3. Par. 3 and 125-6. The Board are anything but satisfied with the proceedings in the matter of the John R. Kelley. In the first place a credit was cabled for, while a telegram was sent to Lloyd's stating that the vessel was likely to be a total wreck. Although another cable was received 12 days later, not a word was said as to whether the ship was a wreck or not, which was a serious oversight, as we understood here that no credit could possibly be asked for except for the purpose of effecting repairs. The veriest tyro in shipping matters ought to know that owners are not going to make themselves responsible for expenses in case of wreck, and great care is necessary about advances in such cases, that is to say that there is security sufficient to be got out of the vessel herself. Practically I used to find that there was no danger in letting the Captain have money for his personal expenses to a moderate amount, as such were always met by the owners, but when it came to advancing money for paying off the crew, I almost uniformly declined, and they had to take bills on the owner, and have recourse to the Government as distressed subjects. Owners are not liable for expenses incurred in endeavouring to save a ship from wreck, if the endeavours are not successful; you will therefore see how very careful you must be to see that you are fully secured on

W.A. Harding, Esq.,

Manager,

Stanley.

the spot. I have no reply from Mr. Kelley, although I wrote to him on the 20th ult., he is evidently, therefore, waiting to see how the cat jumps before committing himself. It is much to be regretted that Mr. Baillon went back from his intention to buy the vessel if put up for sale, and more annoying to all than I can express to find that we have taken a back seat, and allowed Williams to get this valuable property for what Mr. Baillon calls the "absurdly low price of £200". London despatches might be searched certainly 32 years back without finding any fault expressed with the Manager for buying wrecked property according to the best of his judgment, even when there has ultimately been a loss: it is a risk, but a legitimate one, and we are prepared to accept it in all cases. We know little about the position of this wreck; but it seems to me that there is a very remote chance of her breaking up for a very long time, if at all, and that with our two diving sets we ought to have been able to make arrangements with divers either in the Colony or the Plate to get up a good deal of valuable property. If Williams has applied for the use of our apparatus it is to be hoped that a bargain has been made by which we take a percentage of the value in addition to whatever may have been charged for hire. We shall be glad to know what fresh representation has been made to the Government as to the scandalously inefficient pilot service.

4. Par. 5 and ~~125~~- 23. I conclude that nothing has been done in the way of sharing the cost of the fence asked for by Simpson some mails ago, under the mistaken impression that his property adjoined a piece of ours.

5. Par. 10. The Department of State at Washington have asked through the Consul-General here that the tombstone may be sent to Stanley, and it is on board this boat.

6. Par. 11. Mr. Baillon has failed to follow up the question of getting some work done by the Blacksmiths at odd times on the Glengowan. Whenever you see a chance of selling a few tons of her coal as ballast, even at a very low price, you might not to miss it. We do not know whether this vessel is afloat, or not.

7. Par.16. It is satisfactory to learn that steps are being taken to arrest the Enola C. We have had no further communication from Mr.Green.

8. Par.20. It is a question how far we ought to humour our clients in the matter of dates to our own inconvenience. Imagine the whole of them fixing the conclusion of their financial years at different dates, and insisting on our giving them their accounts up to those dates. We close our books on the 31st December, and all accounts ought to be rendered with interest up to that date, so as to show our exact position, whatever we may do in the way of obliging clients with copies of their accounts to other dates.

9. Par.21. When we get silver coin through our Bankers we pay freight and insurance, when from the Mint all charges are refunded by that establishment. If we ask for coin without producing our authority from the Colonial Government an objection is always raised.

10. Par.26. We learn with concern of the disturbance of the labour market by the Admiralty works, and will support any memorial that may be addressed to the Governor on the subject. Being forewarned we hope that Mr.Mathews will make sufficient provision for labour when in the Plate as to render us independent.

11. Par.5 desp.125. The want of cargo for the Modestia is to be regretted, but it is fully explained. Since the Hornet was damaged, and, it is assumed, taken in hand by the carpenters, we have not heard a word about the progress of the repairs. I hope that you will manage to keep us posted a little better as to what is going on from time to time than Mr.Baillon has done, not necessarily at great length, but so that we may have an idea what people are doing, and if you say that you are going to make a report on this that or the other by next mail, do it.

12. Par.6. In the case of the Cyrus Wakefield the wrong word was used about obtaining credit, which caused us a lot of unnecessary and expensive cabling with Rosenfelds through their London agents. When a reply is not needed the word should be "Fothered" not "Federal". In this case we exchanged several

cables only to find out at last from the owners that the ship had sailed, and of course no reply was needed or could have been of any use.

13. Par. 8. The coal remaining in Stanley cannot be said to belong to the Admiralty, as they have not paid for it. Having got both coal and freight cheaper this time I have arranged with the Admiralty that as soon as the Langstone arrives the price of coals to them is to be reduced to 50/., and on their part they undertake to receive the old stock per Serena until finished, instead of demanding the new. Adding what is left to the shipment per Langstone the price of 50/. shows a ~~gross pro-~~^{and} fit on cost ~~of~~ freight of 48%, which still allows a good margin for expenses of receiving and delivering; it should be our policy just now to do things for the Admiralty as reasonably as we can, and we shall probably benefit later on; squeezing would be a fatal mistake. Do not forget to let us know each mail the stock of steam coals on hand.

14. Par. 9. The Extension of Protest seems all right, and I do not see how the Albatros could have got out of paying for the Hernet's damages; but unfortunately her loss makes it almost certain that we shall get nothing out of her at all. I enclose ~~copy~~ of a letter from Messrs. Ince, and have written to the Chilean Consul here about the law of Chili; but I am much afraid that it will turn out to be the same as in most countries outside our own. I suppose that the owner Curtze is not likely to do anything in atonement for his Captain's blunder? This case shows how necessary it is to act with promptitude and vigour; had Mr. Baillon asked for a special Constable to be sent to Salvador to arrest the steamer, she could not have left Colonial waters without providing security, which no doubt would have been forthcoming from Williams, and we should have been all right. On what terms are the repairs being done? This has not been reported: I hope not ship pay, seeing that we stand to lose a good deal ourselves.

15. The Kosmos Company returned the £10 paid to the Mate of the Lavinia for the use of his cabin.

16. On the 8th inst. I cabled "Kelley Chocaria Recadasao Bar-entatze", which you will have understood.

17. In survey reports use is frequently made of the word "gallant-mast" or "main-gallant-mast", which may be correct in German, but as the English of the term is "topgallant", it would be well if you could get the Surveyors to use our language.

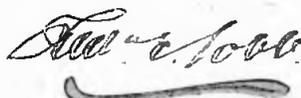
18. A press copy of the John R. Kelley's manifest has been received, and it would be more interesting and useful if it were legible, which as a matter of fact it is not. Please note that all documents sent here should be handwritten, and not merely press copies of others which have been sent elsewhere. I am inclined to think that you would be all the better for a typewriter in the office.

19. A Mr. Albert Crook of Bath has written to ask that a passage may be provided for Miss Crook of Stanley by a homeward bound boat, and he has been referred to the agents. It will be interesting to know what became of her father, who was understood to be dead.

20. Mr. Girling goes out by this mail accompanied by his wife, two children, and a Governess, and the Board hope that you will find him an efficient assistant in your office, and one with whom you will have no difficulty in working. He has the character of being a hard worker, and of taking great interest in all he does, and we think that we have been rather fortunate in coming across him.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Dispatch No 892, dated 1st July.
 Ledger + Journal Entries
 Remarks on Accounts
 Remarks on Stores.
 Copy of letter from Prime dated 21/6/99.
 List of Enclosures.
 Clients Invoices:-

Free Pake	61. 6. 0
Stanley Aubrey Round	17. 14. 0.
Dean Anton	407. 11. 4
Pake Bros	5. 6
Bailow Strickney	1. 4. 0.

Company General Invoice
 Second of Exchange £450.

Wool reports

Drafts drawn by J Miller Low for collection (3)
 Copy of letter from the Kosmos Co dated 4th July
 Company's Annual Report
 Copy of letter to the Admiralty dated 14th July
 + their reply of 18th inst
 Clients reports + contracts

{	J.B. 117 bales wool in "Aonia"	
	14-B. 99	" " "
	1-B 83.	" " "
	14-C.O. 37	" " "
	S.I. 49	" " "
	S.S. 98	" " "
	P.O. 37	" " "
	T.R. 112	" " "
	FB 115	" " "
	D.H. 91.	" " "
contracts only {	J.R. 8	" " "Amonon"
	L. 45	" " "

Copy of Broker's report Company Wool in "Aonia"
 to Purling's agreement.
 Copy of letter from Ince Colt & Ince 22nd July
 Ledger + Journal Entries
 Remarks on Accounts.
 List of Exchange £450.

Bill of Lading Coals for "Langstone"
 Freight Account with receipts for advance &
 Captain's gratuity attached
 Freight return on schooner's Wool for "Aminia"
 J. W. Dean 186. 19. 10.
 Extract of letter from Amos 20th July
 Letter for W. W. Bertrand.

London 25th July 1899.



34

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

LETTERS SHOULD BE ADDRESSED TO
THE MANAGING DIRECTOR.
TELEGRAMS TO FLEETWING, LONDON.
TELEPHONE N^o AVENUE 443.

61, Gracechurch Street,

London, E.C. 12th August 1899

Per Supplementary Mail
W. A. Harding Esq.,
Stanley.

Dear Sir,

Since writing you on the 25th Ult.
we have received the mail per Modesta,
on the 27th Ult., bringing duplicate Dispatches
Nos. 124 + 125 + other papers in order.
Mr. Cobb is away in Scotland + we have
nothing to comment on by this mail.

I am, dear Sir,

Yours faithfully

For THE FALKLAND ISLANDS CO.

Walter H. Gyles

For Managing Director.

Duplicates Enclosures.

Despatch No. 894 dated 25th July.
List of Enclosures.

General Invoice goods per "Stauri"
Ledger + Journal Entries
Remarks on Accounts.
Clients Reports + contracts

T.R. 112 bales wood. Laonia
Pittouid 54 " " "
FB 115 " " "
D.H. 91 " " "
S.S. 98 " " "
Ryboov. 45 " " Ammon
J.R. 8 " " "

Second of Exchange 6. = 450.
Enclosures per Coniquet's letter

Bills of Lading Cargo per Stauri (5)
Coats per "Langstone"

Copy of letter from Lloyd dated 26th July
Clients reports + contracts:

I-B 14 bales skins Laonia
I+B 0 " " "
J.B. 3 " " "

Bank Hickman's corrected invoice goods per "Stauri"
Kirkland account for B. Stickney

Blyth Lascov's account for pens +
Clients Affairs

149 54 bales. wood Laonia
I+B. 99 " " "
I-B 85 " " "
I-B 59 " " Ammon
SI 49 " " Laonia
JB 117 " " "
J.R 8 " " "
Ryboov. 45 " " Ammon
FB 115 " " Laonia
D.H. 91 " " "
SS 98 " " "
T.R. 112 " " "
Pittouid 54 " " "

Copy of Brokers Apsate Company's book per Laonia

General Invoice Goods per Stauri (Corrected)
Prints Invoiced

Hobmested Blake	154. 12. 4
P. J. Diamond	5 6. 4
Bertrand & Felton	2. 1. 10.
Free Packer	6. 19. 2
American Consul	18. 18. 9
Spain - Antoin	46. 8. 1.
Hobmested Blake	19. 2. 2

General Invoice Goods per "Langstone" + suppliers (attached)
Hedges + Journals Entries

Remarks on Accounts

First of Exchange £. 1450.

Railway + Insurance charges for O'Fieling furniture etc per Langstone

Expenses on Boxes shipped per "Stauri"

Aberdeen preserving Co's circular

Letter to W. A. Harding

" to G. J. Marshalls (duplicate)

Remarks on Stores

London 12th August 1899

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61. Gracechurch Street.

Per Modestia.

No 895.

London, E.C. 5th September, 1899.

Sir,

Since writing you per Itauri on the 25th July, we have received your despatch no. 127 via Sandy Point, which has been read by the Board.

2. Par. 2. Eight years ago I told Mr. Baillon that a second copy of the Bill of Lading by sailing vessel should always be sent by the mail following her departure, and time after time I have had to repeat this. In case you are not acquainted with the routine I may mention that of the three signed copies one should go by the ship, one by the mail, and the third be kept for reference in your office. The fourth copy, which should be made out, but I understand from Capt. Thomas has not been, is marked "Captain's copy", and is not signed, so does not count as one of the three mentioned on the face. It is a custom to which, I believe, there is no ^x exception whatever, to send the B/L by mail, and where it is necessary to give security for advances the want of it might be serious. I mention all this, although it forms part of the A.B.C. of commerce, and hope that it will not be forgotten in future. Another thing is that wool and sheepskins should not be on the same Bill of Lading, as they go to different Brokers; this has also been mentioned and acknowledged from the Islands. The Thetis has just arrived, and the Bills of Lading for Messrs. Baillon and Hoare have been sent on.

3. Par. 5. We hope that the bills upon the American owners will be met, but I must repeat that in future we must not make advances on no security in case of wreck. As to the John R. Kelley, the Board are most indignant at the neglect of our interests shown by Mr. Baillon in letting her go for a mere song to a man whom it is our object to keep out of shipping business as

W.A. Harding, Esq.,

Manager Stanley.

much as possible. It almost looks as if he had been entirely indifferent on the subject, and did not care to bestir himself to carry out his intention of meeting any emergency that might arise during the remainder of his stay in Stanley.

4. Par.8. We did not know that R.H.Aldridge had any property in Stanley; as that was the case the Board wish to know why proceedings were not taken against him for debt before. It is hoped that his account has been sent in with interest.

5. Par.9. The remarks on Suburban allotments seem to be all that was to be said on the subject.

6. Par.12. The Chilian Consul here cannot give me the information I asked for regarding the Chilian law of shipping. As Chilian Consul you had better get it from Santiago. The point is whether an owner can be proceeded against for damage caused by his own ship; in England according to our law he can; in France and most other countries the law is that the ship only can be attacked, and when, as in this case, the ship has gone to the bottom, the owner is held harmless. This is explained in Ince's letter of the 22nd July, of which you have a copy. Possibly you could get the information earlier by writing to Stubenrauch or someone at Sandy Point confidentially. Until you know what the law is you cannot make a claim on Curtze. The case has been mismanaged altogether; the law of nations is that any ship can be arrested and held for damages caused until she gives security in case of being found in fault, and obviously the right thing for Mr. Baillon to do would have been to look the law up and call upon the Government to arrest the Albatros at Salvador. As he did not do so we stand to lose hundreds of pounds; we now fall back upon the Underwriters, but as the Hornet is only covered at Lloyd's for £300, and we run the rest ourselves, it is our Underwriting account that is the greatest sufferer. If, of course, the Chilian law is similar to our own, you must make a claim on Curtze.

7. Par.19. We shall be glad to have all information you can furnish as to the chance of recovering the Enola C.'s account.

7. Par.20. The misfortunes of the small coasting steamer are rightly stated by Mr. Baillon to prove the inadvisability of

trying to do all our coasting by one steamer, an accident to which would cause such wide spread inconvenience.

8. Lloyd's have informed us that you are appointed their agent, and we hope to hear that you have the German Consulate. In getting the others, could you refer the Government to Sir E. Wingfield as to your respectability? I remember that there was some delay over some of my appointments through my name having to be referred to Stanley.

9. I send you some correspondence with Mr. Craigie-Halkett as to the purchase of the land on the other side of the Harbour, it is not stated yet whether he is acting for the Colonial Government or the Admiralty, nor is it clear why one of the Departments does not write direct to us, instead of deputing an official who is on leave. He will be told that the Board are still unwilling to part with the land, but are prepared to consider any offer that his principals may make. The reference to the Government's power of resumption for Imperial purposes is bunkum, and we are given too much credit for simplicity if it was intended to frighten us. We want to know more than we do before we fix a price. If, for instance, there is to be a garrison of several hundred men, we are not going to sell for a trifle the advantage of planting a store at their gates a mile nearer than any competitor can. I say that we are entitled to look upon that land as being of equal value to town lots in Stanley, or, better still, to the piece in the outskirts which Mr. Halkett, unfortunately for his clients, has just told the world was sold to the Government at the rate of £148 per acre. What we shall probably aim at will be the sale of the land at a substantial price, stipulating that the Government are to give us a fenced paddock near Stanley sufficient for our requirements, and if we can secure from them a plot near the Works, with the exclusive right of putting up a Store, we shall do very well. Our Solicitors point out that the War Office and Admiralty have to buy every foot of ground they require for Imperial purposes in this country, and it will be the same in the Colony. Probably an Ordinance will be passed as an Act of Parliament would be here, and then the price, if not agreed upon, will be settled by arbitra-

tion. We do not forget that when we wanted the few feet of foreshore we have in Stanley the Government bled us pretty considerably, and now the boot is on the other leg. There can be no harm in talking up the value of land, so as to familiarize the Government with the necessity of paying a good price; but of course all negotiations will be conducted here. It must not be forgotten that most of the land was acquired 30 and 40 years ago, and that more than was wanted was bought with the object of some day selling at a profit.

10. Captain Willis has written to ask if his wife and daughter can have a passage in the Thetis, and the Board have no objection to giving them the room, but they must pay for their provisioning. Not a word has been said about him since he landed, and we do not know whether he is a man likely to make a good servant or not. Houses are never given rent free to our Captains, on the principle that they have one on board their respective ships, and we cannot start a new precedent.

// Owing to the late arrival at Montevideo of the Neko the mail has not come by the Pacific boat, and we do not know whether to expect the tallow this time. The market is good, and we shall be disappointed if it is not on board. The probable date of shipment ought to have been given; but we have unfortunately of late had less and less of the kind of information we have wanted.

I am, Sir,

your obedient servant,



Managing Director.

4

Enclosures.

Duplicates

- Letter dated 12th Aug.
- List of Enclosures.
- General Invoice Coals per "Langstone"
- Jedger & Journal Entries
- Remarks on Account.
- Particulars of Cost of Cows per Stauri
- Remarks on Stores.
- Clients Invoices

Per Packe	6. 19. 2.
American Consul	18. 18. 9.
Dean Anson	26. 8. 1.
Holmsted Blake	19. 1. 2.
	154. 12. 4
Rev. J. Diamond	5. 6. 4
Berthland Felton	

General Invoice of foods per "Stauri"

Clients Apales.

	91 bales wool "Laomia"
DT.	110 " "
P.B.	Roy Gore 45 " "
S	34 " "
J.R.	8 " " Annon
P.H. Point	112 " " Laomia
S.S.	98 " "

Second of Exchange £450.

Brighton College schooling accounts for J. J. Felton.

Clients Apales:

T.B.	3 bales skins Laomia
J.B.	0 " "
H+B.	14 " "

Copy of Brokers Apale of sheep skins per Laomia

Colonial Annual Report on the Islands (2).

Clients reports & contracts:

	23 Hides	Modestia
F	8	" "
S+S	28	" "
C	26	" "
T.B.	21	" "
P	2	cks Sallow "
J.B.	2	" " "

15th Aug + our reply 29th inst

Correspondence with Morton re milk for "Albatross"
Also "up to date" Craigie-Hackett. re land.
Ledgers + Journals continued
Remarks on Account.

List of Exchange \$450.
Copy of letter from Rompas Bischoff 6th, dated 4th inst
Signed Agreement of 2 Shepherds & 8 Labourers.
Remarks on stores.

Letters for the following
Capt. Willis
E. J. Mathews (2).
G. H. Foley.
Perce Packer.
J. G. Goodhart.
Dean Brandon.
W. A. Harding
W. W. Bertrand.
J. J. Felton.

London 5th September 1899.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

No. 896.

Per Supplementary *London, E.C.* 23rd September, 1899.
mail.

Sir,

Since writing per Modestia we have received Mr. Baillon's despatch no. 128 per Neko, which came to hand on the 11th inst., Mr. Baillon also arriving by that steamer. Duplicates were received three days previously by Italian mail, but no Bills of Lading, in fact I did not get these until past twelve o'clock on the 11th, when they were personally delivered by the Captain, two sets in two envelopes, both with uncanceled English stamps on. It is of the greatest importance that we should always, when possible, get Bills of Lading before the arrival of the steamer, and therefore even when the steamer is late, and cannot catch the Pacific boat, a copy should be sent to be posted by the first mail from Montevideo. The want of them causes a request for letters of indemnity besides other trouble connected with the discharge of cargo.

2. Par. 5. When I went to the Colony in 1867 Mc. Lauchlen was landlord of the Stanley Arms under Messrs. Dean, and remained there for many years, when to the best of my recollection he had a fancy for going to sea again, and bought the first Allen Gardiner from the S.A.M.S. After this he took the First and Last, in which he remained as landlord for some years, during part or all of which he was also Government pilot. For a short time after this he lived in the Dockyard, and when our Overseer, Hawkes, left the Colony Mc. Lauchlen applied for and got his place. I am afraid that his record cannot be brought into our pension scheme at all, as practically continuous service is necessary to qualify for it, and although many years before I went out I believe he ran our schooners Amelia and Fairy for I don't know

W. A. Harding, Esq.,

Manager,

Stanley

how long, he left them for the purpose of bettering himself, which there can be little doubt he did materially, for no one could be landlord of two such houses without making a very snug sum. Unquestionably he has been a very good servant, but he was advanced in life when I first had anything to do with him, and if the precedent of granting a pension in such a case as his were established, we should have to be very chary about employing anyone over 40 years of age. The list of pensioners is already fairly long, and may be increased before many years have passed to a still greater extent; it is therefore most necessary to exercise care that no case is admitted that does not strictly meet the intentions of the Board in establishing the system. I have written fully on this subject, and you can use your judgment as to how much you tell Mc. Lauchlen. No doubt he ought to be replaced by someone of fewer years and more energy, and as a sensible man he should recognize the fact that there comes a time in the life of most men when they become unequal to the burden of work which was easy to them in their prime, and when they have to make way for their juniors. While on this subject you should intimate to W. Biggs that although the Board have allowed him to remain longer in the employ, in consideration of his long service, than they had intended; when the amalgamation took place it was considered that we should only keep one foreman carpenter in Stanley, and that the time has now arrived, say at the end of this year, ^{when,} he should retire upon his well earned pension. This is now more imperatively necessary, since the shipping business has dwindled to such small dimensions, and it will besides be more convenient in every way to have the work in the hands of one foreman only. As he has always been off pay at shipwork, there is no difficulty in assessing this pension, which will be £5.8.4 per month, and you may possibly be able to add to this at times by giving him a share of the final survey fees.

3. Par.5. We shall be glad to hear of any offer that Mr. Schlottfeldt may be commissioned to make for the Glengowan, and although some of the beams according to Blyth's report cannot be straightened, it might be worth while considering whether

if the builders supplied some of them at a cost that would make it worth while it would not be possible to lay a deck sufficiently strong for her use as a hulk. If you could get a photograph of her showing the present condition of the beams and plates it would be useful.

4. I have also to acknowledge receipt of your letter of the 8th ult., memo of the 9th, and Mr. Baillon's letter of the 8th on the subject of the Enola C. We are glad to hear that the transfer of the business has passed off without trouble.

5. There is no harm in sending the Clients' tallow on the same Bill of Lading as ours, but you must bear in mind that produce that goes to different Brokers should never be on the same; this applies to both steam and sailing vessels, and in several instances of late wool and sheepskins have been put together. When a shipment is made at an outside port you should see that this is attended to.

6. The news about the Enola C. is bad, and the only thing to be done now is to get as much out of the vessel as we can after the Sandy Point people have helped themselves, and then to obtain from the Consul whatever documentary evidence you can, properly legalized by Mr. Rowen, of the special agency given him by Green, so that we can take action in the U.S. As a rule, you will have seen that according to the law of the States a claim on a ship can only be enforced against the vessel herself, and that if the owner abandons her he is held harmless. But it is quite likely that when special directions are given as to credit the owner may make himself personally liable, and you should ascertain from the Consul if it is so. And as he got us into this mess, we rely upon his doing his best to help us out.

7. You will see by the correspondence enclosed that there is still a question raised as to whether 488 or 498 bundles of shooks were delivered by the Hathor, notwithstanding that it has already been reported from Stanley that the former number was the actual tally. The North Western Railway have paid for two bundles, and now the Docks have made themselves liable for ten, as they admit having received 498. A certificate signed by the

Overseer, or person who tallied the shocks ought to be sufficient.

8. The Government have sent for 150 tons of coal, but their Brokers are in a difficulty about freight, for we have naturally declined to come to their assistance, and I am told that Thomas will not take them. It will be amusing if they cannot get them out, and, although you need not be aware of their dilemma, you may have an opportunity of contracting with them to deliver a quantity when we send a coal ship at less than the ordinary retail price. For years they bought their coal of us, and if it is true that this order is cut up into small lots for their various employes, I must say that it seems rather mean.

9. What arrangement has been made for periodically settling the Admiralty Works account, which I see is running into three figures? We have not heard about the cash that it was intimated we should have to find them.

10. It is not necessary to continue making the annual estimate of the Thetis's earnings, which can be got at more precisely here from actual figures, but the summary of her coasting log may still be sent.

11. We have received payment of the Cyrus Wakefield's bill, but anticipate trouble over that on J.R. Kelley, as to which we have authorized Messrs. Brown Shipley & Co. to instruct their agents to take proceedings. You will see clearly that it is entirely wrong to advance money for payment of wages on account of a wreck, unless you can be sure of recovering it out of the ship herself. If Mr. Baillon had bid for the wreck at least up to or over the amount of our advance, as he should have done, we should have been safe, and it is not the least annoying part of this deplorably mismanaged business that we not only get no profit but are likely to be actual losers, when it might have been so very different. In most countries the laws of shipping are less favourable to sailors than ours are; for instance, in Italy men can only in case of wreck get their wages or part of them out of the ship herself or her freight, and this may be the case in the U.S., so that possibly Mr. Kelley cannot be legally be compelled to pay anything. You should ascertain this from the Con-

sul, and in every case bear in mind that the safest course to take is to put the men as regards wages and their passage away from the Islands on the Government or the Consul of whatever nation they may belong to.

12. I enclose copy of correspondence with the Colonial Office from which you will learn that the monstrous tax on exports receives the approval of the Secretary of State. I need hardly say that we shall fight the matter tooth and nail, as this is only the thin end of the wedge, and if such a tax is approved of it will be a wonderfully easy way for the Government to raise funds for any extravagance that they may think fit, in the absence of the representation that usually accompanies taxation, to indulge in. A movement ought to be made in the Colony on the subject.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Dispatch No 895
 Ledger & Journal Entries
 Remarks on Accounts
 " on Stores.
 List of Enclosures.
 Clients reports & contracts
 S.S. 28 "Hides" "Modestia"
 ^ 23. " "
 F 8 " "
 P y. chs. Tallow "
 Second of Exchange \$450.
 Enclosures per Consignee's letter.

Bill of Lading Cargo per "Modestia"
 Copy of letter from Norton 14 Sept & our reply
 of 15th inst re Milk claim
 Clients A/sales

T.B. 2 chs Tallow "Modestia"
 R 4 " "
 F 18 "Hides" "
 ^ 23 " "
 S.S. 28 " "
 B 22 " "
 C 26 " "

Correspondence with Tilbury Docks 14 Sept re shocks
 short per "Harrow" & our reply same date to Docks.
 Clients reports & contracts

L 3 bales Skins per "Hetic"
 MV 2 " " "
 IT 1 " " "
 T.R. 2 " " "
 F 14 " " "Orghid"
 S 2 " " "Hetic"
 T.R. 2 " " "
 DA 5 " " "
 L 8 " " "
 R 2 " " "
 S.S. 2 " " "
 H.B. 8 " " "
 H.G. 11 " " "
 ^ 6 " " "
 FB

Copy of letter to Colonial Office dated 14th Sept
& their reply of the 20th inst
Corrected General Invoice goods for "Modestia"
Shirts Invoices

W Clements	48.	19.	4.
Beitrand & Tallow	18.	1.	11.
Packe Bros &	6.	19.	0.
Sharp Smith	8.	0.	11.
W & Packer	11.	15.	0.
Stanley Aubrey Round	6.	8.	0.

Credit note for Holmsted Blake dgd wood for "Avonia"
Wood reports

Report & contract - bale tails for "Weko" Fire Packe

Copy of Brokers report & contract Co Tallow "Weko".

Duplicate receipt for £10 W. Bethune
Ledger & Journals

Remarks on Accounts

Remarks on Stores

First of Exchange 450.

Bentons price list for Roller Skates for Assembly
Room Co.

London 23rd September 1899.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Neko.

London: E.C. 17th October, 1899.

No. 897.

Sir,

My last despatch was dated the 25rd ult., and I have since received your no. 129, which arrived on the 6th inst.

2. Par. 2. The remark about the circulation of silver is now understood, and we infer from the fact of your not drawing lately in favour of the Government that they are taking more cash from you.

3. Par. 5. We shall be very glad if you can manage to get the Glengowan afloat and anchored.

4. Par. 5. From what I have already written you will see that there is little or no chance of getting anything out of the owner of the Albatros for the damage done by her.

5. Par. 7. I note that W. Bound is still alive. With reference to the Ship Hotel, can you explain the meaning of the advertisement in the Magazine in which Lars Berntsen offers for sale the stock and goodwill? We can understand the stock, but how is the goodwill to be sold over our heads by a man whose name we do not know in connexion with the place? Under what arrangement does Bound at present hold the place, is it a lease, or an agreement, and for how long? I suppose that we retain the right of veto as to the proprietor or Manager?

6. Par. 9. I enclose copy of a further letter I have written to the C.O. about the Export tax Ordinance. You express the very idea that had occurred to me. If the principle is admitted, we shall soon see a tax of $\frac{1}{4}$ d. or $\frac{1}{2}$ d. on wool to provide the Governor's £20,000 for new Government buildings.

7. Par. 11. The news about the sheep is good, and we now only

W.A. Harding, Esq.,

Manager,
Stanley.

await your report of their safe delivery and that of the bull to claim the return premium from the Underwriters. I refer to their arrival at the outports to which they are insured.

8. Par.13. Your remarks about the Tekoa are noted. I omitted to acknowledge the cable about her, but the draft on the N.Z.S. Co. will be all right. It is a pity that the Fair Rosamond had to go on a wild goose chase, as it turns out, news of the boat having reached England before the safety of the ship was known. Under the circumstances, however, you could not have refused to send her. The Underwriters here are disturbed at the contract reported with divers to get her to Montevideo for £4000, which they think excessive; they hoped that they had us to deal with, and would have proposed an amended tender; I told them that I thought our man had failed, and that the contract had probably been taken by the men from Montevideo. It is possible that they may say that it would have been cheaper to await instructions, rather than accept such an offer; but I shall be unable to learn anything until the mail comes in. It was certainly better not to run the risk of buying the carcasses for Goose Green.

9. The Banda was six days late at Montevideo, and we therefore expect the advance mail to arrive by the Royal Mail boat which sailed three days after her arrival there and is due here in about four days. I observe that when the Neko was seen to be too late for the Pacific boat you did not send the advance mail as usual, to be forwarded by first mailboat; this was a mistake, as what with the Royal, French, and Italian mailboats, the chance of the Kosmos boat bringing her mail in before one of these is very small. We received the few Neko letters that were posted in Montevideo by the Italian boat, three days in advance of the former.

10. The Thetis is loading, and ought to sail about the end of the month.

11. Your cable, "Federal Balkamah Blackmoore London cavaron geruchloss Banda roteare" arrived on the 27th ult. meaning that credit is wanted for the Balkamah, 450 tons House coal to be shipped, and that the Banda has 228 bales wool.

12. As to shipping 450 tons of Newcastle coal, that is an im-

possibility. It rarely happens now that a vessel small enough for such a quantity is to be got, and the best we have been able to do has been to charter the Annie of Stavanger, 424 tons, to carry not more than 650 tons from the Tyne. Seeing that it is a long time since we shipped smithy coals, I do not think that it will be a mistake sending 50 tons, so as to lighten the House coal somewhat, especially as you have had a little ship work lately. I have enquired about sending beer, iron, and other general cargo from Newcastle, but find it impracticable, on account of the cost of railway carriage so far north. I enclose correspondence with the Crown Agents, from which you will see that I have offered coal to the Government over the ship's side at 47/6, this they have declined, as they consider the price excessive. They have been trying for some time to ship 150 tons to Stanley for the Government, but cannot get a ship to take it, and as Captain Thomas has decided not to go out again, I question if they will. In any case they cannot get freight from Newcastle, and therefore whatever coal they do ship will have been handled in London, and cannot be as good as what we send direct. Our coal will cost with freight and insurance about 35/6 in Stanley Harbour, without any labour there, so that if you can get the Government to take what they want at their own cost from the ship, we should make 12/. a ton, which is not excessive, and you might very likely be able to lend them lighters free of charge.

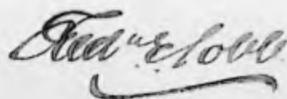
13. As the Orchid is not going out I am shipping Mr. Felton's order by the Thetis, and this time having cargo also for Green-shields and some dip for Petaluga, she will have to go to Salvador as her first port from Stanley. There is no indent from Petaluga, and if it arrives by the mail it will be too late.

14. Mr. Cameron wishes to ship his wool in the Thetis this time, so she will be unable to take any from Fox Bay, which is all the better, as the bales from that port stowed badly. The Thetis has again delivered her cargo without damaging a single bale; on the other hand there will be a heavy claim on the Orchid, which is a ship evidently past carrying wool or anything perishable. Insurance by her would probably be much higher another time.

15. On the subject of the Balkamah I enclose correspondence with Black Moore & Co. You will see that they will accept for temporary repairs up to £1800, and as they are considered substantial people, so far we are satisfied. But as they will not extend the credit, it was thought desirable that I should ask our Solicitors what steps we should take in the event of the temporary repairs exceeding the sum named. They say that as Blacks will not be responsible for more, as their second letter is nothing, we must not let the ship leave the harbour until the balance is paid or secured, and that you must take steps in the Vice-Admiralty Court to have her arrested. Your course therefore will be to get the draft for £1800, and then move the Court to stop her from leaving the harbour. But this is an extreme course, to which we hope you will not have to come. It means that the Captain will have to cable Black Moore & Co. to extend the credit, which they will doubtless do at once, and if you foresee during the course of the repairs that they will exceed the credit the cable should be despatched in anticipation by the first opportunity. I cabled on the 13th inst., Balkamah Cocheais 1800 Black Rebajado, which you have no doubt understood. The further instructions as to the possible arrest I could not get into a cable, and we must run the risk of its being too late; but as the repairs must be somewhat heavy we hope this will not happen. I think that you might let the Captain know that exceeding the credit will cause unpleasantness, and you and he can confer together as to keeping within the mark. The estimate appears to have been given by him, as you say nothing as to the probable cost of repairs. These one-ship Companies are ticklish things to deal with, as they have no credit, and are often mortgaged up to the hilt; one of the worst losses we had was over the Brucklay Castle some eight years ago, which was owned in this way.

I am, Sir,

your obedient servant,



Managing Director.

Rendall's accounts for W W Bertrand
Clients Affairs -

TR	2	bales	Skins	"Thetis"
R	8	"	"	"
S.S	2	"	"	"
FB	6	"	"	"
H.	1	"	"	"
L	8	"	"	"
TR	3	"	"	"
L	5	"	"	"
S	2	"	"	"
MY	3	"	"	"
F	14	"	"	Orchid
H.B	8	"	"	Thetis
HGO	11	"	"	"

Copy of Broker's Affairs Company's skins "Thetis"
Clients Affairs reports & contracts

DS	41	bales	Wool	"Koko"
SI	62	"	"	"
W.D.	48	"	"	"
R	220	"	"	"
F	320	"	"	Orchid
S	1	"	"	Stair Koko

Copy of Broker's Affairs Company Wool per "Koko"
 Credit note for damaged wool per Jamaica (Packet Bms 6)
 Schooner freight returns Wool per "Koko" J. W. Dean
 Copy of letter to the Colonial Office dated 13th Oct.
 Ledger & Journal Entries
 Remarks on Accounts

First of Exchange \$450.
 Copy of letter to the Ground Agents 6th Oct. their reply
 of the 10th & our reply of 11th re house coal.
 Copy of letter to Black Moore Co of 5th & 9th Oct
 & their reply of 5th & 10th Oct. re "Balkanah".
 Letters for the following

- W W Bertrand
- W. A. Harding
- Dean Brandon
- Frederick
- E. J. Mathews. (2).
- J. J. Feltow.
- W. G. Girling
- W. A. Gorton

London 14th Oct 1909

W W Rendall's agreement
 W W Rendall's agreement
 account for D. Foley

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Antisana.

London. E.C. 3rd November, 1899.

No. 898.

Sir,

Since writing you on the 17th ult. per Neko we have received your despatch no. 150 per Banda to Montevideo, which arrived on the 25th ult., the mail being delivered on the 26th. Your letter of the 22nd September has also to be acknowledged.

2. Par. 2. It is only necessary to remark with regard to the John R. Kelley that although the Manager can, if he likes, hear an opinion expressed by any of his subordinates, it should not be allowed to take the form of advice, and in all cases he should form his own judgment and act upon it. Whatever a Consul and Daptain may say with regard to the disposal of a wreck, you may take it as a fact that every authority connected with Insurance would say that putting up ship and cargo in a lump is a wrong course to take, for the simple reason that the Underwriters are not the same, and that consequently the apportionment of the proceeds is made infinitely more difficult. It is positively distressing to hear that the cargo winch and boiler were not sold separately, and secured by us, as such machinery might be of the greatest use to us; even now, as they can be of no value to Williams, you might see if he would take a reasonable price for them. In the case of wrecked property I think that an upset price at all is a new departure. What you have done about the purchase of oil from Williams is approved by the Board, as making the best of a bad job.

3. Par. 5. With regard to the Glengowan, we are of opinion that if anything is ever to be done to her and she is not to be abandoned as a total loss, she must first be floated, and therefore you would be justified in taking whatever steps may be

W. A. Harding, Esq.,

Manager, Stanley.

necessary to have the windlass secured and put in order. I take it that this may be accomplished without going to any expense in decking, as a rough platform could be laid. If the windlass is made practicable, the ship may be pumped out and anchored, and then there may be opportunities from time to time of selling a portion of the coal as ballast. I merely throw out the suggestion without going into any details; the advantage of taking this course is obvious, but it is left to you to carry it out in your own way.

4. Par.6. You are right in supposing that we do not want hand written copies of the accounts-current.

5. Par.7. Mr. Hayes looked in for a moment to get a cheque, and is to call later. With regard to letting the Admiralty have a hulk, it seems rather risky parting with the Sabino, if she is the only one suitable for heated coals; we have not heard anything about the hulks lately, and you had better give us a statement about them, showing what they are used for and their condition. There is so much more steam coal kept now than in my time, that I do not pretend to know where it is all stowed. As regards the decks of the Sabino, if they ~~decks~~ are so terribly leaky the question naturally arises, why have they not been caulked? Surely in deciding what to do in the way of keeping the hulks in order, Mr. Baillon has not expected to be instructed from London?

6. Par.8. I have passed the Hornet's accounts to our Insurance broker, and had a talk with him about them. He says that the Underwriters would have been better pleased with a constructive total loss; but I pointed out to him that had she been condemned and sold, we must have bought her, and fitted her out again, and I made him see that the course taken was the best to disarm suspicion. They are very conscientiously rendered; it would have been quite legitimate to make some profit for ourselves on the foreman's wages, as they are less than those of his men, and I do not see any charge for the use of the Blacksmith's shop or even for the coals that must have been expended, unless they are wrapped up in the $2/3d.$ an hour for the Blacksmiths themselves. Our Underwriting account bears half the loss, but that

is merely an incident, for by taking a share of some of the heavy premiums, we have accumulated during the last few years over £2000, and we cannot expect to avoid all loss.

7. Par. 11. Without looking up the despatch reporting the collision, to the best of my recollection there was communication with the Hornet early in the morning after, and it seemed to us that had prompt measures been taken for the despatch of a constable the Albatros might have been stopped. Any how, it is a useful object lesson showing the need of promptitude in such a case; had we stopped the steamer this would not have been a question for our Underwriters at all, as it is, we and they bear all the loss.

8. Par. 14. I have already explained that it is next to impossible to ship so small a quantity of coal from the Tyne as you have asked for; but from the enclosed correspondence you will see that we have agreed to sell the Government 150 tons at 45/., delivered over the side, which will bring down the quantity for ourselves by the Annie to your requirements. We take credit for obliging the Government, and at the same time make 9/6d. per ton, which is better than allowing them to start importing for themselves. Should they want to borrow lighters and you are able to oblige them, you should do it; but you must keep them up to taking the required quantity per day. The Annie is loading, and should sail in a few days.

Par.

9. 16. Originally Ogilvie went out without any return passage, and it was only after he had been some time in our service that the passage was conceded. As that clearly meant that he would receive it on leaving the Company's employ, and not before, it does not seem quite prudent to create a new precedent by sending a family, or a part of it, while the man still remains at work. It might open the door to all sorts of requests of a similar kind.

10. Par. 17. We will find out the best and latest book on Shipping and Insurance, and send it out.

11. Par. 19. If you take the registered word for an owner's name in future we shall understand it.

12. Par. 21. In my last despatch I anticipated all that has

to be said with reference to the Balkamah, except that the Board are pleased to find that you have succeeded, apparently, in preventing her condemnation, for it must always be more profitable to us to do even temporary repairs than to have to buy a hulk we do not want. With regard to what you say as to buying a condemned vessel, I can give you most positive instructions. Under no circumstances whatever are we disposed to let anyone have a hulk in Stanley Harbour, whatever we may have to spend to prevent it. At present we are the only people who can pretend to be shipping agents and repairers, and we spent a good deal of money in getting this position; once let an outsider get a hulk of his own, and our position is imperilled. The purchase of a hulk must be looked upon as paying a premium to insure our position, much in the same way as the money laid out on the mechanics' shops may be regarded in that light. Of course if anyone chose to buy a hulk outside the Colony, and bring it to Stanley, we could not help it; but we do not suppose that any but the Admiralty would think of such a thing. Our policy, therefore, is to stand in the way of condemnations as much as possible, and for a double reason.

15. Par. 22. I have not seen anyone connected with the Tekoa or the Salvage Association since getting your despatch and the receipt of the news that she has arrived at Montevideo. You will hear all about her, no doubt, from Lloyd's or the Salvage Association.

14. Pars. 15 & 25. The drafts on account of the Milverton and Earl Derby have been accepted, but there was a hitch about the former, as the Captain's accounts had not arrived when the bill was presented. You should see that they are always posted in Montevideo, as we want our copies in case of any trouble. The letter of advice might be posted with them, and not sent here.

15. Par. 10. I had overlooked the question about the price of coals. You must use your own judgment; if you can coal a ship at 55/. through its being known that you can sell at that price, it pays us well; but if a steamer puts in short of coal, without any previous arrangement or understanding, and makes a conveni-

ence of our stock, you are justified in asking the old figure, more especially now, as since the Langstone left Welsh coals have risen several shillings a ton, and may go higher, so that we could not replace them at anything like the price.

16. Par. 25. The news about the Enola C. is worse and worse, but we have lost no time in getting our shipping lawyers to instruct Solicitors in Boston to begin an action against Green. Our people tell us that it may be possible to make him disclose the cable which he sent the Consul; the copy we have is not evidence of course, it is not certified by the Consul, nor does the fact of its having been sent to him appear, in fact we are not as well provided with evidence as we ought to have been. You should ask Mr. Rowen at once for all documentary evidence he can give you as to the agency conferred upon him, and the limit of credit granted, which we understand was \$4000; letters from Green will be useful, as well as the original of the telegram, and all papers should bear the Consular Certificate. As he has, unwittingly, got us into this mess, I think that we ought to rely upon his good offices in endeavouring to extricate us, and I understand that he is prepared to do what he can.

17. Par. 26. I will approach the Post Office as to the possibility of getting a bag made up for us, but I fear that it cannot be done.

18. Par. 28. If you will give particulars of Dettleff's land and the price he wants, together with your own opinion as to the desirability or otherwise of the purchase, the Board will consider it. As to getting his lease, it is a matter upon which you and Mr. Mathews must form a judgment; I should have thought that the land was too poor to fatten sheep for the Butchery. It might be tried as an experiment, if you could get a short lease with a promise of renewal if found to answer.

19. Par. 29. The arrangement about Bond was quite correct; he was a good sort of man in his way, though rather cranky at times.

20. As Captain Jones is dead I fear you will have some difficulty in getting the money he owed us. It is a wonder that he lived so long, considering his habits.

21. Telegrams. Since last mail left we have received the following:-on the 20th ult.brought up by Pacific S.S.probably, Acamparse Lawrence Stickney recreemos nephew raumlich,which was translated,and sent to both W.& L.Stickney the same evening. On the 25rd,Fothered Pengwern Thomas Liverpool Federal Prince Arthur Moran Liverpool. On the 30th ult.Negare,meaning that a vessel would leave Montevideo for Stanley today,probably the first man of war this season. On the 1st inst.we despatched the following:-Arthur desganamos Moran Chevreuil Giargone,and on the second,Ask Stickney raufhandel William dechaumer Iberia not sailing engage men carry on.

22. I hope that you will make out the latter message,which was almost impossible to code as Mr.Stickney wished it. Raufhandel means "remain until William arrives" Owing to the delay of the Iberia homeward her sailing is missed altogether,and this mail is being carried by the Antisana,a cargo boat,on which the P.S.N.Co.absolutely decline to take passengers on any terms,Mr.W.Stickney is therefore compelled to wait until the Kosmos boat on the 28th inst.,arriving 29th December.

23. Messrs.W.Thomas & Co.will meet the Captain's draft on account of the Pengwern,and after some correspondence Moran Galloway & Co.will do the same for the Prince Arthur. They asked our terms for drawing,which I gave as $2\frac{1}{2}\%$,that rate having been fixed some years ago,although I see that on some small accounts you have lately charged 5%.

24. Mr.Dean is much annoyed at the delay in sending his wool this year,and I am afraid justly so; we hope that by making arrangements beforehand you can utilize the Thetis more than she has been of late,for the purpose of bringing wool from distant ports.

25. John Hoare & Co.have put forward a claim for one bale of Greenshielás'wool short delivered by Thetis,and according to the B/L we are clearly liable,for there should have been 307 of the JG mark,and only 306 were delivered. But as there was one bale also addressed to Mrs.Greenshølds,and the number 306 is the highest we can find in the landing account,Captain Thomas

suggest, with some show of reason, that there were 307 bales in all, and that through some carelessness in making out the Bill of Lading, the single bale was added into the total, and again entered. Messrs. Hoare have been good enough to let the claim remain in suspense until we can hear from you, and a reference to Greenshields should clear the matter up at once. Unfortunately he sent no specification, so that we cannot tell whether the number made up was 306 or 307, but even with this, we could not deny our liability.

26. When a credit is asked for on account of a ship, it is often necessary to state the amount for which it should be given, and when possible you should give us in the cable some idea of this.

27. The Underwriters do not like the claim on the Orchid's wool, which will come to between £200 and £300, and our open policies next year will be on ships of the first class only. It has become evident for some time past that the old vessel is quite unfit to carry a perishable cargo, and I am not sorry to find that if she goes out after all there will be a special premium demanded for wool by her. It is a pity that Mr. Felton has persisted for so long, against his own interests, in supporting her; it has done him no good, and heavy claims made by us do not improve our position with the Underwriters. I am glad to say, on the other hand, that on neither voyage on which she has carried wool, has the Thetis damaged a single bale.

28. I enclose copy of a letter received this morning from the Colonial Office, which is not as uncompromisingly hostile as many of their communications unfortunately are. I have reason to believe that they are at last alive to the extravagance that has been the rule of late years. I have asserted, as you know, that heavy expenditure has been incurred not once, but from year to year, and that many disbursements have been made for which the sanction of the Leg. Council has not been obtained. This is self evident from the Supplementary Estimates brought forward each February or March to legalize expenditure already undertaken, and it is impossible to reply that the Council had always or perhaps ever been consulted. But should such an assertion be

put forward in reply to the Secretary of State, it would be useful to be supplied with a few specific instances of my complaint, many of which must be within your knowledge, or that of Mr. Felton. The Supplementary votes for Works and Buildings have averaged for a long time over £1000 a year, and it cannot be said that these were sanctioned beforehand.

I am, Sir,

your obedient servant,

A handwritten signature in cursive script, appearing to read "George J. J. J.", with a decorative flourish underneath.

Managing Director.

Enclosures.

Duplicates

Despatch No 897 dated 17th Oct.
Ledger & Journal Entries
Remarks on Accounts.
Clients Appeals

	6 bales Skins "Thetis"
S.S	2 " " "
R	8 " " "
JR	2 " " "
S	2 " " "
L	5 " " "
TR	3 " " "
L	8 " " "
	1 " " "
	228 skins " "
DIT	3 bales skins " "
MV	" " " "
F	14 " " " Orchid

Clients Reports & contracts & Appeals.

F	326 bales bob. Orchid
R	220 " " Thetis
to Sell. 48.	" " Keko.
DS	41 " " "
to Sell. 1	ck fallow "
S	1 bale stain " "

Chain sea-damaged bob of Avonia of Bonner.
Lacke Bros

List of Enclosures.
Charter Party ship "Annie"
Second of Exchange £450.

Billading cargo for "Keko". (2)
Copy of letter from Colonial Office 17th our reply of
18th & their reply of 20th Oct. re house coal.

Clients reports & contracts
to Sell. 4 bales Skins Keko.
DS 3 " " "
S 9 " " "

contract only  run 5 " " Thetis
Travers invoice for Peble & Port Stephens of Thetis
Copy of letter from Bain 19th Oct re Setton's order
for printing
Army & Navy's corrected invoice for Lt. Lt. Bertrand
Travers debit note for error in weight goods for
"Modestia" wharf weight, attached.

Corrected, General Invoice Goods from "Koko"
 Schooner freight returns, wood, skins, tallow "Koko" "Mydalia"
 Copy of letter from Colonial Office 2nd 1800. re
 Tax on Exports
 Ledger & Journal Entries
 Remarks on Accounts
 List of Exchange £450.
 Remarks on Stocks
 Letters

E. J. Mathews
 Miss Willis (postage to be charged).

London 3rd ~~February~~ November 1899.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

Per Ammon.

61, Gracechurch Street.

No. 899.

London, E.C. 28th November, 1899.

Sir,

My last despatch went per Antisana on the 3rd inst., and we have since received your despatches no. 131 on the 13th, 132 on the 16th, and 133 on the 25th inst.; how the latter came forward is not stated on the envelope, but as you posted it on the 30th ult. it has been transmitted very quickly. They all contain very interesting matter, and we are glad to find that you are getting on so well.

2. 131-1. The hides have now turned out right according to the amended specification, but there were sundry errors in the sheepskins per Banda, of which a statement is enclosed; some of these probably arose from the bales being canvassed all over, so that they were mistaken for wool, when this is the case the numbers should be given. These errors should be avoided if possible, as the ship is only liable for what is signed for, and in some cases there was a surplus.

3. Par. 2. The tracing of the land is all I wanted, but at present the question of selling to the Government is in abeyance, as they are not disposed to give the £5000 we asked. The unsuitability of the land about Stanley reported by Mr. Mathews affords an additional reason for not parting with that at Fairy Cove, and for asking for a very substantial sum if we are forced to sell.

4. Par. 3. I have never been able to understand why the Government are unable to devote to the purchase of a new pilot boat the insurance they recovered on the Hadassah; perhaps it has been frittered away. There is no doubt that £600 would place on the spot another old yacht quite as suitable as she was.

W. A. Harding, Esq.,
Manager, Stanley.

5. I should add with regard to this question, that one of the economies that might be practised by the Government is the abolition of the Government pilot's standing pay altogether, reverting to the old system in force when I went to the Colony. Pilots, suitably selected of course for ability to bring a ship safely into harbour, - a qualification that has not been possessed by the Government men at all times - had to go out in their own boats, and took the pilotage themselves, just as the licensed pilots on the coast here do. The system worked well, but the Government always have a craving to run things themselves, whether they are capable of doing it or not, and in this case I believe that in most years the receipts do not cover the wages and expenses.

6. Par. 6. I do not think that much remains to be said on the subject of the tariff just now; but the Directors are glad that you and Mr. Felton offered such a firm opposition to the measure, and nothing shall be left undone on this side towards defeating it even at the eleventh hour. I did not wish to say anything about the means of the farmers, but since it appears that the Governor and his followers are openly laying stress on their great riches, it is necessary at least to allude to the subject, though perhaps laying their balance sheets before the public is going a little too far. Par. 7. On the subject of Government House, as the Governor alluded to us in the discussion, I made it plain at the C.O. that as far as we are concerned we offer no objection, and if this has not been reported you might give the Governor an assurance on the point. I said that a lot of money had been wasted on the building in past years, and I strongly objected to the proposed Offices, in which, although it might not be prudent to say so, the Official I saw agreed. It must not be supposed for a moment that the Company wish to shirk their responsibility for any rates or taxes that may be necessary for carrying on the Government of the Colony, but we do wish through the Colonial representatives to have some voice in curbing any fancy expenditure that may be proposed. As the case stands at present, there is to be a new Government House, and the Sheepfarmers are to pay for it, as well as for the

wastefulness and extravagance of the last few years. Regarding the Post Office two things occur to me to say: Firstly, with most Colonies does not the Imperial P.O. take upon itself the cost of transmitting mails outwards, the homeward ones being paid for by the other side? If so, why does not the P.M. General defray half the cost of the service? Secondly, I think that a move should be made in favour of a return to the old service for which the Colony paid £1800 a year. I cannot see that we are benefited to the extent of £700 by the extra service, and in any case, when finances have got to the present low ebb, it is absurd to say that the money can be spared.

7. Par. 10. Your remarks about the John R. Kelley are noted, and it is satisfactory to know that it is not such a great plum as at first reported; still, with our better appliances, and the experience that our men ought to have in dealing with wrecks, we should probably have made a better thing of it, and at all events the profit to Williams will not be inconsiderable.

8. Par. 13. I will give the further claims on the Enola C. to the Solicitors as soon as I hear that there is any chance of recovering the first one.

9. Par. 16. I forget if I mentioned that the Board agreed to let Mrs. Willis and her daughter go out in the Thetis on payment of £5 each for their provisioning. At the last moment Mrs. Willis brought down a lot of stuff that could not be looked upon as personal luggage for the voyage, and a charge has been made for it at a reduced rate. Moir's furniture has been taken at the same rate, and I hope that he will appreciate the concession. Of course you will understand that both these lots of goods shut out an equivalent amount of freight at 30/ per ton, as we had more than enough to fill the vessel.

10. Par. 17. The Brokers remark that if we could keep our hides until there is a fairly good parcel, say 1000 or so, instead of sending them home by dribblets, we should gain considerably in price; you had better bear this in mind. Buyers will not bid for small lots, especially when they are further subdivided under a lot of different marks.

11. Par.20. It is very unfortunate about Burnett, and I have agreed with our agents to have all candidates medically examined in future. Messrs. Fleming & Haxton sent me the papers on which he was engaged, which I pass on to Mr. Mathews; they show incidentally that a good deal of care is exercised in selecting men for us.

12. 132-1. The Directors fully approve of the Memorial sent by yourself and Mr. Felton.

13. Par.5. The draft on account of the Alexandre has been paid, but it would be better in future to take a safe rate of exchange and make such drafts in the currency of the country.

14. Par.7. The owners of the Prince Arthur have agreed to accept the Captain's draft, - I allude to Moran Galloway & Co., who are practically the owners. They do not suggest condemnation, so no doubt repairs will be carried out. North's Navigation coal is not thought much of, and I doubt if men of war would care to take it.

15. Captain Ford has not quite played the game with regard to his accounts, for as yet he has not sent them from Montevideo, and as the Tekoa's underwriters have expressed a desire to see the details, the draft at the present moment remains unaccepted, though before I close this I hope to report that the matter has been put right. This shows how important it is to send us the full accounts by the first chance, and I think that if possible some pressure ought to be put upon the Captain to wait until everything is ready.

16. 133 - 3. The Hornet's accounts have come too late, as we could wait no longer and had to present our claim some little time ago. The statement works out rather badly for us, as you will see when you look at it. I think that as the schooner has been written down so low the best way of treating the amount of expenses in excess of what has been recovered will be to write up her value to that extent, and the sum at which she will then stand will be still much below her real value in her repaired state. It is one of the rules of insurance that the wages of the crew cannot be carried to the average; if, however, they are

strictly kept to work connected with the repairs, and would have been paid off and taken on as labourers for the time, if safe to do so, it would not be very irregular to enter their pay as labourers, though put as they are in the account they would never be passed.

17. Paragraphs 5 to 12 refer to the ships that you have on your hands, and call for little special comment; but generally I may say that the Directors are very much pleased to find that at last we are having an innings. I think that the present time is a record; I can only remember one other when ships came pouring in day after day, and that I think was in 1874, just 25 years ago. It was just as well that you did not touch the Doris Brodersen's coal, as the small price realized may be of use to us some day when asked to buy a cargo. As regards danger from damaged coal, my experience has been that after it has been discharged and turned over there is no chance whatever of spontaneous combustion; see for instance the case of a German vessel which was pumped full of water in Sparrow Cove, and afterwards discharged into a hulk; I forget her name, but someone will recollect the one that was beached at the stern of the Snowsquall to have some rivets put in I think; I got the Captain to take the whole on, and was thanked by the underwriters for the course I took. With regard to canvas, I thought it better to increase the quantity asked for, both because it is a thing that does not deteriorate by keeping, and because we were able to buy just at the bottom of the market, a rise being imminent; since then it has gone up 1d. a yard. I remark on this purchase elsewhere. Your cable reporting these casualties duly arrived, and I will detail the arrangements made for credit later on. It would be desirable not to charge more than a fair price for the supply of canvas and other materials to these ships, as the large number of vessels is sure to be commented on, and if the owners all think themselves salted, it may be bad for us in the future. The Old Kensington did us a lot of harm. I note that your supply of boats is becoming short, and should like to know what you would think of our buying a few second hand ones of a size suitable for ships, and sending them as opportunities occur.

18. Par. 23. If your reply from the Chilian Government con-

firms what Stubenrauch says as regards the freight earned and the insurance money being liable for damage done by a Chilian vessel, it seems that we still, after all, assuming that the adjourned Court of Enquiry when it meets again finds the Albatros to have been in fault, have a chance of recovering all damages from the owner, as I happen to know that he was insured at Lloyd's, and that the money has been paid. Not being sure of my ground, I did not think it politic to mention the matter to Mr. Curtze when he called here yesterday, but you may perhaps have an opportunity of saying a word, and may find that he is prepared to admit our claim. You have not said anything, nor did Mr. Baillon as to the further sitting of the Court I think, but as we have paid for a part heard Enquiry, which if it is not finished will have been practically abortive as far as substantiating a claim goes, I think that you should see that we have a run for our money, and ask to have it concluded. Was it held at our request, or at the joint request of both parties, and if the latter have the other side paid half the expenses? I do not know what the Board of Trade regulations are now as regards Enquiries, but I can remember some cases in which they were held on the initiative of the Board, and the Court made no order as to costs, which means that the B. of T. paid them. Before taking on the Company any serious expense you ought to ascertain if the Court at Punta Arenas would recognize the finding of a British Court of Enquiry, or whether they would require to have all witnesses before them, or their evidence received on commission, and you might also find out whether justice is to be got there or not, as it is rather a scarce commodity in some South American countries. If all seems clear, and we can make good our claim, we should be very glad to be able to return to the Underwriters the money we have got from them on the supposition that there is no hope of touching the owner.

19. With regard to the credits asked for by cable, the following arrangements have been made:- the owner of the Doris Brodersen has applied to Knohr & Burchardt of Hamburg, who have instructed their agent Mr. Hugo Schlottfeldt to provide the mon-

ey; how I do not know, as I doubt if he keeps a stock in his safe, but I suppose he will draw on them, which will be all right; Weir of Glasgow and Potter Bros. of London will accept their Captains' drafts for the Beechbank and Blackbraes respectively, and they are good enough; Craig, nominal owner of the Jeanie Woodside, is a man of straw, being Manager of the Spencer Shipping Co. and not financially strong, and as we found on inspecting the register at the Custom House that the ship is mortgaged to Workman & Clark of Belfast, we had to get their guarantee that the draft on the Spencer Shipping Co. (not Craig) would be met, this they have given, and it will be quite safe; Mr. Grefstad of the Premier wanted us to take drafts on himself at Grimstad, which we did not approve of, and he has opened a credit with the Deutsche Bank (Berlin), London, for £500, the draft to be marked and advised as issued under their letter of credit no. 2933 of 13th November; should this not reach you in time I shall have to prove that it relates to the same; and finally for the Wilhelmine Mr. Schmidt has authorized us to draw upon the International Bank of London here up to £2000, and they have confirmed it. At first he gave Sloman of Hamburg as the firm to be drawn on, and a second cable had to be sent. The messages which left here on the 11th inst. were as follows: - Fictionist Beechbank Blackbraes Woodside (that is take Captain's draft on owners) Cocheaba Wilhelmine Sloman Hamburg Doris Schlottfeldt Premier Margearon Aplacavel London, and secondly, Cocheaba Wilhelmine Aplastar ^{Masicote} London, both of which were doubtless understood. You will see that in the case of the Banks a sum had to be named, and we are quite in the dark as to whether the amounts opened are sufficient or not; should they not be cable at once, and I will have them extended. As we are often asked what probable expenses are likely to be incurred it would be well in future to name a sum in each case that is not likely to be exceeded. Should either of these ships exceed the sum opened, you should draw for the full amount in one bill; and then a second for the balance, reporting by cable so that I can make arrangements to have it met. This is different from the Balkamah, in

which case I specially pointed out that if the amount happened to be exceeded delay might arise. It was fortunate that we got all these credits arranged, as we had only five clear days to do it in.

20. I should like to know whether you would approve of our sending out Captain Rees to take Mc.Lauchlen's place. For some years in the seventies we had Captain Dyer, an old Captain we knew well from his having made several voyages for us, as Marine Superintendent, and the advantage of such a man on the staff is that the Manager has at hand a man who knows all the ways of shipmasters and sailors, and, if he knows his work, a good grip of everything connected with shipping matters. Rees I consider a better man than Dyer as regards intelligence and education, and I think that he is willing to go out. He would be handy for surveys, which would add to his income, and by using some influence we might get him made Lloyd's Surveyor, a post that has never yet been held in the Islands. If you approve, and think it urgent, cable his name, and I shall understand.

21. I ought to have reported last mail that the Thetis sailed on the 26th ult., and I have now to advise the Annie's departure from the Tyne on the 13th inst.

22. Lately Spearing & Waldron asked us to quote for 15 tons House coal to be delivered at Port Howard. I replied that the sale of coal in the Islands was in your hands.

23. Perhaps it is scarcely necessary to remind you that you should see that the Storekeepers give the Store credit for all goods sold to ships up to the 31st December, even although the ships may still be in hand. I mention it because it was a point I used to have to see to myself; the Storekeepers used to have a way of keeping a rough account of things as they went out, which they entered the last day or two, the risk of which was that the goods neither went down as stock taken nor as sales.

24. The Kosmos Co. have agreed to make a rebate of 10% off the labourers' passages from Montevideo, and to return £3 for each man not availing himself of the return ticket.

25. As it is possible that the Glengowan may be sold next year her account should not be transferred to London, and then

the profit will be made at the Islands. From an analysis of her account lately made here it seems that at present the ship stands at £172.15.4 and the cargo at £100, these should be disentangled from the account as it stands, and a separate one opened for each.

26. In case any of the clients remark on the prices of goods per Thetis, it is as well to mention that in every trade in England the rise is phenomenal, and that there has never been a time of such general prosperity. Whether you turn to iron, wood, clothing, coal, or whatever you like to name, it is the same; as an instance I may mention that if we had not contracted when we did our bagging would now be costing us 1^d. per yard more, and again steam coal has risen 6/. since the Langstone left, though there has been a drop of 3/. I point this out, because there is a fixed belief among some people that prices never vary.

I am, Sir,

your obedient servant,



Managing Director.

Since closing this despatch I have received a letter from the New Zealand Shipping Co., a copy of which I enclose, as also one of my reply.



The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Ammon.

London, E.C. 29th November, 1899.

No. 900.

Sir,

The Ammon being delayed by having to take a heavy cargo allows me to supplement my despatch posted yesterday.

2. The New Zealand Shipping Co. have at last accepted the draft on account of the Tekoa upon the undertaking I gave them in my letter of yesterday; but it is an unpleasant business, and points to two things necessary to be looked to, firstly that you must, if you can, bring pressure to bear on the Captain to induce him to post his copy of the accounts by the mail that carries the draft, and secondly, that you must take almost exaggerated precautions to have all vouchers and the subsidiary accounts signed and initialled by him, as well as the general one. Hitherto with a few exceptions we have been fortunate with ships' accounts, but we must not run the risk of going wrong with any, especially as the Islands are dreaded by shipowners and underwriters, perhaps with some reason, more perhaps than any place in the world. The drafts on account of the Pengwern and the Bianca have been accepted, and that for the A.G. Ropes paid; but W. Thomas & Co. say that they have not received any vouchers yet, and that they trust that if there is anything not in order we will rectify it.

3. From the Brokers' circulars enclosed you will see that the wool sales opened last night with an advance in coarse cross-breds stated variously at anything between 10 and 20%, which is very cheering. The Banda wool will be sold on the 5th, our Brokers' last day, and I am hoping against hope that the Herodot may turn up by the 2nd prox., in which case we shall get

W.A. Harding, Esq.,

Manager,

Stanley.

her lot in.

4. I saw Mr. Geveke yesterday, and had a talk with him about the possibility of making arrangements with the Kosmos Company to land in our lighters, at a rate to be fixed, all cargo from the steamers, either directly in the lighters, or by receiving the whole on board the Great Britain ^{and} ~~re~~ distributing it afterwards. It would enormously facilitate the despatch of the boats and it ought to pay us; in every other port cargoes are landed by arrangement with the owners, but jealousy and the man with the dinghy, who goes for one case, would probably stand in the way of its being carried out.

5. In case any of the farmers would like to see that we are looking after their interests in the matter of the tax, I send a dozen copies of my letter to the Colonial Office.

I am, Sir,

your obedient servant,



Managing Director.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Supplementary Mail. *London. E.C.* 16th December, 1899.

No. 901.

Sir,

My last despatches went per Ammon, which was delayed at Tilbury, and there has not since been a mail from the Islands.

2. We notice that you have raised the commission on ships' bills to 5% in most cases. Some time ago, in consequence of complaints received from owners about charges at Stanley, the Board decided to reduce this commission to 2½%; but on reconsidering the question it has been decided that 5% may be adopted in future for bills payable in London, but that when domiciled elsewhere it should be more. In the case of the Prince Arthur we told the owners that it would be 2½%, an examination of several ships' accounts showing that that rate had been charged. You will have to make the best arrangements you can with the other ships in hand, as the masters may hear from the Prince Arthur man that the lower rate has been agreed upon.

3. Messrs. Street & Co. of Cornhill have asked us to get an advertisement inserted for a client in the Gazette and Magazine, and will pay the cost when you report it.

4. I heard a few days ago that the coals we shipped per Langstone have risen to 20/6d. per ton, a fact that you should be made aware of in case of any outside steamer wanting a supply.

5. I observe that you employed Schlottfeldt and a carpenter to survey the Doris Brodersen's cargo; it will be of advantage to you to know that that was a merchant's survey, and in such cases one of the Mr. Deans and I always did it. If you were not going to buy you could hold it yourself as Lloyd's Agent, but it would probably save any question being raised if you associated

W.A. Harding, Esq.,

Manager,

Stanley.

with yourself young Williams, or even Mr. Felton, as having had a mercantile position at one time. With yourself as one of the surveyors no certificate need be appended, and you should never charge less than three guineas. I tell you this for your own benefit.

6. I enclose copy of a letter received by Messrs. Ince from their correspondence in Boston, from which it appears that we may, after all, get something out of Green; you will of course let Mr. Rowen know all about what is being done, and you have already probably got evidence from him of a conclusive nature as to his agency. Perhaps he can give us a lift by mentioning the subject officially, and you had better ask him what he can do. We feel sure that he will give us all the help he can.

7. The Sweetmeat Automatic Co. have sent us some new springs for the machines, and written a letter which may be of use to you. The sales were apparently so much better that we thought the right thing had been done in putting the machines out, and if the remedy they suggest is efficacious, it is a pity that we were not informed about the robberies before.

8. If it comes in in time, your Fidelity Bond will be enclosed, and you should return it at once with the signatures of yourself and Mr. Felton.

A specification has arrived of five bales of wool from Walker Creek, but without the wool, which will now go into next year's sales. This is very unfortunate, as the whole of our clip should have been here within the year, and it is further to be regretted as I had made up the year's returns, getting out the usual statistics of prices and averages for the table that has been kept without interruption for just 25 years. I am writing to Mr. Mathews about this, but I mention it in case these five bales are destined to be shipped by the steamer that brings this, so that you may warn me if it is the case, and I can then get them kept separate in the sales.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatches No. 899 + 900.
 Replies to Remarks on Storied
 List of Enclosures.
 Ledger + Journal Entries
 Remarks on Accounts.
 Clients Invoiced goods for "Thetis"
 " " " " "Keko".
Clients Reports.
 B 31. bales wool "Banda"
 H 22 " " "
 W.P. 18 " " "
 RBC 20 " " "
 H.W. 53. " " "
 C.C.W. 12 " " "
 RBC 2 cks. Tallow. " "

contracts { B 12 " " "
 only. W.P. 9 " " "
 General Invoice goods for "Annon"
 Coals " " "Annie"
 Credit note dgd wool for Archie
Clients A/sales.

H 98 skins for "Thetis"
 W.P. 4 bales skins "Keko".
 D.S. 2 " " "

S. 9 " " "Annie"
 Bill of Lading Coals for "Annie"
 Second of Exchange 450.
 Enclosures for Consignee's letter for "Annon"

Bill of Lading Cargo for "Annon"
 Copy of letter to Sheet dated 22 Nov 00 re "Enola C."
 " " from the Sweetmeat Co dated 30 Nov 00
 + springs for machine

Clients A/sales + contracts re.
 H.W. 10 cks. Tallow Banda.
 B 15 cks. " " "
 W.P. 41 cks. " " "
 H 11 cks. " " "
 RBC 4 cks. " " "
 B 2 cks. " " "

Copy of Brokers A/sales. Co's Tallow re "Banda".
 Clients A/sales + contracts re.

- ✓ L. 154. bales Wool "Herodot."
- ✓ L. 21. " " " "
- ✓ C.C. 10. 12. " " " Banda
- ✓ B 21. " " " "
- ✓ H.W. 53. " " " "
- ✓ H 44. " " " "
- ✓ W.P. 18. " " " "
- ✓ R.B.C. 26. " " " "

Wool reports.

Pacific Steam Navigation Co's main tables for 1900.
Clients Invoiced goods from "Ammon"

J. J. Feltow.	256.	14.	11.
Pure Pack.	52.	16.	9
A. Pitaluga	12.	1.	9
Holmstedt & Blake	54.	8.	9
M ^{rs} Bonner.	6.	15.	4
Paake Bros. & Co.	121.	16.	0.
Stickney Bros.	15.	3.	11.
D. Smith	9.	10.	1.
Dean & Anson.		2.	3.
Bailow & Stickney	32.	4.	0.
M ^{rs} Williams	46.	18.	1.
Bertrand Feltow	139.	14.	2.
H. G. Cobb	9.	8.	4.
H. Clement	1.	9.	5.
A. Bonner.	1.	9.	5.
Paake Bros & Co.	54.	19.	2.
Capt Willis	9.	5.	11.

Clients Affairs

S. 105 Hides in "Banda".

- Copy of Brokers Affairs Co's Hides " " " "
- " " report contract " " " "
- Freight return on Wool schooner Banda J. M. Dean.
- Anglo Swiss Milk Co's circulars
- Ledger & Journals Entries
- Remarks on Accounts.

First of Exchange 1450.

Clients reports & contracts

R.B.C. 5 bales Skins "Banda"

- B 3 " " " "
- W.P. 2 " " " "
- C.C. 10. 2 " " " "
- H 4 " " " "

5. 8 bales skins "Banda".
H.W. 9

Marlow - Thompson's account for "Herodot."
Sturt's letter of 30 Nov. + particulars for
advertising in Magazine & Gazette.
Fidelity Bond, W.A. Harding
Letters for the following:-
E. J. Mathews
W. A. Harding

London 16th December 1899.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street,

Per Itauri:

London, E.C. 9th January, 1900. ~~189-~~

No. 902.

Sir,

Since writing via Sandy Point I have received your despatch no. 134 with contents in order, which arrived on the 27th ult.

2. Par. 2. The Board have considered your remarks on the subject of Mc. Lauchlen, and will be glad to show their appreciation of his services by giving him a gratuity of £50 upon his retirement.

3. Par. 3. With regard to Biggs, the Board do not wish to stand in the way of his earning money at his trade notwithstanding that he will be drawing his pension; the idea is that until all the Carpenters are under the control of one foreman it cannot be said that the fusion of the two firms has been completed, and that therefore his retirement from his present position should no longer be delayed. It must be of advantage to you to have all the work in the East shop, close under your eye, and it occurs to me as possible that the greater the distance between the shop and the Stanley Arms the better it will be for us, but that is only a personal opinion. We leave all details of the arrangement in your hands; but we wish to treat the old man as tenderly as possible, and you may see your way, in case of an unusual press of ship work, to giving him temporary charge of a job at times. If so, you should let Johnson know, although he could hardly wish to try to control more than he could manage.

4. Par. 4. Your report about the Glengowan filling seems to me to be favourable in one way, that is it shows that she is

W.A. Harding, Esq.,

Manager,

Stanley.

tight; and, although she fills with the spray when lying broadside on, if floated and lightened this would no longer be the case, and it is the first step to be taken, as I have said before, in the way of utilizing or selling her. Of course I am assuming that she is broadside on, for we have never seen a photograph of her as she lies.

5. Par. 6. We have not received any payment from the Admiralty, nor have we any details to go on. I suppose that you refer to the sum of £221.5.1 standing in the Store books, about which I enquired, as the ledger account seems to have been settled. The Admiralty are bad payers, and are not likely to offer the money until we ask for it. If I can see or communicate with Mr. Hayes I will do so.

6. Par. 8. My idea in sending the copies of my letter to the C.O. was, like yours, to show our clients that we were not neglecting their interests on this side. With regard to a remark in a private letter, is the one from Governor Kerr to which you allude the one of 7th January, 1893? If so, I think that it was communicated to Mr. Melville, but not to the C.O.

Yes, but copy a copy was made in letter to August 11/93

7. Par. 10. Whenever live stock are shipped out we insure to the final port of destination in the Islands, and therefore ought to have immediate notice of their arrival, if there has been no loss, to enable us to recover the return premium, 21/8.

8. Par. 11. I am in communication with the Salvage Association about the Samoa, which is pre-eminently a case in which every effort to save both ship and cargo should be exhausted before a sale should be thought of, even if the vessel is allowed to lie on the beach for six months. According to several precedents any premature sale would be liable to be upset, and we do not want to get ^{into} ~~into~~ a mess over it. If the Captain is an honest man he will keep his hatches on, and his cargo intact, until means have been devised for saving the property.

9. Par. 12. I am afraid that I have misled you if I reported that the Admiralty wanted 1600 tons of coal this year; I have looked up their letter, and find 1200 mentioned, which we may consider that we have more than supplied, in fact there ought to be some for sale outside.

892-9

10. Par.13. Your remarks on the various ships shows only too clearly that the feeling against the Falkland Islands shown by shipowners and underwriters is coming to a head, and it is very serious to learn that whenever possible ships are to be sent away from the Islands to ports where work can be done less extravagantly. Had it not been that the majority of the vessels were deprived of motive power by the want of sails we might have seen a general exodus upon orders received by cable. The case of the Prince Arthur is one upon which you ought to preach a sermon to the carpenters. I told the foremen for years before I left that the ruinous wages and slow work done would sooner or later ruin the ship repairing business, and my words are coming true at last. You may fairly say that we have done all we can, as we have reduced our prices and commissions, and now, unless they wish to see work taken absolutely out of their hands, they should come forward and say that they are prepared at last to work for less money than 16/8d. per day, and to do more for the money. It will take years for the Colony to recover its character, if it ever had one, but the men should be wise enough to see that a strong effort should be made. I do not know that any better plan could be devised than to make a few reasonable contracts, not those which under any circumstances are certain to return them double wages, but such as will give them a fair return for their labour. Big and long jobs, such as we have had, although yielding an immediate profit are disastrous in the end. You might see whether there is any way of lightening the shop charges without showing an actual loss. If we and the men work together something may be done; but you should tell them that if we see many cases of repairs being taken to the Plate, we shall seriously consider the propriety of dismantling the Blacksmiths' shop, selling the machinery for what it will fetch, and only undertaking such repairs as the Smith with his hammer and anvil can carry out. The complaints I constantly hear from owners are most annoying. As regards the Prince Arthur, having made a promise to the owners that the commission should not exceed 2½%, we must be bound by it, and if you have charged more, we must for the sake of our reputation refund it.

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11. Same par. In the case of the Doris Brodersen Mr. Schlottfeldt has at last done us a good turn, and we are glad to recognize it. If the Prince Arthur sold coal, we hope that you bought it, if you did, at a knock-out price, and you may then be able to sell it to some of the foreign men of war at a good profit. The coal is not on the Admiralty list, but I am told that it has a better character than formerly.

12. Par. 16. The certified copy of letter from Green has been passed on to our Solicitors. The Boston lawyers do not think that any good can be done at present by putting forward Mr. H. Waldron's claim, especially as it is uncertified by the Consul.

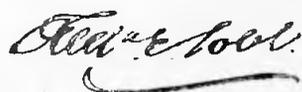
13. Par. 17. Your remarks on the Tekoa are noted; we have heard no more from the Salvage Association about the case, but I was informed indirectly that the New Zealand Shipping Company had said that the Falkland Islands were bad enough, but that the charges in Montevideo were infinitely worse.

14. Par. 18. If the reduction in the price of house coal sold by retail was reported I had forgotten it.

15. Do you know if the proceeds of the sale of the Enola C. at Sandy Point exceeded the claims on her, and if so, whether we can attach the balance?

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatch No 901. 16th Dec 99
Remarks on stores.

Clients reports + contracts:

W.P. 3. bales skins "Banda."

B 3. " " "
R.B.C. 5 " " "

H 1. " " "Hrodot."
H.W. 9 " " "Banda"

C.C.No. 3. " " "
S. 8. " " "

H 4 " " "
H.W. 10 cks. Tallow. "

B 2 " " "
W.P. 32 " " "

R.B.C. 4 " " "
H 11 " " "

Ledger + Journals Entries

Remarks on Accounts

Clients sales + reports + contracts

W. 154 bales wool "Hrodot".

L 21. " " "
R.B.C. 26 " " "Banda"

H 22. " " "
H.W. 53. " " "

W.P. 18. " " "
C.C.No. 12. " " "

B 21. " " "

Clients Invoices goods for "Ammon".

Capt. Willis 9. 5. 11.

Parker Bros 121. 16. -

Hornstedt Blake 54. 8. 9

M^{rs} Williams 46. 18. 1.

Elsonner 1. 9. 5.

Dean Andon - . 2. 3

C. Pitaluga 12. 1. 9

Bertrand Felton 139. 14. 2.

Parker Bros 54. 19. 2.

Elsonner 16. 15. 4

H. Clement 1. 9. 5

H. G. Cobb 9. 8. 7.

D. Smith 9. 10. 1.

Stickney Bros. 15. 3. 11.

J. J. Felton 256. 14. 11.
 Bailow Strickney 32. 4. -
 Punt, acke 51. 16. 9
Client's Affairs, as follows:-
 14 to 20 Hides Banda
 S. 165 " "
 Second of Exchange £450. "

Wool reports
Client's Affairs + reports + contracts
 2. 8 Hides in "Heredot".
 H 1 baleskins in "Banda"
 RBCY " " "
 B 4 " " "
 HW 9 " " "
 S. 8 " " "
 H 5 " " "
 W.P. S. " " "

C.C. No 3
 Copy of Broker's Sale "Company's Hides Hair fur Herodot".
 Taylor's accounts for J. J. Felton Proj. 57. 5. 4.
 Extract from Norman Falloway's letter 30th Dec.
 First of Exchange £450
 Ledger + journals entries
 Remarks on Accounts

Letters for the Stores
 following:
 J. J. Felton.
 W. W. Bertrand
 Punt Packer.
 W. A. Standing (2).
 E. J. Mathews (2)

London 9th January 1900.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary
mail.

No 903.

London, E.C. 27th January, 1900

Sir,

Since writing you per Itauri on the 9th inst. I have received your despatches 135 and 136, which arrived on the 11th and 15th inst. respectively, also cablegram on 12th inst. as follows: "Premier cocarde Maronita".

2. 135-2. That Mr. Baillon should have recognized that the tenant of the Ship Hotel possessed any goodwill of the business comes as a surprise to the Board, who desire that you will repudiate its existence at once. When Bound had a lease of agreement, he was entitled to claim the goodwill up to the end of the term, whatever it was, and for what it was worth it was a saleable property for just that time and not a day longer. Having come to the end of the term it is astonishing that Mr. Baillon should have listened for a moment to such a pretension. The position is that we are, as the Messrs. Dean were before us, the owners of the two hotels, the Stanley Arms and the Ship, and that for our own convenience and profit we let those houses to two individuals, who are exactly in the position of the tenants of tied houses in this country, bound to buy their supplies from us, and to conduct the houses in a respectable manner. We may give them leases for a long term or a short, as we may think proper, but in doing that we in no way put it into their hands to have a voice in the appointment of their successors. The lease I drew up, to the best of my recollection, followed the lines of the one held under Messrs. Dean; whatever it may have been, please send a copy of it, and do not enter into a further agreement until the Board have sent you out an approved form.

W.A. Harding, Esq.,

Manager,

Stanley.

I may mention that if any goodwill had existed Mr.Hallet,when he gave up the Stanley Arms,would certainly have sold it,in- stead of simply giving me notice that he wished to retire. The Board do not wish to disturb the Bounds in their occupation of the house; but they insist upon being free to deal with their own property as they may think proper.

3. Par.3. The Board must leave it to you to deal with the landing question as best you can. If the rate of 4/.per ton does not pay,why should it not be raised? There is certainly the difficulty you mention about the delay of our own goods; but could you not point out to the Governor the damage it does us,and explain that if you continue to land the Government goods to oblige them,it will be only fair that our own cargo should have precedence,and that on that condition only you can continue the arrangement,much as you and the Board wish to ob- lige them? I think that where there are a number of small cases all of which have to be handled separately and tallied,you might fix a tariff at so much a case. I quite enter into your difficulty,and I know that it is hard to buy their goodwill ex- cept at too high a price.

4. You will see by the papers what a price coal is now; had we not sent the Annie when we did we should have had to pay much more,and the Government share the advantage with us.

5. Par.7. We see by telegrams to Lloyd's that the Balkamah has sailed and the Thetis arrived, but do not know yet how the news came to Montevideo.

6. Par.8. There was not much time at the last Board,with the pressure of other business,to discuss the question of Williams' pension; but the Board decided that if you thought that £20 to £25 per annum would be a sufficient allowance you might con- clude it on their behalf. We should like to know his age,and whether he would be able to do a day's work on his own account; for although the Directors wish to do something for all old servants who are past earning their own livelihood,the pension list is becoming a somewhat long one,and in the Company's in-

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terest we must carefully guard ourselves against granting any allowances that are excessive, or not thoroughly deserved.

7. Par.9. The report about Willis is disquieting, and rather points to his term of service with us being a short one. He assured me that his doctor told him that he need not fear a return of his complaint, which had been caused by want of vegetables mainly. If Thomas has a mate who would care for stopping on the coast, and he could both recommend and spare him, perhaps you could arrange to take him in one of the schooners when the Thetis sails for England; or would you like us to look out a promising young man accustomed to coasting here?

8. Par.10. On the subject of the future management of the Stores, it is only necessary to say that the Directors have read with interest your proposals, and quite approve of them; they are very glad that you have taken up the subject so energetically.

9. Par.11. We have had to undertake to return the excess commission charged on the Prince Arthur's account.

10. Par.12. If A Mc. Lean came ^o second class it must have been for some exceptional reason, as it has not been granted as a rule. You must get Mr. Schlottfeldt to do the best for him; were he travelling on his own account no doubt he would go third.

11. Par.13. I have written at length privately my views about Johnson, and being pressed for time today, can only say that you should make the best terms you can with him on the lines suggested.

12. Par.15. The telegram about the Premier reads: "Premier require a credit upon £40", which I understand to mean that she has exceeded the £500 by the sum mentioned; but if so the word "Cocearon", meaning "Credit opened is insufficient, increase it to -" would have been better. I have arranged with the Deutsche Bank for an increase of £40.

13. Par.16. I have seen the Salvage Association several times about the Samoa, but learn now that the matter has been referred to the agent of the Hamburg Underwriters at Montevideo, and that it is understood that a sale has taken place.

If, as we suppose, you have bought it, could you not arrange with the Government, in consideration of the long time the salvage will last, to make some reduction in the charge of 10% per day for the Customs officer, say at so much a month, seeing that the fixed charge was originally meant to apply to the few days an officer is engaged on cargoes coming into Stanley, although it was afterwards extended to ships going round the coast? The probability is that the hull of the ship is insured with other underwriters, and all Salvage agents are strong on the undesirability of the two interests being mixed. In this case, in fact in all, there should be a condition that the purchasers of the hull are to give sufficient time for the removal of the cargo.

14. 136 - 4. The report of deaths in the Camp is most disheartening, but we can only say that we cannot struggle against the weather, and that we hope that the losses will not be as great as Mr. Mathews fears, though in any case the deaths of so many young rams is sufficiently serious.

15. The wool per Modestia was in time to be sold on the 24th inst., and considering the mixed lot fair prices were realized.

16. I send a copy of a letter from Biggs, who is apparently unaware that at his age we cannot expect to get as good work from him as when he was in his prime. As before remarked, we wish to treat him with all possible consideration, but it is imperative that the consolidation of all carpentering work under one head should no longer be delayed.

I am, Sir,

your obedient servant,



Managing Director.

Enclosure.

Duplicates

Despatch No 902 9th Jan.
Ledger + Journal Entries
Remarks on Accounts.

List of "Stores"
List of Enclosures.

Client's Affairs :-

10.1 3 bales Skins "Panda"

C.C. 2. " " "

\diamond H 1 " " "

\diamond H 4 " " "

S 8 " " "

\diamond B 3 " " "

RBC 5 " " "

H. 10. 9

L. 8. Hides "Herodot"

Enclosures for Consignee's letter
Seconds of Exchange £450

Bill of Lading Cargo for "Itawii"

Wool reports.

Schooling account for J. J. Feltow £10. 10. 4.

Client's reports and contracts :-

\diamond H 4 cks Seal Skins "Panda"

\diamond H 2. " " " Herodot.

\diamond AN 1 28 bales Wool "Modestia"

L. 20 " " "

L. 1. " " "

\triangle RB 38. " " " Thetis

Contract only.

\triangle FB 1. " " "

Copy of Booker's report. Company's Wool, for "Modestia"
Freight return on Wool, Schooner "Herodot." For Dr. Dran.
Certificate of Entry "Thetis" for Capt Thomas.
Client's Invoiced goods, for "Itawii"

A. G. Feltow	4/6.
Holmsted Blake.	6. 4. 0.
H. G. Feltow	1. 14. 4.
J. J. Feltow	19. 19. 9.
H. G. Cobb	11. 10. 10.
A. Pitahuga	61. 11. 0.

Boutland & Feltow.	5.8.0
Pearl Parker.	22.15.11.
Parker Bros & Co.	58.4.11.
Mr Robson.	8.18.1.

Jedger + Journal Entries
 Remarks on Accounts.

Copy of letter received from W. Biggs 10th 1000/99
 List of Exchange £450 + letter of 26th to him.
 Remarks on Stocks.

Letter for the following

E. J. Mathews (2)
 W. A. Harding
 W. Biggs

London 27 January 1900

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Modestia.

No 904.

London, E.C. 20th February, 1900.

Sir,

Since writing you per Supplementary mail we have received your despatches 137 on the 5th inst., 138 on the 13th, and 139 yesterday, also your cable on the 13th, "Lavinia spedente (sic) Darwin sposedere Northarm soupirail Walker rolheiro besides". If this message means that there are 1687 bales to our consign-ment per Lavinia it should have been expressed in two words, as it was unnecessary to express the number of our own. The cost of the additional words was 31/6d. I had "Spedente" repeated, but it came back the same, so must have been wrongly transmitted.

2. 137-3. With regard to Johnson's pay, it appears to us that statistics based on the time spent on ships during the last ten years is hardly a fair basis on which to found a calculation, since it is manifest that the shipping entering the port has during the last few years declined at a much greater rate than previously, and, unless there is a radical alteration in the work done and the wages demanded, there is no hope of a revival. It is clear that several of the ships that lately put in would not have been seen, if they had had sails to take them to the Plate, and the days of heavy repairs to hulls we fear are over, especially as underwriters and owners alike are determined to move their ships away, even after they have come in, if they can possibly manage it. The calculation should, we think, be taken on the last three years, not more. Rather than give Johnson £200 a year, it would be better to keep him on on the old terms, at which he would make more money through having all the ships instead of half. We hope to employ fewer men when we are running only one shop, and doubt if the extra trouble and responsibility will amount to much. It must be left to you to arrange the

W.A. Harding, Esq.,

Stanley.

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best terms possible, but I may suggest to you that you could point out the possibility of giving the Stanley Arms to someone else, if he finds that his duties are so much increased as to require a great addition to his pay, and then again, no doubt, if he keeps the Stanley Arms and resigns the foremanship no doubt Biggs would be only too glad to keep his place as sole foreman on the old terms. Another consideration is that the pay of £1 per day is an undoubtedly sore point with those concerned in the ships, and it is one of the charges that ought to be reduced as soon as any: Perhaps you are not aware that it used to be 16/8d. only, and when I first went out the foreman only got 12/6, the balance of 4/2 going to the employer. And it must not be forgotten that there are plenty of shipwrights in the world just as capable of carrying on our work as those who are in the Islands now. Altogether, with the Stanley Arms and the foremanship Johnson has got a very soft thing, and he had better not be too greedy, or he may lose both.

3. Par. 4. I believe that the £100 a year drawn by Canon Aspinall is an allowance towards the fund for visiting the Camp and holding services, which, in the absence of a Presbyterian at Darwin, who used to draw it, has been temporarily granted to the Dean for the Church; it is in no sense a personal allowance, though for convenience the Canon has been allowed to draw it.

4. Par. 5. Not a word has reached me about accidents to schooners, but it was quite right to report them, for I hate getting news from outside.

5. Par. 7. No doubt, as having brought Burnett to the Colony we were primarily responsible for his expenses; but we were certainly not bound to lodge, nurse, or bury him, and any money in his possession should be claimed. It would not do to establish an inconvenient precedent in this case, or indeed in any, and I am inclined to remark that it was a pity as things have turned out that we replaced the clothes and effects of the fever patients at Goose Green; and that any further claims of the kind, since the disease has spread, should be resisted.

6. Pars. 8 to 11. All the drafts on account of ships have

been accepted, and are very welcome. Had you not cabled for an extra credit for the Premier the Deutsche Bank would not have met a bill a penny over the credit. Regarding the Doris Brodersen you are somewhat in error as to the commission, which is a charge made not solely for finding the money, but for doing the ship's business as well, that is attending to the Captain and generally making all arrangements for repairs. The Board instructed you, but unfortunately too late to act upon, that when cash is paid half commission may be charged; this you should arrange in future, and I hope the case of the Doris Brodersen will not form an awkward precedent.

7. Par. 12. Your action in the matter of the Samoa meets with the unhesitating approval of the Board, and it is particularly gratifying to the Directors to find, on the first occasion on which an important step has had to be taken on your own responsibility, that they have not overrated your pluck, judgment, and good sense. Moreover it is the general opinion on the reports received that the wreck is dirt cheap, and it is most fortunate that there was more competition than usual, as there might have been trouble otherwise. Had you yourself advised the sale of the vessel and cargo, you would have imperilled your position as Lloyd's agent, so that we congratulate ourselves still further on the step having been taken by direction of another agent. The Board are much pleased with Sedgwick's report, which shows him to be a man of education and energy; his anxiety about expenses is natural, but we are not disposed to be too cheapsparing provided the main object, the safety of ship and cargo can be attained. We have cabled twice as follows:—on the 5th inst. in code, "Samoa has our approval, do not sacrifice cargo (in) Stanley, we recommend you to try the Valparaiso market, obtain quotations, and later, on ~~the 15th, and in person~~ receiving Sedgwick's report, on the 15th, "Spare no expense (on) Samoa, if you can get towed, do so (for a) lump sum after delivery, avoid salvage". This we hope you would understand to mean that we do not grudge expense, and that as we gather that there is a chance of getting the ship off, we should like you to arrange, if there is a chance, such as one of the

Sandy Point steamers being over for sheep, for the towage of the vessel to Stanley, payable in so many hundred pounds on delivery, but not to take the form of salvage, as that means a percentage on the property saved, and would at once increase the expense, and raise difficulties of all kinds. Of course you know that such an arrangement should be in writing, to prevent a subsequent claim for salvage being put in. I have got some particulars from Vorwerks of the insured value of some of the cargo, which I send, and they are trying to get more, but the shippers will give no information, and the agents remark that they probably hope to pick the things up cheap at auction if sent to Valparaiso. We cannot give you any instructions at this distance, but rely upon your turning the property to the best advantage. Look out for robbery, and do not let cases be opened on the spot, in fact treat it as the transshipment of a sound cargo. You will observe that the pianos are insured for about £35 each; you may be able to sell these in Stanley. If you think desirable, you might let Sedgwick give the men an allowance of liquor, but he must put down with a strong hand any attempt to rifle the cargo, a thing that too often happens at wrecks, especially when worked on a percentage. If by good luck the ship were got into a safe harbour, we should like to have an opportunity of insuring her for the trip to Stanley. In case of any interesting news do not spare the cable.

8. Par.13. I complained to Mr. Pepper about the delay of our wool, and send his reply, which seems to show that it could not have been avoided, unfortunate as it is.

9. 138 - 1. The J.R. Kelley boiler could be retubed, and if the machinery is not absolutely smashed to pieces and you can get it cheap you should do so, of course after taking Noble's opinion on it.

10. Par.2. Quite a small sum per ton for the Glengowan's coal would pay us handsomely, as it only cost £100, so you could sell it to Curtze at a price which would insure him a good profit also. We should like to hear of this vessel being pumped out and floated. Would the rigging of a windmill pump be in-

possible?

11. Par.3. The idea at first about the Sabino was that another hulk was not needed at Stanley, and that she could either be sailed home and sold, or sent round as a depot hulk at North Arm. But the increased demands for coal by the Admiralty cause us to use more hulks for its storage, and it seems that the Sabino might very well be fitted up for the reception of cargoes from distressed vessels, so that the Great Britain may not be diverted from her proper use as a depot for cargoes by mail steamers. It is annoying to hear that property under the very eyes of the Manager is allowed to rot for want of instructions from London, in this no reflection is intended upon yourself, as you have so lately taken charge; but I cannot too strongly emphasize the fact that work and improvements ought to be initiated on the spot and not from here. If the Sabino is in the condition now reported it should have been brought to the notice of the Board years ago. By all means, when there is time, do what is necessary.

12. As the Hornet's claim has been settled, I need waste no time in commenting on the subject.

13. Par.5. The Government ought at least to be made to see that our consideration in the matter of the coals has saved them a large sum, for soon after the Annie left prices advanced by leaps and bounds.

14. Par.6. Our idea of Ogilvie has been that he was an indifferent servant, a good deal given to drink, and keeping himself in debt to avoid discharge, therefore not a man to be considered. If this is not the case, it is possible that when he has freed himself from debt his case might be reconsidered, though we are chary about giving concessions in the matter of passages that are not strictly due.

15. Par.7. The Board consider that the piece of land adjoining our paddock might be purchased, if not much over the upset price of town land.

16. Par.9. It is one thing for clients to ask for schooners, but another for you to send them, if not fitting in with your

arrangements. Mr. Mathews' remark is to the point.

17. Par. 10. The Orchid is not loading for Stanley, but was entered out, as is the custom, at the time she was reported. I do not think that there is a chance of her going.

18. Par. 21. You are perfectly right in saying that ships do not put in unless they are obliged; they would not do so if repairs were as cheap as in England. But when they do put in, the work done and the despatch should be such that they would not hesitate to call again should repairs be necessary, and this is what the carpenters ought to be made to see. I am afraid that many of them, as things now are, would run some risk to get to the Plate.

19. Par. 23. You are no doubt right about Rees; we only know him here as a man who takes good care of his ship, and sails her satisfactorily, as we do not see him carrying on work. Sedgwick has created a good impression by his letter about the Samoa, and probably he is as good a foreman as can be got, though it is a pity that he has not the knowledge of shipping matters that a shipmaster only can be expected to possess.

20. Par. 26. Why it was necessary to take the schooners away from their proper work in order to assist people who sent out cargo for others; not our clients is not clear, and we should like to understand it. As far as we can see the best way would have been to let the consignees manage as well as they could for themselves, or wait until it was convenient to oblige them. At all events we must guard against advantage being taken of us in this way another time. I am doubtful now whether we ought to try to manage the discharge of cargo for the public generally, or even go on obliging the Government, if they do not appreciate it, and do such things as getting out bricks and materials, which they could probably buy cheaper from us. You will have to consider this question.

21. Par. 27. The Board quite approve of the gratuity given to Mr. Gorton, and are glad to hear that he is so useful.

22. Par. 28. Black Moore & Co. accepted the extra draft on account of the Balkamah.

23. Par.29. I have not had time to enquire about the Employers' Liability Act, but will do so as soon as I can. It may be a question whether Fleuret was working for us or the ship, probably for us, as an apprentice, but in the case of men who take their pay direct from the ship and are only paid by us on the ship's behalf, I think that there is room for safeguarding ourselves.

24. Par.34. In future we should like all our wool sent well within the year; the 5 bales will be treated in the accounts as belonging to last year if possible, though it will be too late to get them into your books.

25. Par.37. We are willing to adopt your suggestion as to increasing the amount of the Crown Agents' drafts, and might even say that they could remain at £450 between March and August, and £600 for the rest of the year. But we do not like the idea of making a payment of £2000 in December, just at the time when we are most pushed for money. I mention for your information, though not necessarily to be used as an argument with the Government, that owing to the bulk of the produce coming in early in the year, after the end of November we usually begin to borrow, and before the realization of the first wool frequently have taken up on loan over £20,000, while in the middle of the year we have sometimes not known what to do with our money. This you probably know, if you have thought over the matter at all, but it came as a surprise to Mr. Baillon when I told him, as he seemed to share the prevalent belief that we are seated here on the top of unlimited bags of gold. It follows from what I have said that if we pay £2000 in December we shall have to borrow every penny of it. It is a convenience to the Government to be able to send their money home by our drafts, and the question is whether it is as great or a greater convenience to us to be able to get money in this way. They should remember that we let them have it at par, charging no exchange, which they would have to pay anywhere else. If any alteration is made, I think you should try to couple with it the issue of our drafts at the

customary 30 days' usance, short enough when you consider that bills in Chili and the Plate are uniformly at 90 days' sight. I am inclined to think that it is not on the whole bad that the Government should be wiggled for overdrawing the Crown Agents' account, for it may force them to spend more money in the Colony, instead of making nearly all their purchases in England.

26. 139 - 6. I hope that you have made sure that if the master of the Rosa Baker gives a bill for her account he has authority to draw; we do not want another Enola C.

27. If your instructions authorize it I hope that you will always cable the departure of ships that have been under repair; we have had several enquiries about some of those lately in, which had no doubt sailed, but advice had not reached Lloyds?

28. On the subject of the Ship Hotel, it occurs to me to suggest to you that if Bound does not come out you might take the bull by the horns and let the place to Whitman. When it was reported that Bound had gone home, and put in a manager, we had no idea that he was going to settle here permanently.

29. Our only passenger is a man named Alexander Williamson, the agents could not find a suitable married man in time.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatch No 903. (dated 27th Jan'y)
Ledger + Journal Entries
Remarks on Accounts.
List of Enclosures.
Clients reports + contracts:-

- IT 2 cks seal skins in "Herodot."
- IT 4 " " " " "Banda"
- AN 1 " " " " "Modestia"
- L 20 bales wool in "Modestia"
- PN 38 " " " " "
- L 1 " " " " "
- L 1 " " " " "Shetis"

Remarks on Stores.

Clients Invoices goods for "Itanui"

Packer Bros & Co.	58.	4.	11.
Wm Robson.	8.	18.	1.
Pure Cakes.	22.	15.	11.
H. G. Cobb	11.	10.	10.
Hornstedt & Blake	6.	4.	-
J. J. Fulton	19.	19.	9.
A. Pitaluga	61.	11.	0.
Bertrand Fulton	5.	8.	0.
H. Clement	1.	14.	4.
A. E. Fulton.	-.	4.	6.

Second of Exchange. £400.

Clients Appales + reports + contracts:-

- L 37 bales. Sheep Skins in "Modestia"
- PN 2 " " " " "
- DS 9 " " " " "
- W.P. 11. " " " " "
- L 2 " " " " "
- B 25 " " " " "
- IB 8 " " " " "
- H.B. 9 " " " " "
- JB 26 " " " " "
- L 91 casks. Tallow
- DS 28. " " " " "
- HB 47. " " " " "

Brokers copies Appales. reports + contracts 10⁰⁰ wool "Modestia"
Copy of letters from Inds Cooper Co^o dated 10th + 17th Feb.
~~Was drawn up account returned prescribed.~~

Copy of letter to the Komros Co 8th Feb + reply of 12th Feb.
Copy of letter from Dewar Bros/d. 12th + 16th Feb

Clients Appals
L 1 bale. wool. in "Modestia"
P 20 " " "
P 38 " " "
M 14 cask. seal skins "Banda"
M 2 " " " "Herodot."
AN 1 " " "
SI 28 bales wool. "Modestia"

Copy of Brokers Appals wool (Hides + Hair reports + contracts)
Company in "Modestia" only.
Alexander Williamson's Agreement
~~Sundall's schooling and ... to ...~~
Credit note sea-damaged wool for "Banda" H. Waldron
" " " " " C. Hanlon
" " " " " C. C. Welch.

Clients reports + contracts
HB 47 Hides in Modestia
L 34

Quarantine notices, re rise in prices
Particulars of Insurance on some of the "Samoa's"
Cargo received from Forework Feb 20.
Ledger + Journal Entries
Remarks on Accounts
List of Exchange 1450.
Omoo's account repairs &c ship "Thetis"
Remarks on Stores
Letters for the following

W. A. Harding
W. W. Bertrand (3)
G. A. Gorton
Capt Thomas. Robert Blake.
B. J. Foley. E. J. Mathews
H. Rumford.
Dean Brandon.
J. B. Goodhart.
J. J. Nelson
London 20 February 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

N^o 905.

London: E.C. 17th March, 1900

Sir,

My last despatch was dated the 20th ult., and I have now to acknowledge receipt of your nos. 140, 141, and 142, the first on the 28th ult., and the last two on the 12th inst.

2. 140-1. When you say that you have arranged to discharge the 150 tons of coal for the Government I hope that you mean that you have lent her to them, all labour and expenses being for their account, as the coal was to be delivered over ship's side in the harbour.

3. Par. 2. It seems extraordinary that R. Aldridge should have been able to contract such debts in Stanley, not only with ourselves, that £500 for his house will only give us 13/ in the £.

4. Par. 4. You are quite right to look after our own interests first in the matter of shipping wool.

5. Par. 5. The price charged to the Cristoforo Colombo was moderate, considering that since we bought the Langstone's coals the market has risen here enormously: I am afraid I misled you through my mistake about the quantity the Admiralty required; if you had known it was 1200 tons you need not have asked the Commodore's permission at all. I am afraid that we shall be left this season with a large quantity on hand, though being laid down cheap it does not matter much.

6. 141-1. It is satisfactory to hear that the Naval contract has been renewed. I hardly see, however, how anyone could have run us upon whom we could not have put the screw.

7. Par. 2. We have had to pay for Greenshields' missing bale

W.A. Harding, Esq.,

Manager,

Stanley.

of wool per Thetis. There must have been carelessness about this for which Capt. Thomas will have to account, and you had better try to get at the bottom of the matter. You are aware, I believe, that the ship turned out one bale of wool, ~~75~~ under a triangle, for which there was no Bill of Lading; is it possible that this was taken in error for JG 307, and that the latter is still somewhere about? It is absurd to suppose that it has evaporated.

8. Par. 4. I wrote lately to Spearing & Waldron, complaining of their having sprung the Port Howard cargo on us without notice, and Mr. Spearing came to see me on the subject. His explanation is that Mr. H. Waldron had revoked the former arrangement by which their goods were consigned to Williams, and had asked him to consign them ~~goods~~ to the Company, so he assumed that you were fully cognizant of the shipment. I told him that Hoares had sent goods for others without warning by the same steamer, that the Government had added their lot, that two lighters were hors de combat, and that to crown all the Kosmos had failed to send for the first wool at the proper time, rendering the stowage on the Great Britain difficult. Mr. Spearing expressed regret, and promised to let me know next time, in fact it was owing to an oversight that he did not do so when the Ammon went out. Your surmise as to his charter is very wide of the mark, as the dates will show. She was chartered on the 5th October at a very fair rate as freights were ruling then, and it was not until the 17th November that he took her up homewards, after ascertaining that we did not want her ourselves. Further, he has suggested himself that in future, when we want a ship out, we should let him know, as he may possibly fix her homewards, and get an advantage for both.

9. With regard to shifting a ship once moored, I believe that it can be required, but we have to pay the fee for moving, and we certainly have no right to require her to lie aground. But this difficulty usually yields to palm oil, and I always used to give an extra gratuity of £5 or so for coming alongside, and supposed that the practice had been continued.

10. Par.5. As already pointed out it is unnecessary to cable particulars of marks of wool: catalogues are only made out after the wool has been classed and valued. It is useful to the Brokers to know the number available for the next sales as soon as they can be got, and to us, for financial reasons, the information is important and soothing.

11. Same par. It is very annoying about the shearers, as the expenses will be something hideous; we can only console ourselves with the knowledge that we are buying experience, and shall know in future how to avoid pitfalls.

12. Par.6. Messrs. Potter Bros. have accepted the draft for the Blackbrae's expenses, but seem to be incensed with their Captain, as to whom they asked me to write you privately last mail. All the ships' accounts have now been met, which is very satisfactory, and now we want to see what effect they have had on the Store profits.

142.

13. Par.4. The Naval Works account has been paid, but had you advised us of it we might have got it in earlier.

14. Par.6. Nothing could be better than your letter to the Captain of the Samoa, as it puts us completely on the right side in the event of any question being hereafter raised. I am glad also that I pointed out to the Salvage Association that something ought to be done, proving, as it does in conjunction with your letter, that it was not an underhand sale.

15. Par.10. The Green telegrams will be sent to Boston.

16. It is a pity that a formal report was not sent on Capt. Willis's goods, or any letter obtained from Mr. Schlottfeldt. There is nothing to go on in making a claim on the Kosmos, except your remarks and his letter, which can hardly be taken as evidence, and then again, should this claim fail, the goods, as all perishable articles are, were insured against all risks, and there is an undoubted claim in one way or another.

17. The G.F.O. say that they do not make up private bags for abroad.

18. Slack & Co. of Chesterfield say that penguin oil is worth

£14 per ton, and would like a few sample casks sent over. Years ago there was a large quantity made at New Island, and Cull might be inclined to take up the manufacture. The process was a crude one, and the oil was often burned; if it could be steam-
ed down like tallow the result would probably be very good.

19. The Pacific Co. are sending this steamer a week late, one of their boats having been taken up for South Africa. The P.O. inform us that arrangements have been made with the Kosmos Co. to delay their boat at Sandy Point.

20. Bound called here lately, and I told him that we could not recognize any goodwill as belonging to him in connexion with the Ship Hotel, at which he seemed surprised, and began to talk about stock, so that I had to explain that we of course laid no claim to that or to tenant's fixtures. He is not very intelligent, but quite honest, I think. He talks of going out shortly.

21. Laidlaw Mackill & Co. lim. of Glasgow have asked us whether there is any opening for tobacco extract and powder for sheep washing. I enclose a copy of their letter.

22. Many years ago the Company were engaged in a disastrous lawsuit over some gunpowder which had been put into one of our cutters from a distressed ship, and was ruined through the boat sinking in a gale of wind. I mention this by way of showing that there is a certain risk attending the lighterage, and that unless there is great profit attached it is better to get it into the Magazine. We lost the case absolutely.

23. Referring again to the subject of commissions on ships' business, I may point out that in 1883 I charged the full 7½% on the accounts of the Emil Julius, notwithstanding that underwriters sent down £3000 in gold to cover disbursements.

I am, Sir,

your obedient servant,



Managing Director.

P.S. I was forgetting to acknowledge your cable received 8th inst. as follows:—"Cease sending paraffin Garland here in distress arrange credit with owner Walker Antofagasta Ammon has 640 bales." I have used every endeavour to find out who are Walker Pohle & Co's agents here or in Hamburg, but without success. Knohr & Burchard used to act for them, and referred us to Burchard & Co. of Eastcheap; they say they cannot give any guarantee, but suggested the Bank of Tarapaca & London. The Manager says they are a highly respectable firm, and he would be very glad to advance them £5000 if he had instructions. Being so many thousand miles nearer them than we are it would have been better to approach them direct or through Vorwerk & Co., and all I can do is to cable you as follows:—"Afacer Garland Acecinare Walker Reclamare", i.e. You must make arrangement (with) ^{Garland,} Walker, cannot find out who is agent for Walker, the person you mentioned is considered highly respectable. It is not as good a message as I could wish, but seems intelligible, and is the best our code allows.

The Lavinia has arrived.

Duplicates Enclosures.

Despatch No 904 dated 20th February
 Remarks on Stores
 Ledger + Journal Entries
 Remarks on Accounts.
 List of Enclosures.
 Clients reports + contracts + Assals.

- L 91. cks Tallow "Modestia"
- DS 28. " " "
- L 2. bales Skins " "
- Lot 11. " " "
- DS 9. " " "
- PH 2. " " "
- L 37. " " "
- B 25. " " "
- L 1. " Wool " "
- FB 1. " " "
- L 20. " " "
- PH 38. " " "
- AN 1 cks seal skins "Herodot."
- H 2. " " " " "Banda."
- M 4. " " " " "Banda."
- L 37. Hides "Modestia"

(H. Waldron) Credit note sea damaged wool Banda
 (C.E. Wood) " " " " "
 (H. Waldron) Enclosures per Conrique's letter per "Modestia"
 Second of Exchange £450.

Bill cargo per "Modestia"
 " 1st of Apr (Ind. Coope)
 Copy of letter from Laidlaw Mackillo 6th 27th + our reply 28th Febry
 Clients Assals.

IB 47. Hides "Modestia"
 L 37

Brokers Copies of Comptons Hides Hair per "Modestia"
 Dawson's circular dated 1st March also
 Letters + brief notes re rise in prices { 6th March
 15th "
 Wood reports.
 Schooner freight return on skins per Herodot. Kosmos
 Copy of letter to Spearing + Waldron 12th March
 " of Brokers contract remainder of 6⁰⁰ skins per
 "Modestia"

Clients Invoices:-

Packet Press	15/9.
W. A. Harding	34. 9. 3.
W. G. Purling	5/-
Capt. Willis	18/10.
J. Campbell	10. 10. 0.
Bertrand & Felton	14. 18. 8.
A. G. Felton	40. 2. 1

Ledger & Journal Entries
 Remarks on Accounts.
 First of Exchange. £450.
Letters for the following:-

- W. W. Bertrand
- W. A. Harding
- Alex Moir
- E. J. Mathews

Notice, Discharge of Seaming abroad for Capt. Thomas. 28th Feby.

London. 17th March 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Neko.

No 906.

London, E.C. 3rd April, 1906.

Sir,

My last despatch was dated the 17th ult., and I received on the 31st id. your nos. 143 and 144 by Pacific boat, also your letter of 3rd.

2. Having only had them in hand a day we cannot say much about the accounts. The despatches were before the Board yesterday, and on the face of them the figures seem to be satisfactory. The increased expenses on the Farm are not a pleasant item, but we hope that they are only temporary. We have never heard what was the cost of sending Frazer over to the Coast, and the Journal gives no clue; these should figure as travelling expenses, and I am afraid that the amount may be high. The amount of Mr. Mathews's commission works out practically right, though for the want of the a/sales of the last five bales the precise weight of wool was not at your disposal. The increase in consumption stores is not satisfactory, and you should go into the matter with Mr. Mathews. As there is an increased profit on this account, notwithstanding the drawbacks named, the Directors will let it pass without alteration; but they think that in future we need not pay for all renewals out of revenue, seeing that all Plant has been carefully depreciated 10% every year. We have always erred on the right side in ruthlessly writing down the Company's property, and we have the satisfaction of knowing that it is worth much more than the book value. In the case of the renewals for shearing machinery we know that they do not last ten years, and therefore 10% is not a sufficient depreciation on these special items; but on the other hand we must not forget that they go into the general account, or should, called

W.A. Harding, Esq.,
 Manager,
 Stanley.

Plant & Utensils, and that this account also comprises machinery of considerable value that has disappeared from the books for years. For instance, the old Goose Green boiler went out in 1876, and was in use until 1897 or 8, having been obliterated as an item of property 11 or 12 years previously; again, nearly all the Smithy machinery was set up in 1889, and has now gone the same way, although it has probably many years of life yet. Taking the average, therefore, it would seem fair to charge plant with some of these less lasting additions, and the account will still be a perfectly fair one. It is not a very comforting suggestion of yours that there has been a failure in past years to give the Store credit for goods delivered, of course we assume that you have taken steps to prevent any carelessness of the kind. The profit on the Store is good, but one or two seem to think that the ships might have made it still better. I think however that we ought to take the accounts as a whole, and note that ships benefit not only the Store, but the Shipping and Commission accounts as well. I have often been asked the question what actual ^{profit} the Store derives from ships, but I say that the sales are so much mixed up with other retail deliveries that I do not see how we can put the profit at an exact figure. Some ships take more stores than others, and the profit we get from them is proportionately greater. What would you say is the percentage of profit on the kind of Stores that ships take? We know from the accounts the amount we charge each vessel, and might get at what is wanted that way. As to the rest of the accounts I cannot say more today at such short notice; but I may mention that the reduction in the Stanley wages is a favourable feature, although we know, of course, that it is partly due to the ships having absorbed all the labour for the time being.

3. 144-2. We hope that the estimate of £400 for putting the Glengowan into condition for anchoring her afloat is an excessive one, and suggest that whatever you can save by making arrangements of a temporary nature should be considered. But the Board consider that this property, if it is to be turned to any-

thing at all must be floated as a preliminary step, and that any expense that is actually necessary to carry this out must be incurred. It has been suggested to me that perhaps when she is afloat she will leak so badly as to be of no service; I say that I think not, as the fact that she has filled with spray and remains full is in her favour. But you will, of course, take the precaution of seeing if there is any rise and fall of water inside, and, should there be, ascertain whether it comes through the plugged up holes, or whether there is a more serious undiscovered leak due to straining. This, as she is a new ship, and is understood to be on a smooth bottom, is hardly likely. Once afloat and pumped out, there will be more than one way of turning her to account we hope.

4. Par. 3. I am glad that we are in accord as to the term "good-will" as applied to the public houses. The Board think that the tenants ought to have leases, and are willing to grant them for 7 or 14 years, terminable at the end of the first period by desire of either party, but in consideration of the lengthened term think that you might get better rents, especially as we think that considerable sums have been spent in repairs and improvements. Probably we shall send you out a form of lease, but you can suggest these terms.

5. Details about landing goods for the Government must naturally be left to you to settle, but I would suggest that you might fairly say that as 4/. a ton does not pay you must, if you continue it, charge more, and also have it understood that you will not bind yourself to deliver until you have got what you want of our own goods into the Stores. It seems the height of absurdity to put our own business on one side to do things for the Government at an unremunerative rate. I shall take an opportunity of saying something to Mr. Anderson about their importing bricks and such things as we could sell them, probably as cheap as they can import, and then calling upon us to land them.

6. Par. 6. In the event of our ever having a tug, probably the underwriters would make some stipulation about the man who is

to command her, and this raises some misgiving as to our foreman not having any kind of certificate.

7. Par.7. On the subject of the Samoa I was rather struck by a remark lately made by Mr. Blake from Patagonia, to the effect that they were delayed in getting their wool away through a wreck in the Straits, the steamers naturally finding that kind of work more remunerative; if that is the case where there is so much competition, how much more so it ought to be with us. I hope that when the rush is past you will be able to send the Fair Rosamond as suggested.

8. Par.9. It is very satisfactory about the rummaging of the Thetis in Stanley, and our thanks are due to the Government.

9. Par.11. I hope to raise a storm about the insolent letter from the U.S. Consul about the Cyrus Wakefield, and have already shown the correspondence to the owners' agents, and sent a copy of it to the Kosmos Co. It charges us with having stolen £70, and the demand for restitution is unaccompanied by any request for an explanation. I cannot believe that Rosenfelds can have suggested such an outrage.

10. Par.12. You have not said that the Government have sent a requisition to the Crown Agents for the silver, and, as I shall show presently, I cannot ask for it.

11. Par.13. Both Capt. Hansen and Mr. Schlottfeldt are wrong about the commission, as I have already explained; if you can you should look up the Emil Julius's account, and show the latter that there is a precedent, and make him understand that in a future the commission on ^a ship's account when cash is provided will be half the usual rate.

12. The Board would like you to have a type-writer, and one will be sent next mail. The one in use here is a Yost, and is very easily managed; I do not like what I have seen of either the Remington or the Barlock, but I am going to look into the merits of the Smith Premier, which has been recommended.

13. Par.17. As soon as convenient we want to have an exact account of all expenses connected with the shearers.

14. Par.18. I have seen Mr. Andrews, who has given me some

● valuable advice on the subject of Fleuret's eyes. When have he considered that we were liable, but I have since received a note from him with a decision in a Scotch Court about a somewhat similar accident, which rather goes to show that we are not. At all events, whether we are responsible or not, the Directors will do all they can for the lad. At the suggestion of Mr. Andrews I am sending you what he considers the best treatise on the new law.

15. I have already told you that we can do nothing about the Garland here; it seems rather strange that the Captain did not suggest any European agent to whom we could apply.

16. Our wood Brokers say that the value of the Bertha's cargo if in fair condition should be about £3000.

17. I send some correspondence with the Crown Agents about money, which serves to show how hard the Government try to pull their own way. The Board yesterday approved of my letters, and agreed to take £12,000 per annum from the Government. I shall therefore write to suggest that after taking up £450 as usual for next mail, which will be due in Stanley on the 25th of May, we should pay them £550 on the 31st of that month, to be met by a simultaneous payment to you of the same sum, making £1000 for May, and that on the last day of every succeeding month we should pay them £1000, you receiving the same sum on the same day. In this way no question of interest can arise, and I think that it is the fairest plan that can be suggested. As an alternative I shall offer to take their drafts as before but with an exchange of $\frac{1}{4}\%$, that is to say buying their £1000 bills for £995. We are not disposed to put up with any high handed nonsense, even if it costs us more to maintain our independence. While this matter is pending, you will see that I cannot ask the Crown Agents to do us the favour of sanctioning the issue of silver from the Mint.

18. I wrote to Browne Geveke & Co. about Capt. Willis's claim, and heard from them that the Kosmos Co. had instructed Mr. Schöottfeldt to settle with him. In any case the papers sent were not sufficient to substantiate it.

19. Our wool sold at only moderate prices, the market having gone back again. Copies of account sales are enclosed, and taken with the falling off in weight this year the prospect is not very bright.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicate letter of 17th March
 Copy of Baker's reports 10th 10006 per "Lavinia"
 Copy of letter to Mr. Davis of 14th March.
 Letter of 3rd April

London 3rd April 1900.

• Enclosures per Consignee's letter

General Invoice + suppliers invoices
 List of Client's Cargo + invoices + suppliers
 List of Dutiable Goods.
 List of Parcels
 Remarks on stores.
 List of Company's Cargo,
 Dated of 27th + 4th of April
 Willis, "Workmen's Compensation Act" 1897.

London 4th April 1900.

Enclosure

Duplicates

Despatch No 905 14th March.

Ledger + Journal Entries

Remarks on Accounts.

List of Enclosures.

Bertrands' Apsale by 14 hides per "Modestia"

Clients Invoices:-

Packet Bros Co.	15/9.
W. A. Harding	54. 9. 3.
J Campbell	10. 10. 0.
Capt Willis	18/10.
Bertrand & Felton	14. 18. 8.
W. G. Kirking	5/-
A. E. Felton	40. 2. 1.

Second of Exchange £ 450.

Wool reports.

Law Union & Crown Ins Co's bonus notice for W. A. Harding

Copy of letter from Harper & Co. 22nd March re
included in Mr Mathews' letter to the Wool's claim for £ 1. 11. 4.

Kirkland Co's account for B. Stuckney

Copy of letter from the Crown Agents of 14th + 26th
+ our replies of 20th + 28th March.

Copy of Broker's reports Company's wool per "Avinia"

True copy of Mrs Bonner's report + contract wool

Copy of Broker's Apsale per Company's skins per "Modestia"

Copy of letter to Brown & Co of 21st + their reply
of 22nd March re damage to Capt Willis's goods.

Ledger + Journal Entries

Remarks on Accounts

First of Exchange £ 450.

Copy of Broker's Apsale Co's wool per "Avinia"

Letters for the following

- E. J. Mathews (2)
- W. A. Bertrand
- W. G. Kirking
- W. A. Harding

London 2nd April 1900.

Enclosures.

• Duplicates

Despatch No 996 dated 5th April
 Ledger + Journal Entries
 Remarks on Accounts
 List of Enclosures.
 Duplicates of enclosures per Conique's letter
 Second of Exchange £450.

Shipping Cargo per Neko (2)
 Copy of letter to the Crown Agents of 4th + their reply
 of 14th April
 Copy of letter from Somervell Bros. of 5th April
 Brighton College schooling Ac for J. J. Filton £32. 10. 0.
 Draft on Charles Williams for £4. 0. 0
 Copy of letter from the Kosmos Co of 21st April
 Copy of letter from Bompass Bischoff of 21st +
 our reply of 24th April
 Copy of Brokers A/sale remt. Co. skins per "Modestia"
 Clients Reports =

MTV 2 bales Skins "Amonou".

S Y " " "

H B 9 " " "

Clients Invoices goods shipped. per Neko.

George Bonnet. 39. 0. 10.

Robert Acker. 47. 8. 0.

Dean Antow. 134. 1. 14.

A. E. Filton. 5. 6. 1.

Ledger + Journal Entries

Remarks on Accounts

First of Exchange £450.

Letter of Mr. Mathews (containing duplicate +)
 invoice of saddle

London 26th April 1900.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851

61, Gracechurch Street.

Per Supplementary
mail.
No 907.

London, E.C. 26th April, 1900.

Sir,

My last despatch went on the 3rd inst., and your despatches 145 and 146 have since arrived on the 11th and 25th inst respectively.

2. 145-1. We rely on your getting information about the Chilian law from the Government at Santiago. You are aware that we have consulted our Solicitors and also written the Chilian Consulate here without being able to learn anything. There seems to be no doubt that if the vessel in fault is lost her owners can abandon her, and then cannot be made liable personally; but the point to be followed up is whether, if the vessel is insured, and the owners have recovered the insurance after total loss, the aggrieved party can attach that insurance as representing the vessel, which, if afloat, would have been liable, and this you should sift thoroughly, as it means some hundreds of pounds to us and the underswriters of the Hornet.

3. Par. 2. The Garland apparently will be a long time in Stanley, and will enable you to make arrangements for credit with the owners. If no security is to be obtained we assume that you will have taken bottomry.

4. Par. 3. I send a letter from our Solicitors about Fleuret, whose eyesight, I am afraid, is gone. We shall not admit liability, but the Board will do what they can for him. In reporting a case like this, you should give all information needed to enable an opinion to be formed here; for instance, the date of the accident, and the time, if any, that was allowed to elapse before he took advice, might be material, and the suggestion by Dr. Hamilton

W.A. Harding, Esq.,

Manager,

Stanley.

that the lad had been drinking might have been followed up, and the truth ascertained, as I need not point out that a mere assertion that he had been reported to have been intemperate is not evidence. From what I hear I judge that if he had had skilled advice at once the sight of one eye at least would have been saved, and it has been suggested also that he would have had a better chance if he had gone to a hospital in the Plate instead of taking the voyage to England. I cannot find a copy of the Ordinance extending the Imperial Act to the Colony; please send one.

5. 146-1. It is probably just as well that you have put Williams on a pension, as he never in my time got on as well with customers as he might. That our pensioners are some of them working cannot be helped, in fact it is not altogether bad for us to have it understood that our pensions are not intended to keep the recipients altogether. What we have to look at is whether, if we keep men who are more or less unfit to do a day's work, we benefit by their services, and in nearly all the cases at present I think that we can say that it pays us better to be rid of them.

6. I did not know that we had so many houses let. When you speak of the foreman Carpenter's house, I suppose you mean the one W. Biggs used to occupy, but the one to the eastward of this if I recollect rightly was Chaplin's, and I wonder that it is not occupied by one of our own people, as a huge sum was spent on it some years ago. I may be wrong though, as possibly Chaplin's was a new one entirely. You had better send a list of the rented property, with the names of the occupiers, and the rents they pay. If Williams has the house for £20 per annum, it is cheap, as it cost quite £500 without the land; how do the rents we charge compare with those of other houses in the town? Probably, as I shall show later, we shall have to resume possession of one or two of our own before long.

7. I think that upon your explanation as to the lighters the Board will approve of your having bought the Rosa Baker. The

discovery that the Tilton, owing to her burnt beams, is not strong enough for a lighter, is rather a belated one, as I think that she was burnt about 20 years ago, and was useful as a lighter to the Deans long before we got her. Probably if the leak could be found she would be of service for many years yet. But lighters are useful things, and we cannot have too many of them in reason, especially as ours are all getting old. The only criticism that I see reason for passing about the sale is that the Rosa Baker was surveyed and condemned by our foreman and our late one, without anyone else associated with them, and then bought by us; this might give rise to a suggestion of a "put-up job" which should always be avoided.

8. I have looked at the latest Yost type-writer and the Smith Premier, and with a natural predilection for the former, as I have used it so long, I see so many advantages in the other, that I have got one for you.

9. We have just bought the tug "Samson" for Island service, and I hope she will leave in less than a month. Since looking at her afloat, and therefore rather superficially, a month or so ago, she has been placed in dock and opened out for inspection, and she turned out so well, that the last Board decided to buy her, believing that sooner or later she will give a good account of herself. She is just what is wanted for the service, 96 tons gross, 60 horse power, triple engines and therefore economical; and has the very useful and important addition of salvage and fire pumps, capable of delivering 100 tons per hour. The purchase was only concluded yesterday, and I can therefore not say much as to arrangements; but you may take it for certain that we shall send with her an Engineer who will be attached to the Stanley staff, for service afloat or ashore, and therefore requiring one of our spare houses. This will relieve Noble of trips to Stanley, and probably with the machinery that we have scattered about you will find ^{occasion} ~~time~~ to occupy ^{the new man's} ~~his~~ time fairly well. Although some people seem to think that we are getting stale, I think that we may congratulate ourselves on showing that there is still some enterprise left in our Company.

10. I send correspondence with the Crown Agents about remittances to and from the Colony, and you will see that the question is referred to the Governor. Unless he is absolutely tied up in red tape, as the Crown Agents are, you should have no difficulty with him. It is a matter of credit, it seems, the Crown Agents fear that some of the bills the Government buy in the Colony may be dishonoured, and it is nothing to them that if such an impossible contingency should arise the Government could at once seize ²property of ours in the Colony of many times the amount of the default. And yet there is a good deal of inconsistency about their attitude, for they have been in the habit for years of running this risk without complaining of it. The proposal of the Crown Agents that we should in all cases buy their paper would mean a loss in interest to us of something like £60 per annum, and so far our counter proposal that this loss should be divided has not met with their approval. My proposal that simultaneous payments of certain sums to be arranged in London and Stanley seems to be absolutely fair. The only risk to the Government would be that we might make default some day here while the Government made the usual payment on your side. Practically, putting red tape on one side, is this a conceivable danger? If it is really one that they are bound to take into account, you should point out to the Governor that the Crown Agents hold from us something over £10,000 at the present time against land purchase, for which we have nothing but their receipt, and that it would be the simplest thing in the world for them to withhold the delivery of the Crown Grant for our freehold land until any default was made good. I hope that the Governor will be amenable to reason.

11. I have today seen Mr. Anderson, who wired to ask me to call about the new ²amil service. He showed me a letter from the G.P.O. stating that the P.S.N. Co. were willing to take the service at £5000 a year, half of which the Treasury would charge to the Colony, sending a steamer once a month each way, and by means of a service via Sandy Point giving fortnightly mails. The Company would hold themselves free to charge their tariff rates

both for cargo and passengers, but would make certain reductions to the Government. Mr. Anderson asked if I thought that the Kosmos Co. would still run; I said that I hoped so, as it would create a little healthy competition, and I asked him to safeguard us against being wholly in the hands of the P.S.N., as they might charge us most prohibitive rates. We agreed that if they continued the Kosmos should be made free of pilotage and harbour dues, and he expressed himself much in favour of abolishing the Government pilotage, and going in for the system of licences to outsiders. I said that the time of the Pacific steamers' stay in harbour, 6 hours, would be prohibitive of their taking wool, or doing much in the way of cargo outwards. If we can manage to keep one running against the other we ought not to suffer, and I told him that I thought that the Kosmos, on the whole, had treated us very fairly, considering that they had the monopoly, and that we could hardly depend on the P.S.N. being as considerate. There is one thing that you may, I think, reckon on as certain, and that is that the Pacific will not send out a special agent, and you will have to see whether the old Government prejudice against our holding the mailboat agency is still strong. I do not at this moment quite see how we can take it up, and at the same time send our wool by the Kosmos; but it seems of paramount importance that one should run against the other to prevent the Colony from being crushed. Rates by all the lines to and from Sandy Point are in favour of the shippers, and this naturally results from the competition of the several lines passing through. Mr. Anderson gave me leave to send this information to you, and saw no objection to my sounding the P.S.N. at once as to their intentions.

12. I have received from Mr. Mathews an interesting letter dated 9th March, but as it is uncertain whether he will have left or not before this mail gets out I do not reply to it.

I am, Sir,

your obedient servant,

John E. Sobell

Managing Director.

P.S. I am pursuing the subject of the towage of the Cyrus Wakefield, and have elicited from Mr. Pepper the fact that the Kosmos Co. have only received credit for £80; see enclosed copy of letter. This is not unlikely to lead to some trouble I rather think.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street,

Per Supplementary
mail.
No. 908

London, E.C. 27th April, 1900.

Sir,

I wrote to you yesterday on information supplied by the G.P. O, that the mail would be made up this morning, and I now find on enquiry that the Pacific boat has been detained two days longer and that this despatch will be in time, though the chance of the Kosmos boat waiting seems to me to be lessened. I am able to acknowledge receipt of your despatch 147, which arrived this morning.

2. Par. 1, (should be 2). I must communicate with Mrs. Bonner about the state of the Jetty at San Carlos.

3. Par. 2. Considering the low price of the coal, and on the other side, the disadvantage to the men of war of having it broken up, it seems to me that we ought not to be put to the expense of transshipping 250 tons from one hulk to another. In delivering it from the J.P. Smith we should be fulfilling the terms of the contract, which do not specify the size or height from the water of the hulk; but you may probably be able to explain the operation. To me it seems that the cost of warping a large hulk alongside and back to her moorings must be much less than turning over such a large quantity of coal.

4. Par. 3. We have several separate accounts of expenses in connexion with the shearing, but shall be glad to see them all put together, which I understand the latter part of this paragraph to mean.

5. Par. 5. The information about the Samoa so far is good, and the delay is quite understood; but the Directors are naturally

W.A. Harding, Esq.,

Manager,

Stanley.

anxious for the time when progress can be made. It is a pity that there has been pillage; but I never heard of a wreck where it did not take place. The Customs arrangement may act as a safeguard in future; of course you will avoid paying duty on short quantities. Sedgwick seems to be both active and persevering. What you say about the usefulness of a small steamer on the spot will be considered gratifying by the Board, as confirming their judgment in buying the Samson.

6. Par.6. I conclude that if anything had happened to the Fair Rosamond you would have cabled. I am afraid that Willis was an unfortunate selection; I warned him when he was engaged that the Missionary style of working would not suit us, and if you find that you cannot get him to drive as you wish, you must after giving him due warning get rid of him.

7. Your cable announcing the Herodot's wool arrived last evening, a week late.

8. Regarding Bonner's wool, you must be sure to get him to give the numbers of the repacked bales so that we can recover from the Underwriters. There was a bale of Mr. Packe's wool reported as wet some time since, but we have heard no more of it.

9. Sedgwick is evidently well up to the usual work of an Overseer, and you can probably do no better in the Islands than employ him; but there may be a difficulty about the Samson, for which we naturally do not want to keep a master always on board, with no other duties to look after.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures with Despatch No 908 24th April
 Copy of letter from Rouphas of 26th April
 Copy of Cablegram sent yesterday
 Clients Contracts:

M.V. 2 bales Skins "Ammon"
 S. 4 " " "
 J-L-B/9 " " "

London 28th April 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Ammon.

No 909.

London, E.C. 15th May, 1909

Sir,

Since writing on the 27th ult. your despatch no. 148 per H.M. S. Flora has come to hand, having arrived on the 8th inst.

2. Par. 1. You will have seen that wool cannot be catalogued until after the inspection of samples.

3. Par. 2. We were under the impression that Johnson had been raising the question of more pay, based on your remark in 135-13 that "he looks for some increase of wages on taking full charge." The fact that the average time on ships was more in the last three years than in the last ten is a surprise to me, as shipping has apparently fallen off so much; no doubt the number lately in have affected the figures. If you do not think that the present arrangement works satisfactorily, the Directors will be ready to consider any change you may suggest.

4. Par. 3. What I meant to convey with regard to Burnett was that we were not bound to board him &c. at our own expense, and that therefore you could stop out of his effects as far as they went the cost of looking after him. But while we were under no legal obligation I agree with you that we were morally bound to do what we did, in the ^{ab} absence of any provision made for the purpose by the Government.

5. Par. 4. The Board decided that the commission to be charged to ships should be 2½ to 5%, according to circumstances. This meant that if cash was paid the charge should be the first, and if the account was drawn for, the second; this I do not seem to have communicated as I thought that I had done.

W.A. Harding, Esq.,

Manager,

Stanley.

6. Par.11. Your full explanation about the cargo muddle is satisfactory. There was a combination of circumstances against you, and one of the worst was the delay of the Antisana's mail, which would have warned you of what was coming, and given you time to prepare. The moral of it all is that you should at all times have your lighters and hulks in good order and ready for any eventuality, especially now in view of the approaching calls of the Pacific steamers. The steps you are now taking are evidently in the right direction. With regard to the question about an iron lighter, while I regret that the subject was overlooked, I think that you ought to have noticed that in answering the despatch referred to I said that I was writing in a great hurry, the mail having arrived the day before, and that I was just clearing up for my departure north. The next despatch was not written by me, and the question did not crop up afterwards. If a question is not answered you may be sure that it is through inadvertence, and the best course is to repeat it, not leave it alone for nearly three years. The construction of the Wasp after being framed in England gave us such a shock, that I am sure that the Board would be shy about another venture of the sort, in addition to which my opinion is that such a lighter, owing to the possibility of getting ashore and knocking a hole in her bottom, would be a most unsuitable one, and lastly, the price of iron and all iron work would now and for a long time hence probably, be absolutely prohibitive of anything of the kind being entertained. My reference to the Wasp will remind you that owing to the heavy labour bill she actually stood in our Balance Sheet one year at £4006.10.8, and would have been dear at £1500.

7. Par.12. I do not remember what gave rise to my remark about £2000 in December; it was either from something you had written, from Mr. Hill's remark that he would like £3000 more, which would include the £800 increase you mentioned, or else I was thinking of the £1000 we pay already on the 1st of January. However, it does not matter, the fact remains that the fewer drafts there are on us at the end of the year, the better it

suits us.

8. Par.14. The accident to the Fair Rosamond is annoying, and we should like to know if it was in any way Willis's fault. If he is incompetent to manage her, the sooner the fact is recognized the better. If we get a good mate for the Samson's voyage out, you might get him into one of the schooners with an eye to advancing him as soon as he knows the coast. Whatever we can do in the way of supplying you with a better set of Captains shall have our attention, if you will send us suggestions. I can appreciate your difficulties caused by the want of trustworthy men.

9. Par.16. I am concerned to see that the stock of steam coal has run so low, and steps will be taken at once to get a supply. I have already written the Admiralty about a contract, and our Brokers are looking for a ship. It may be serious if you are unable to nurse the small quantity you have for the Samson before the new lot can reach you. Unfortunately we shall have to pay over 20/. a ton, and there seems to be no prospect of a drop. Touching house coals, I have made it my business to enquire what we should have to pay for a cargo like the Annie's, and am quoted 19/. to 19/6d. per ton. On this I think that you ought to raise the price at once to 60/., as there is no chance of replacing the present stock at anything like the price of the last. In fact, seeing that there is no competition, I cannot but think that it was bad judgment ever to reduce it below the price that had ruled to my personal knowledge for more than 30 years. Would it be absolutely out of the question to mix a certain proportion of the Glengowan's coal with what we have left of the Welsh?

10. Our appliances are, as you say, defective, but I do not think that the fact has been brought forcibly before us ~~shall~~ now. Your report on the hulks is most complete and interesting, and just the sort of thing we like to have. I have already made enquiries about an old iron vessel, but am not encouraged by what I hear, as such ships are now selling freely at twice and three times the money they fetched a few months ago. I think

that we should have a better chance with an old wooden ship, and seeing that the Vicar of Bray, which is now 59 years old, ran for us till she was about forty, and has been until recent years a fairly useful old hulk, there is a good deal of life in these old ships, and one would last long after you or I would have to trouble about her, especially if we metalled her higher than usual, so as to cheat the worms when she was light. According to the report on the J.P. Smith, it looks as if a good caulking of the top sides would right her for a time. As to the Vicar of Bray, she is absolutely played out, and, owing to our rigorous system of writing down, she absolutely disappeared as an asset some years ago, so her condemnation would be no loss. If you could sell her to some enterprising man to be broken up it would be about the best thing you could do; Hallet once broke up one of the Dean's hulks, and made his money in firewood and fencing posts; perhaps old Biggs would like the speculation. The same may be said of the Capricorn; she was considered of so little value that we paid Messrs. Dean nothing for her, and it was only through discovering that it was possible to do something to her temporarily that she was re-instated as a hulk. Both she and the Vicar would be well out of the way. Is it not possible that the Praecis might be made fairly tight if the worst of her leaks, which must be in the topsides could be discovered and stopped?

You will remember that all the hulks, with the exception of the Vicar, were condemned as unseaworthy, so the way they have lasted has been surprising. This rather points to the fact that a fairly sound old vessel would still have ~~many years~~ many years of life as a hulk. If the Samoa is got off very likely she would be an excellent one; but as she is so highly valued and has youth on her side, and may besides have lost some metal, which would render her liable to attack by worms, perhaps it would be both extravagant and injudicious to condemn her. There remains the Glengowan, and the possibility of fitting her up as a coal hulk; her size is against her, but with the Samson to move her this difficulty might not be of so much consequence.

The subject is an important one, and calls for action in the near future, unless the Government or rather the Admiralty cease coaling through us shortly; on this point I will endeavour to get some information. When I think of the Margaret, the Actaeon, the Egeria, the Charles Cooper, the Cosmopolite, and others I think, all of which were afloat and fairly serviceable hulks in my day, I see very clearly that all such vessels must sooner or later be unfit for service, and must be replaced by others. In parting with them you would of course reserve the anchors and chains, and reference to these reminds me that I hope that a periodical inspection is made of their ground tackle and swivels, as neglect of them, in the case of the Deans' hulks, was often the cause of dragging ashore. I am glad to say that while I was in Stanley none of our hulks went adrift.

11. Par. 17. The photograph of the acid drum is a curiosity; I saw Mr. Lowry about it, and he told me he had never known such a case. Referring to 147-4, it seems a pity that you did not communicate with the owners by the Modestia, as they would have got the letter much sooner than through Montevideo. Perhaps you did, but as you said you would discuss the subject with the Captain after the steamer had left it seems likely that you did not manage it. If no definite credit is arranged you must remember that we have a lien on the cargo as well as the ship for the expenses, and if it should have to be forwarded in another bottom, it ought to be secured to us by respondentia bond.

12. Par. 20. The news about the Samoa is so far good, and we are glad to hear that you were going out yourself. The code you have drawn up covers all that we want to hear, and we shall anxiously await a cable. 12.

13. I have had a call from Mr. Alcock of the P.S.N. Co., and have heard from him that the mail contract is practically arranged, and that they have nominated us as their agents at Stanley. According to the table he gave me, which I enclose, the first boat is to be the Iberia on the 28th prox., but I have pointed out to Mr. Anderson that the arrangement is altogether

unsatisfactory, as it gives a long interval between this mail and their first sailing, provides for the departure of the homeward boat from Stanley one day only before the arrival of the outward mail, and in the event of the first being delayed creates for us the impossible situation of having to deal with two huge steamers on the same day. I am to see Mr. Buxton Forman of the P.O., and shall try to go there this afternoon, when I shall suggest that they should start the first boat on the 14th, giving you an interval of about a fortnight between each boat. Working out the Sandy Point mails I see that they will be of no use to us, so we shall really be reduced to 12 mails a year, which we can bear with equanimity. It is true that writing by the outward boat would bring letters home a fortnight earlier, but what would you have to say only one day after you have despatched the homeward one? This means therefore that it will be only of use for duplicates. I send a copy of the letter offering the agency, from which you will see that the boats are only allowed six hours in Stanley; all the lighterage is to be done by us, as is the custom with all their agents, and this will have to be carefully arranged. I have also seen Mr. Ward, one of the Managers, and he is quite ready to take wool on the old terms, but whether they can go alongside the Great Britain or not remains to be decided by the Captains, and I fear that if they do not, we shall not be able to make much use of them. If all four lighters were loaded up with wool ready, the quantity would be considerable in the season, and it is fortunate that you will have got the bulk of the wool away this year, as that will give time to make arrangements. Lightering the wool will add to the expense, and I do not see how we can do it on the old terms. It is a most difficult position for us; as agents the greater part of our earnings would be in commission on the wool freights, and we should be morally bound to put all in their way we could. I have also seen Mr. Pepper, who called yesterday with Mr. Geveke, and talked for an hour and twenty minutes. He is naturally put out at the seeming discourtesy on the part of the C.O. in not giving him an inkling of the change after the Kosmos Co. had run

the mails for 20 years. Naturally he will not send a steamer to pick up the small quantity still remaining, probably not for less than 800 bales at any time, but the actual quantity he did not fix. But he is still open for a contract for next season, and this matter will be fully discussed at the next Board. I must say that I look forward to the change with great misgiving, as I foresee all sorts of difficulties. All we can do at present is to provide for the shipment in the best way possible of the remaining wool, and take time to make arrangements for the future. The one bright spot I see at present in this upheaval is the enforced retirement of Mr. Schlottfeldt, who I assume will have to take his departure.

14. On the subject ^{of} the floating property in the harbour, I see that the subject of the Wasp has been passed over in absolute silence, and I will hasten to repair the deficiency. This wretched thing has been a red rag to the Board for years, and I am sure that they would be only too delighted to get £150 for her, and never hear of her again. As she has been written down to £50, her sale would be a gain, and I am sure that it would be much better than spending 246 upon her. Her machinery might be of some use if sent home, and the pump for supplying water might be turned to account, but I think that sending the boiler would be a waste of money.

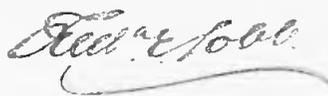
15. All I can say today about the Samson is that she is fitting out, and will be despatched at the earliest possible date. I have a wire from Rees this morning that he will take her out, and he goes to Hull tomorrow to look after his preparations.

16. Later. I have seen Mr. Buxton Forman, who was quite prepared to adopt my suggestions, and will arrange that the first boat out will leave on the 14th instead of the 28th prox. You can apply this alteration to the table all through. We were agreed that there would be practically no advantage writing via Sandy Point either way, and speaking for ourselves both here and on your side, I said that a mail every 28 days would suit us perfectly. There will be about a fortnight's interval between the two steamers, giving you nice time to answer the outward despatches.

despatches. I hope that the Government will not try to upset this, by striving for the impossible mail once a fortnight, but you will, of course, not say anything about my having had any influence. To prepare you I am cabling today as per enclosed copy. By writing to Stubenrauch, or to his care, anything of supreme importance by the outward steamer, I daresay that he could often get it up to Montevideo by a Kosmos or a Lamport & Holt; it will be well to make a note of this, and, if you can, get from him a table of the sailings of these two lines.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Despatches Nos 904 and 908.
 Ledger & Journal Entries
 Remarks on Accounts.
 List of Enclosures.
 Clients reports.
 5 1/2 bales skins "Ammon".
 MY 2. " " " " " " " "
 Clients Invoices goods for "Hoko"
 A. E. Felton 3. 6. 1.
 Gian Anton 134. 1. 4
 Vere Paake 47. 8. 0.
 Geo Bonner 39. 0. 10.
 Sum of Exchange £450.

Wool reports.

Dickins Jones's Account for D^r Reay.
 Clients reports & contracts.
 MY 9 bales. Wool Ammon
 Fitzroy 45 " " "
 { F.B 229 " " "
 { H.B 85 " " "
 H.C.C 50. " " "
 S.I 42. " " "
 2 107. " " "

Copy of Brokers report Company's wool for "Ammon"
 Brighton College schooling account for J. J. Felton
 Clients Affairs:

5 1/2 bales skins Ammon
 FEB 9 " " "
 MY 2. " " "

Copy of Brokers Affairs Company's skins for "Ammon".
 Ledger & Journal Entries
 Remarks on Accounts.

Sum of Exchange £450.
 Copy of letter from the Pacific Steam Navigation Co.
 dated 9th May & indit table
 Copy of Cablegram
 letters for the following:
 J. J. Felton.
 W. A. Harding
 London 15th May 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Samson.

No 910.

London, E.C. 31st May, 1900

Sir,

Since writing per Ammon on the 15th inst. your despatches 149 and 150 and letter of 21st ult. have arrived, the originals on the 18th inst., the Herodot delivering the mail on the 28th.

2. 149 - 2. It seems odd that after we have succeeded in reducing the Kosmos freight from first to last from 40/. to 25/. Mr. Bertrand should write that it is high. Looking at the low ocean rate and the pittance earned by our schooners it is clear to any man of intelligence that a reduction would not provide a living profit to anyone; it is time, therefore, that we put our foot down. The sheepfarmers do not understand the sacrifices we have continually made to keep them all together, nor can they appreciate the advantages we give them in facilities for travelling round the Islands, and in acting as their Bankers and agents at Stanley. There is a point below which we cannot go, and as the P.S.N. Co. have taken the contract for 10 years the bugbear of possibly being thrown back to a schooner mail has passed away. I think that your best course with grumblers is to say politely but firmly that everything is cut down to the lowest, and that if we do not give satisfaction perhaps someone else will. But we must do all their business or none; it is only by uniting the various small profits that makes it worth while keeping it on at all; consequently we shall discontinue finding cash, no schooners will visit their ports, and there will be no shipments by Thetis. The shipment of goods at 2 1/2 % is trivial, and gives much trouble here, so we could discontinue it without a murmur. As regards shipping wool by Thetis, you must

W.A. Harding, Esq.,

Manager,

Stanley.

bear in mind that in the first place we offered ~~the charter~~ to our clients all round before approaching Cameron & ~~Gracchields~~ about it, and that not one of our friends would ~~entertain the~~ idea, excepting at some ridiculous freight, that then Mr. Cameron at my personal request agreed to help me over the difficulty, when, therefore, you say that he is making a convenience of ~~our~~ sailing vessel I cannot agree with you. Now that our friends find that the Thetis has made three voyages without damaging a single bale of wool, they are mean enough to wish to take advantage of her, and I do not wish to turn off the others, who although not clients were of help to us at a difficult time. With regard to the insurance question, surely it must be a matter of common knowledge that our open policies which are in force from the beginning of the wool season cover all risks from the sheep's back to the London Docks. I may further add that it is part of our duty as consignees to see that the produce is insured, and that if we did not do so we should be liable in case of loss. The fire policy taken out by the Brokers covers risk in the warehouse up to the prompt. I agree with you as to the want of grace in Mr. Bertrand's remarks, and he ought not to forget that it was only through my writing a letter and getting a snap decision from the C.O. before Goldsworthy could interfere that he managed to secure his freehold at all.

3. 150 - 3. We are on the point of signing a charter for 800 tons of coal by the Talisman at 23/., she is a large vessel, and will lighten by this quantity and go on with her remaining cargo.

4. Par. 8. I am told that penguin skins are of no value.

5. Par. 11. We have heard nothing about a credit for the Garland. If arranged to draw on Antofagasta Vorwerks will be the best people to collect the bill; I assume that a letter of credit from the owners would supersede the Chilian law, under which we know to our cost the loss of a vessel holds the owners free from liability. If therefore you have drawn without their authority and we hear of it in time we shall insure the bill.

6. I cannot tell you much yet about the P.S.N. Co. and freight.

out, except that they have four rates depending on the class of goods shipped. The highest, for fine goods, is 40/ & 8 or 10 1/2 primage, and adding 12/6d. from London to Liverpool brings it more than £1 over what we paid the Kosmos, which is most unsatisfactory. I am making enquiries about suppliers in Liverpool and Manchester, and we may eventually get in touch with a new set, but all this will take time. I have also approached Morton's and others in London, but cannot get them to deliver in Liverpool on the old terms. I wrote the P.S.N. Co. suggesting that they ought to give us the same discount on passages as the Government, but they only reply that if the business turns out favourably they will do what they can to meet us, and with regard to freights, on which I have also suggested a reduction no reply is yet to hand, as I have only just written. The Captain of the first boat, the Orellana, is to talk with you about the Great Britain, and see what can be done in the way of taking wool direct from her. They can take into a number of hatches at once, and have many more men than the Kosmos, it seems to me, therefore, that it may be possible to cut new gangways in the Great Britain, both fore and aft, so as to discharge from three at once. I contemplate the possibility, in case of their being too stiff and unyielding, of having to show them our teeth, and flirt with the Kosmos; the latter are ready to contract for wool as usual, and if we can give them sufficient inducement would put a ship on for outward cargo as well. I must say that I do not relish the outlook, but we must be guided entirely by circumstances. I will keep back copies of correspondence, as the Orellana may be out before this.

7. The Samson left Hull yesterday and passed Dungeness at 9.15 this morning. She has coaling letters for 7 ports on the way, but will not call at all of them. On arrival you must do as you think best with the crew, who are shipped for 6 or 12 months to be discharged in an English port, so if they do not take employment at Stanley we are bound to send them home. I hope, however, that most if not all will find employment, and in that case we shall be saved the expense of returning them. I do not think that it would be wise to bargain with them for a payment in

lieu of passage, as if they want to stop they will do so ~~anyhow~~, and then, having the issue of tickets in your hands, you could easily arrange with the mail steamer purser that if any taking tickets for Liverpool should leave and get employment in Montevideo we should pay only as far as that port. If you want her at the Samoa you will of course keep them on; she is insured for a month after arrival, so we shall want information before we take out the next policy. As regards Rees, if you think it prudent to keep him to drill the man who will run her, do so for a short time, but as his pay is £17 per month, with £10 on the voyage home, he will be rather an expensive luxury. The Chief Engineer, T.H. Atherton has been strongly recommended, and I like what I have seen of him; he is a man who will look after his own work I think. One of the crew is son of the Secretary of Earle's Company, who called here yesterday, and told me that the youth had an idea of stopping in the Islands if he liked the look of the place; he has been at sea for some years, and you might find him a job with a chance of promotion in one of the schooners if he is any good, and that you can learn from Rees. Of course you will keep her ready for going outside at short notice, but spend as little on her as possible consistently with not letting her run down. I forward herewith her Lloyd's Certificates both as to hull and machinery, and tests of the anchors and chains. There are many things that were necessary for the voyage that can be taken out of her as soon as she gets out. I cannot tell you her exact cost yet, but it will be well on for £4000 by the time everything is paid. If she does not pay the first year or two a time must come when she will do so handsomely; in case of a wreck her salvage pumps may be turned to good account, these I wanted to see at work, but there was no opportunity, she has been longer getting away than I hoped at first, but she ought now to make a good passage.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Despatch No 910 31st May.
Arbenton's Agreement.
Lloyds Certificates (2)
Anchor & Cables Certificates (7)
Copy of letter to Capt Rees
of 31st May.

London 31st May 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No 911.

London, E.C. 15th June, 1906.

Sir,

Confirming my despatch per Samson, which sailed from Falmouth on the ²nd inst. and was at Madeira on the 8th, I have now to acknowledge the receipt of your cable:—"Impatriare nails Modestia stahlharte", i.e. "Cancel the part of indent relating to nails, Modestia has 1200 bales". The first part of this must relate to an indent expected by the next Pacific boat, which is late.

2. I forward some copies of invoices relating to the outfit of the Samson, as there are many things that you will have to take ashore when she arrives, such as the spare propeller and shaft, chronometer, charts, &c., in fact everything not necessary for the working of the ship as a harbour tug. Probably you will be able to give the engineer a locker somewhere for his stores. You will use your judgment as to taking over into the Store any things left over; provisions of course would be better out of her, and the more she can get credit for the better. From the experience gained of Rees while fitting out this boat I can quite understand your objection to him as a man in charge of work, for a poorer, more chicken hearted creature it never has been my misfortune to meet. He is too old to go into steam, and we shall feel more comfortable when the voyage is over. He also showed a singular want of forethought and method while at Hull. On the other hand, the engineer, though a rough Yorkshireman, gave me the impression of being up to his work, and a man of resource, however you will see how he turns out. I think that he understands that the vessel has to be run as economically as possible. His wife will have a passage, 2nd class, by the Oropesa in

W.A. Harding, Esq.,
Manager,
Stanley.

August.

3. I was at Liverpool yesterday, and spent a long time on board the Orellana with Mr. Ward, one of the P.S.N. Managers, and Captain Archer. I told the latter all I could about the harbour and Stanley generally, and asked him to go carefully into the question of the Great Britain and shipping wool, and as you will not have to answer this at once, I hope that you will be able to give him a fair amount of time. The question of shipping, both out and home, exercises us very much, as it is a most difficult thing to deal with. The Kosmos Co. are willing to continue running to Stanley, if they can get sufficient encouragement, and having, on the whole, treated us well, we do not want to give them the cold shoulder altogether. Mr. Pepper asked me what we could do for the remainder of the season, and in reply I wrote to ascertain the minimum number of bales for which he could send a boat to Stanley, telling him that we considered ourselves virtually pledged to give them the rest of the 1900 wool if they could take it. But as this minimum is 1000 bales, it means that you will have to get the rest forward by the Pacific the best way you can, and make arrangements accordingly with the Manager at Valparaiso. As to outward cargo, the shipment this time is very small, so we had nothing to offer the Kosmos; but their agents called lately to ask what we could do, telling me that there were a number of small shippers who disliked the alteration to Liverpool, but whom they could not accommodate unless they got our assistance; this amused me not a little. Then there are a lot of passengers with return tickets, and how to deal with these is a problem they will have to solve for themselves. Possibly if many of our own people have these tickets we can manage to give the Kosmos a cargo if the indents are large enough some time in the autumn, but this remains to be seen. The P.S.N. have met us very fairly, I think; they have given us an all-round rate of 32/. & 5% from Liverpool, which I promised should not be divulged by us, and it was arranged that it was not to appear in the B/L, but I see that it has been entered

nevertheless. The change will effect a revolution in our list of suppliers, for the freight from London to Liverpool is 12/6 & 5%, and I am now making enquiries about shippers in Liverpool and Manchester, intending, if I can, to substitute houses there for such of the London suppliers who will not deliver as cheaply in Liverpool. I called on Hills & Co yesterday; they are the Mortons of Liverpool, and the next indents for the latter's goods will go to them instead. There will be trouble about soft goods as supplied at present by Copestakes, Colks, &c., but there must be people in Manchester who will do things as well, and enquiries are already being made. The difficulty will probably be to get them accustomed to the retail nature of our orders, which from long experience the London people understand and do not mind. Indents should at present be framed in such terms as will be understood by strangers, and when we get in touch with some of them we can send out patterns and samples. To return to the subject of wool; we must not have any delay in shipping the first two or three lots in the season; on the one hand, as agents for the Pacific we are not only bound to give them all the support we can, but as the principal profit of the agency will consist in commission on freights, it will be to our interest to make this as high as possible; but on the other, it seems hardly fair to cut the Kosmos altogether, although on their freight we get no commission at all, and if we proposed it it would be a virtual infraction of the agreement as regards the agency. Possibly the difficulty may be got over by inducing the Pacific to send one or two of their cargo steamers, which will not be so much bound to time, and we may as well see our way to offer the Kosmos two lots of 1000 each. It will be interesting, however, to get your ideas, after talking the matter over with one or more of the Captains on the spot. What will become of Mr. Schlottfeldt? There is a report here that he is going to establish a Store in Stanley, and if he relies on getting a supply of German goods it will not be easy for us to throw anything in the way of the Kosmos as an inducement to call, without cutting our own throats.

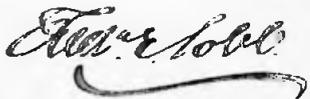
4. I spoke to Mr. Ward about the charges for landing cargo,

and asked if he could give me Stubenrauch's tariff, which would be a guide. He did not know what it was, and said that you would probably have some trouble at first, but the system of having cargo landed by agents exclusively is an universal one, and the only thing to do is to establish a reasonable tariff of rates, so much a ton for quantities, and a minimum for small packages, which I hope you will be able to do. I think that you should avoid doing gratuitous work as much as you can, either with cargo or passengers; you should get some profit out of the employment of the Samson and the Sissie, as they will not be run for nothing. Probably there will be relays of passengers coming ashore, for whose accommodation you may be able to keep the Sissie at work at a rate per head, in other ports the ship, as you know, is surrounded by boatmen plying for hire, which is hardly likely to be the case in Stanley. However you will be able to judge about all these things better than we can. Perhaps Stubenrauch will let you know what his tariff is.

5. The only passenger for us is a shepherd named Alexander, whom I saw on board yesterday, and commended to the attention of the steward, who was told by one of the officials not to put him with the Portuguese and Brazilians. A married man was engaged, but was unable to be ready for this boat; shepherds are hard to get now.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

Dispatch No 909 dated 15th May.
Ledger & Journal Entries
Remarks on Accounts
Clients A/sales & contracts
S/ of bales skins "Ammon"
M.V. 2 " " "

List of Enclosures.
Clients reports & contracts:-
M.V. 9 bales wool "Ammon"
S 45 " " "

Duplicates of Enclosures per consignees letter
Second of Exchange £450.

Off cargo per Ammon (3)
Wool report
Copy of letter received from E Wilson 12th May
Clients A/sales:-

M.V. 9 bales wool. Ammon
Fitzroy 45 " " "
K 104. " " "
H.C. 50. " " "
FB 229 " " "
H.B. 85 " " "
SI 42 " " "

Copy of Brokers A/sale Company. Wool per Ammon.
Wm Alexander's agreement
Copy of Correspondence with the Pacific Steam
Navigation Co 10th 11th 16th 22nd & their
reply of 29th & 30th May.

Charter Party ship "Laliman" 800 tons coal.
Copy of Dispatch No 910. for "Samson".
Suppliers invoices of engine & spare stores
supplied to S.T. "Samson".
Clients Invoices:-

Dian Anson . 44. 5. 5
A.E. Filton . 14. 19. 6.
A. Hoiv . 7. 6.

Ledger & Journal Entries
Remarks on Accounts.
First of Exchange £450.
Stanley Profit Loss Statement for year 1899. (amended).
London 16th June 1900.

Duplicates Enclosures.

Despatch No 911, dated 15th June.
Ledger + Journal Entries
Remarks on Accounts.
Clients A/sales
545 bales wool "Ammon"
List of Enclosures.
Profit & Loss Statement 1899.
Clients Invoices.

Dean Anson 74. 5. 5.
A. E. Felton 17. 19. 6.
A. Moir 4/6.

List of Cargo for "Quellana"
Parcels int Pearson's case.
Remarks on stores.
Clients Cargo for Quellana.
B/L cargo for Quellana (2).
Second Exchange £450

B/Lading Cargo for "Liguria"
Sight returns for wool Schooner "Avonia" "Ammon"
"Strodot" J. M. Dean
Wool reports "sheepskins Schooner "Ammon" Kosmos

Clients reports contracts + A/sales:-
DS 66 bales wool "Strodot".
GI 49 " " "
S 42 " " "
HCC 24 " " "
IB 100 " " "

Brokers copies Company's reports + A/sales wool for "Strodot".
James Stirling's Agreement
Dist Addison's receipt for L.E. Rowan \$8 30. 16
Copy of letter from Read Bros & Co dated 28th June.
Clients Invoices

Dean Anson 129. 4. 9
Ever Lacks 11. 19. 5
J. Stukney 1. 19. 10.

Replies to Remarks on stores
Remarks on stores.
List of numbers of selections sent with gramophones.
Copy of letter to A. Fleuret dated 25th May. re
accident to Jean Fleuret.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary
mail via Lisbon.
No 912.

London, E.C. 13th July, 1906.

Sir,

Since writing to you per Orellana we have received your despatches nos. 151 and 152, on the 21st ult. and 4th inst. respectively.

2. 151 - 2. The error in the Store profit cannot be rectified now, though it is to be regretted. The present year is handicapped to that extent of course, and you will have to make sure at the end of the year that such an oversight is not repeated. There is another item that looks irregular, £32.1.4 in the West Store list for automatic machines, although it was reported that these were charged to Plant some time since.

3. Par. 3. The case of the Garland is unfortunate. If the frames are eaten right through it is questionable whether she can be safely trusted to hold a cargo of coals without breaking out leaky, and yet they must be very bad for that to happen in still water. I have been enquiring about the cost of a vessel of her size to send out to replace the Vicar as a coal hulk, knowing that smaller iron ones were hopelessly scarce, and it may be very convenient for us to buy her, and condemn the Vicar altogether. At any rate there will be very little risk in buying her, which of course you will do, as there is such a demand for hulks at Sandy Point, that we ought to be able to dispose of her there if unsuitable for ourselves; that is, assuming that she could be towed across light. The Salvage Association asked us to make a bid for the coals and coke, but I said that we had had no report from you as to their value, and we should be buying a pig in a poke. It strikes me that although the Smithy

W.A. Harding, Esq.,

Manager,

Stanley.

coals, as such, are largely in excess of our requirements, they might be sold as house coals if we could get them cheap. I suggested a sporting offer of 10/. per ton, which they did not see their way to accept. Coals are at a very high price now in England. It is a good thing that the onus of condemnation has been thrown on the owners, as a question will arise later on as to the Underwriters' liability for loss caused by the improper stowage of acid in drums below deck.

4. Par.1 (152). I am sorry that owing to a combination of circumstances I have not yet found time to sit down to the accounts, long as they have been here; but I mean to give them attention as soon as I can. I do not think that there is much to criticize.

5. Par.2. It does not matter now about the Fair Rosamond's trip, but had we known that it would have taken so long, or that Frazer was likely to behave as badly as he did, we should not have done what we did for him. I think that I mentioned that Mr. Blake said that Willis loafed terribly at San Julian, and that eventually he drove him out.

6. Par.3. Your remarks about the Store are quite correct, and I fully understand them.

7. Par.4. The permanent reduction in the Stanley wages foreshadowed will be satisfactory if you are able to carry them out.

8. Par.5. I continue to receive enquiries from would-be purchasers when the Glengowan will be floated, so you may depend upon it that the work now being done will not be thrown away.

9. Par.6. Your remarks on publicans are noted.

10. Par.7. I am awaiting with interest the development of the £70 robbery affair, and so are others here. It is good that the U.S. Consul is so well disposed towards us; these people are usually such swine that they naturally drift away from any one who is respectable.

11. Par.8. You will have seen that the supply of coin was not delayed at all, as the Crown Agents sent us a requisition on the Mint.

12. You had better keep the question of Fleuret's passage

open, as the Board have not seen the despatch now under reply yet. It was decided to make him an offer of a gratuity of £200 in consideration of the misfortune he suffered while in our service, but coupled with a denial of liability, as recommended by our Solicitors. This, greatly owing, I think, to the good offices of Mr. Edward Packe, the Fleurets have accepted, and it now only remains to pay the money when the lad comes of age a few months hence. Some of the Directors are interesting themselves in the case, and hope to get him into an asylum, where he can learn a trade.

13. Par. 12. I am going to speak to Mr. Goodhart about the consignment of the Port Howard wool, telling him that we must do their business wholly on the present terms, or if they cut down a portion of our emoluments we must put them on the same footing as Baillon & Stickney. What we get out of the farmers now is so small, that it is questionable whether it pays us to go on doing their business and accommodating them as we do.

14. Par. 13. My remarks in the despatch per Samson on the subject of wool per Thetis ought to be a sufficient answer to Mr. Bernard Stickney, even if yours is insufficient, which it ought not to be.

15. Par. 14. I am sure that it will interest the Board to learn that such a handsome sum has been collected for the War Fund. It is less pleasant to hear that the Governor is using this fact to emphasize his ridiculous crotchet about the millionaire sheepfarmers, as it seems to show a singular want of grace.

16. Par. 15. The passage question is an intricate one, and I cannot answer you until I have spoken to the Board about it. It is rather absurd that an arrangement made years ago to prevent our time-expired servants from being thrown on the Colony without means of support should be used for the purpose of giving pleasure trips to individual members of a family, who intend to return to the Colony in a few months; but it would be most difficult to make imperfectly educated people understand this, and it will not do to create a grievance.

17. Par.16. No doubt the structural alterations at the West Store were badly wanted, as the place was altogether out of date. The expense will probably be repaid in increased sales.

18. Par.18 (177). The account of your trip will please the Board I am sure, as they will see what a very good thing we have in the Samoa, and they want cheering while the wool market is so much depressed. All goods for which there is a ready sale in Stanley should be got rid of there naturally, but you will no doubt find later on that some goods are in excess, and then you will have to exercise your judgment as to ~~whaeh~~ whether to send them to Montevideo, Sandy Point, or Valparaiso. If you could get the salt rebagged, surely it would last you in Stanley for some time; this is a thing that you could hardly ship away. I think that under the circumstances you have done well to defer trying to get her out until the arrival of the Samson, and have not made any contract with a steamer; we were afraid that owing to delays here the Samson would be too late to be of use, but it will be good if her first performance is the towage of the Samoa to Stanley in triumph. But it is hardly seemly to crow yet. As regards salvage, I think that you will find in all the law books that it has been decided in the ^{Courts} ~~Courts~~ that anything over 50% is illegal, and cannot be enforced, and even then there must be such a combination of skill, danger, and all the rest, ^{as} that very seldom happens in one case.

19. I think that on one or two occasions lately you have omitted to acknowledge the receipt of cablegrams; please do not neglect this in future, as occasionally they are mutilated in delivery, besides which we like to know that they have reached you at the proper time.

20. Owing to the short course of post between Stanley and Valparaiso, that route now becomes practicable for telegrams, in fact it is the safest way of sending them by an outward bound steamer, while it will afford us a chance of cabling to catch the ^{homeward and} ~~outward~~ one. I have therefore registered the address, "Fleetwing, Valparaiso", and arranged with the Eastern Telegraph Co. that messages so addressed will be posted to you direct from the receiving office in that place, which is, I think, an improve-

on the plan of transmitting through agents." They have suggested that you should send your messages for Europe direct to the Cable Co. at Valparaiso, but as there is the question of payment I think it will be better at first to send them to Vorwerks, and afterwards if we find that they delay them I will fix it up somehow here that the payment is to be made in London. When the shipping via Liverpool is in full swing, it will be useful to you to know how many tons of cargo you have to provide lighterage for; I therefore intend to cable you each mail, as soon as I have particulars from the P.S.N., a number which will represent the tonnage. This can be sent some days after the departure of the steamer, and still be in plenty of time at Valparaiso. I do not intend to do it this time, as, judging from our own cargo, there is nothing that you will not be able to cope with easily.

21. It was annoying not to receive by the mail before last Mr. Mathews's returns, which were stated to have been enclosed in his letter, and ought to have been. These are among the most interesting returns we get, and you will of course take care that they are not delayed again. In your absences from Stanley your locum tenens should be extra careful.

22. The P.S.N. Co. have written to their agent at Valparaiso with reference to the freight on tallow, which was not settled with the rest. As they have met us on all other points I do not anticipate any objection to the Kosmos rate. Should you, however, have a chance of shipping by Kosmos it would be wise to do so. We have heard indirectly that the Lavinia was in Stanley, but can get no information from the agents here.

23. The Crown Agents have notified us that the Governor agrees to the proposed system of simultaneous payments, the first of which of £1000 is to be made on the 31st August. I think that we are indebted to him for ending the controversy, and I hope you have also suitably acknowledged his action in the matter of the Customs officer.

24. Turning over some of my late despatches I have come across an absurdity. On the subject of hulks I suggested coppering high up to cheat the worms when light; of course the reverse was intended; it should have been when deep loaded.

24

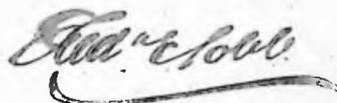
25. The Admiralty asked us to tender for 1300 tons coal for next season, and I suggested sending out 650 now and the balance before the end of December, naming 65/. per ton. To this they have agreed, and as the Talisman, which reached Cardiff this morning, will carry 800, you will have 150 tons to play with, which will make you easy as regards the Samson and Sissie.

26. We heard of the arrival of the Samson at Montevideo last Sunday, the 8th inst., or 36 days from Falmouth, and although the rate of progress has been somewhat uneven, we think that she has done very well. The slowest portions of the voyage were between St. Vincent and Pernambuco, and from the latter place to Rio, but probably the engineer was husbanding coal on the long stretch, and the Brazilian currents had something to do with the latter portion.

27. In continuation of Remarks on Stores written yesterday, I regret to report that the case of Gramophones arrived at Liverpool too late, and that a case of Morton's, Rizine I believe, was also shut out. Our new agents at Liverpool, Wm. Lowden & Co., seem very attentive.

I am, Sir,

your obedient servant,



Managing Director.

I should have added that Mr. Mathews arrived by Liguria, and is to see the Board on Monday.

45

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61, Gracechurch Street,

Per Orissa.

No 913.

London, E.C. 25th July, 1906.

Sir,

My last despatch went per Supplementary mail on the 13th inst., and I am now writing in anticipation of the next one, as I shall not be in London when the Orissa leaves. We received on the 24th inst. your despatch 153 per Ammon via Sandy Point.

2. I am now able to give you the Board's decision as to the passage of Finlayson's daughter. They consider that the occasion for asking for it has ^{not} arisen yet, as he himself is not leaving the service, and admits that he is taking her back with him. I think that I have explained before that the homeward passage, in the first instance, was given, not as a gratuity or indulgence, but as a precaution against any of the people imported by us being left destitute for want of employment after leaving the service. Looked at in this light, the idea that any individual members of the family of a man entitled to passages can take one pleasure trip at the Company's expenses at any time convenient to him or her becomes an absurdity. The Board say that when Finlayson leaves the service all the members of his family residing with and dependent on him are entitled to be sent home with him at the expense of the Company. It is true that he himself has had a passage, and that as far as he is concerned the passage is exhausted; but it is not considered that this affects the question, or if it does, it might be used to show that as he did not claim to take his family home with him then, the privilege had expired. But this the Board would not be at all likely to put forward.

2. 153-2. (should be 3.) The figures relating to the Rosa Ba-

W.A. Harding, Esq.,

Manager,

Stanley.

X
ker are very satisfactory, assuming that her outfit has been taken over at safe prices. I should have been inclined to think that the casks are fully valued, considering how they will have to be cut down to make them of a suitable size for tallow. I shall be able to tell you more about this when I hear what the Brokers have to say about the large one you are sending home experimentally.

✓
3. Par.3. The figures about the profits on ships will be interesting to the Board.

4. Par.4. Immediately on receipt of this despatch I enquired as to whether it was too late to ship the bricks, but I find that we must defer sending them until the second ship, to arrive about the end of the year. Very good bricks, especially the fire ones, can be got in Cardiff. These blunders about the Stocktaking are really most annoying, and it is to be hoped that you will use every endeavour to prevent their recurrence. They throw a doubt on the whole return, for if such large items are returned incorrectly, who knows that other goods are not overlooked altogether? It points to great laxity on the part of the Storekeepers, and gives us still greater reason for satisfaction at the change you have carried out.

✓
5. Par.9. You had better see if Vorwerks can throw any light on the Chilean law of shipping. When insurance money has been recovered on account of a vessel in fault, it would seem only right that it should be liable to be attached, just as the vessel herself would be if she were afloat.

✓
6. Par.10. Your account of the steps taken to deal with the injury to Fleuret's eye shows that there was such negligence, probably through ignorance, as to give good grounds for resisting the claim had it been preferred. But you know already that the matter has been settled by the grant of a gratuity. The Board decided, with reference to a question that was left open, that they will not raise any objection to giving him the passage, as they wish him to receive the £200 in full.

✓
7. Par.12. With regard to the houses, you are not forgetting, I suppose, that Mc. Lauchlen's will be vacant when he leaves the service. Do not make any arrangement for letting it to him.

8. Par.13. Probably the fact that the U.S. Consul acted entirely on his own judgment as to the Rosa Baker would relieve us from any suspicion of unfair dealing; but I have remarked before that selling a condemned vessel as she stands is not the correct procedure.

9. Par.15. The Captain of the Orellana was determined when he left Liverpool to go into the inner harbour, and I shall be much surprised if you will have to discharge cargoes in Port William. Should this be the case, I think that another 1/. per ton lighterage should be charged, say 5/. inside and 6/. outside the harbour.

10. Par.16. Your arrangements with the Government as to payments are noted. I do not think that any idea of defaulting would arise on your side, unless the Crown Agents suggested it to the Governor in their usual red-tape way.

11. Par.17. I hope that you will not find the new mail service as overwhelming as you think. The great thing is that as the despatches by the outward boats will not have to be answered while they are waiting you will be able to give your full time to the ship's business, and again, as the homeward boat will not bring a mail, if you have your despatch ready before she arrives there will be no trouble on that score. As to the measurements, you will probably find them on the Bills of Lading, or if not, the Purser will be able to give you the information. I do not think that it would be a part of your duty to make Customs entries for importers; if you do you should charge a fee. I will write the Pacific Co. on these points, and also as to the Customs Officers. The copy of my letter in reply to the offer of the agency was, through some oversight, delayed a mail, or you would have seen that the cash question had not escaped my attention. As regards any objections the Government might have, it is our part to be quiescent in the matter, and I do not anticipate any trouble. You should continue to employ Vorwerks as our agents; the P.S.N. man is not a merchant I believe. If you find that the work calls for an extra clerk, you will only have to say so after you have dealt with a few steamers, and I have no doubt that the Board will favourably consider your request.

12. 31st July. The foregoing was read at yesterday's Board, and is confirmed. I now reply to certain paragraphs as to which I wished to refer to the Directors.

13. Par.1. The Board are vexed to hear about Bender's account, and cannot understand Mr. Baillon's not having mentioned it. He has never got his head above water, and it was a great mistake to make him further advances. Now that the thing is done you can only watch the account, and prevent an increase of his debt. I do not think that any report was made of our having a mortgage on this property; in such a case the Board should always be informed.

14. Par.5. I shall do all-I can to prevent the home made bricks from being used on Government House, as they could never stand the climate. I hear that you can pick them to pieces with a knife. The corner bricks on your house are sufficient to show how the weather treats bricks that are supposed to be hard enough in England; how are these going on now? Can you send a sample or two of the new ones? I might take one to the C.O.

15. Par.6. The Board do not take a serious view of the risk of being liable for pauper immigration, as the men we send out are now selected after medical examination in addition to having to provide certificates of good character. I can remember no case in which we should have been losers, excepting perhaps that of Burnett, and that is unlikely to happen again.

16. Par.7. The Board will not sell tallow on the spot at 23/ per cwt., or entertain any offer of the kind unless the advantage can be shown to be enormous.

17. Par.16. I propose to discontinue from now the purchase of bills, that is to say I will not buy one for this mail, as you say that the Government have not too much money at this time of year. We will pay the Crown Agents £1000 on the 31st August, and as you will receive it on the same day you will get it sooner than you would the bill.

18. Dean Brandon has sent a circular asking for a continuation of the payment of £100 per annum for the second Clergyman, and the Board assent to it from year to year at their pleasure.

19. I am afraid that I did not advise you of the despatch of the shepherd ~~Stirling~~, who went per Liguria, but you would receive his agreement among the enclosures to the despatch.

20. I have suggested to the P.S.N.Co. that they might take mutton at Stanley, and they say that they will get a few carcasses on trial. As they carry ^{no} live stock and the whole of their meat is reffigerated this might turn out to be an important business. There is no fear of scab or any other of the diseases prevalent on the Continent of South America.

21. Evidently the steamer due at Montevideo from Stanley is late, which is annoying, as we are anxiously awaiting news of the Samson. If we hear that she has arrived, Mrs. Atherton will go out by this mail to join her husband.

22. I send a copy of a letter from the Board of Agriculture to Mr. Elliott of Liverpool, in which the astounding statement is made that importations from the Falklands might be prohibited equally with those from Punta Arenas or Chili, if there were any likelihood of their being attempted. Copy of a letter I wrote the Board is also enclosed, and I think that you ought to get the Governor to take the matter up at once in the interests of the Colony, as, although I have heard nothing as yet about any shipments being proposed, it might be very serious if any obstacle were put in the way.

23. The P.S.N.Co. will not at present make us any concessions on our own passengers, and I fear that they are going to be rather stiff people to deal with. Let me know what fares you have been authorized to charge from Montevideo and Sandy Point previous to their taking up the contract, both single and return. It seems to me that they are now enormously raised, and while they give Government people abatements ranging from 10 to 25% and nothing whatever to us we shall never be satisfied, and I am going to tell them so. We must decide before long how we are going to get next year's wool home, as the question will not admit of delay, but I should like if possible to hear what the Captain of the Orellana thought about the Great Britain before deciding finally. Anyhow, we cannot submit to getting the early lots in driblets

driblets by the mail boats, and I am much inclined to make a contract with the Kosmos to lift 3000 bales from January to March. The Pacific agency is no great catch, and I think that we may have to ask for better terms; but we must first of all make ourselves useful to them, and let them grasp the idea that we are the only people capable of handling the agency. If it necessitates sending out a second clerk, I do not see how the present arrangement can pay at all, especially if we deprive ourselves of commission on a lot of wool. Unless you have managed to get some away by the mail steamer and can give more to the next, I am afraid that there will be complaints on the part of the shippers; in consequence of the depressed state of the market there is to be only one series of sales, in October, before next year. Then there is the tallow, as to which the P.S.N.Co. say they have written their West Coast Manager; I asked them for a rate, but they have to refer to him. I told them what we had been paying the Kosmos. The latter want us to make a shipment out, as they have a number of passengers on hand, and I quite think that we shall have to show our teeth a bit, if the P.S.N. do not become more pliable. If we arrange with the Kosmos for a portion of the wool next year, I shall guard against their boats being in Stanley at mail times.

24. We have heard nothing lately about the retirement of Mc. Lauchlen, but suppose that it will not be long delayed. Now that we have the mail agency to deal with as well as the Samson to handle, it seems more than ever necessary that we should have in our service a Marine Superintendent or ships' husband to take charge of outside affairs, instead of employing only a promoted labourer, however intelligent he may be. We are about to insure the Samson for £4000, and shall take a quarter of the risk ourselves. Are you prepared to take the responsibility of suggesting that she should be handled by a man who has not had any experience in steam, or passed an examination? There are plenty of retired merchant Captains who would be fit for the job, and my experience of those who have held the position in times past tells me that a man of that class is the kind fitted for the berth. With the increase of work caused by the mailboats, it

strikes me that there would be room for a sub-overseer to look after a portion, and for that a local man would be fitted. A man who has himself had experience in cases of average, and is pretty well up in matters of insurance, would be of the greatest value in more ways than one; he would, for instance, serve as a buffer between you and the merchant skippers, who would consort with and take the advice of such a man when they would be too big to deal with one of a different class. This question requires your careful consideration.

25. With the present mail service, especially if the homeward steamer is late, there will be very little time for getting orders executed by the next outward one, especially in the case of London goods or those that have to be made; but all will be taken in hand promptly, and we shall do our best to get as much as possible away.

I am, Sir,

your obedient servant,

Managing Director.

Duplicates Enclosures.

Despatch No 912 13th July.
 Replies to Remarks on Stores
 Remarks on Stores
 Clients Appeals reports & contracts
 549 bales Wool Herodot.
 DS 66 " " "
 List of Enclosures.
 Ledger & Journals Entries
 Remarks on Accounts.
 Clients Invoices
 Rent a/c 11. 19. 5
 J. Stickney 1. 19. 10.
 Dean Antow 129. 14. 9.
 Blading Cargo per "Iguvia"
 Enclosures per Antow's letter
 Bill account
 Second of Exchange £450.

Wool reports.

Clients Appeals reports & contracts.
 Hummock Isld. 4 bales wool "Modestia"

SI	44	"	"
H.	31.	"	"
RBC	29	"	"
WP	40.	"	"
B	102.	"	"
N	111.	"	"
W.	49	"	"
L	220	"	"
TR	130.	"	"
S.	103.	"	"
S'S	104	"	"
EB	94	"	"
F	140.	"	"
to F. Isld.	36	"	"

Danilson 2.

Copy of Brokers Appeals 6th wool & Hides "Modestia"
 Copy of letters to ^{the} Board of Agriculture 30 July
 Copy of letters to ^{the} Crown Agents 21st July
 Copy of Cablegrams 3rd Aug + 17th Aug.
 Correspondence on Oyster Wakefield
 Letters from Lowe. to Col pipes 1st August.

Client's reports + contracts

S.S.	6	bales	Skins	Modestia
Y	5	"	"	"
TR	3	"	"	"
RBC	2	"	"	"
L	4	"	"	"
	2	"	"	"
W.P.	1	"	"	"
S.	4	"	"	"
DS	1	"	"	"
LB	13	"	"	"
	5	"	"	"
S.S.	29	"	Hides	"

Ledger + Journal entries
Remarks on Accounts (Balance Sheet)
Client's Invoiced goods per figures
 Bertrand Felton £16 19. 4
 J. J. Felton £5. 2. 10.
 £ Dori's account for 10. 10. Bertrand.
 Copy of letter received from Reynolds 19th July.
 Letter for Capt Willis

London 11th August 1900.

Enclosures.

- * {
 - Shipping Cargo for "Quisa" Robt Bertrand
 - " " ^{in Clothing} " " " "
 - General Invoice + suppliers
 - List of Company's Cargo.
 - List of Clients Cargo + suppliers invoices
 - Remarks on stores
 - Replies to remarks on stores
 - List of Dutiable Goods.
 - List of Parcels

* in sealed packet.

London 11th August 1900.

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The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

London, E.C. 11th August 1900

Per Supplementary Mail
No. 914

Sir,

Since Mr. Cobb wrote his despatch we have received, on the 4th inst., the following cable from you: "Samson twentieth, Federal 'P.N. Blanchard' Rosenfeld, 'Henry Failing' Mitchell, San Francisco, Barcelona 'Garland', 'Olavia' Lucolo, i.e. Samson arrived 20th July arrange credit for P.N. Blanchard with Rosenfeld's and for 'Henry Failing' with Mitchell of San Francisco. I have bought 'Garland'. Olavia has 279 Bales." We are in communication with these owners and hope to be able to cable to you, via Valparaiso, that they will accept their Captains' drafts.

Mr. Mitchell has cabled to us, - "Can Henry Failing secure donkey boiler

W. A. Harding, Esq.

and pumps Falklands. to which we
 have replied that you have not same
 for sale and have since written to
 him to say that we believed you had
 several pairs of ordinary ships pumps
 for sale but certainly no donkey boiler.
 I am, Sir,

Your Obedient Servant,

For THE FALKLAND ISLANDS CO.

Walter Miles

For Managing Director.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Oravia.

No 915.

London, E.C. 5th September, 1900

Sir,

My last despatch went per Supplementary mail on the 11th ult., and I have now to acknowledge receipt of your no. 154, which arrived on the 27th ult.

2. Par. 2. Probably with the Garland as a coal hulk and the Samson available for towing the expensive trans-shipment of coal from one hulk to another will be unnecessary in future.

3. Par. 3. We will try to trace Mr. Packe's bale, but if it was the one damaged in April, 1899, there may be a difficulty owing to the length of time that has elapsed and the fact that the Brokers have stated that there was no damaged bale in the Herodot's shipment this year belonging to Mr. Packe. The specifications are at once sent to the Brokers for their use, and we do not look into them. In future I think that when a dried and re-packed bale has been shipped you had better send with it the report of survey or Captain's certificate, and specially note it in the specification; this will be safer than letting the specification precede the damaged wool by many months. In the case of the bale per Modestia the opposite course has been taken, as the certificate has arrived more than a month after the sale. We will see the Brokers, and endeavour to put both matters in order.

4. Par. 5. It is well that you have raised the price of house coal, and perhaps you had better keep it at 56/., but I hope that you quite understand that prices of all kinds have advanced by leaps and bounds, and that Holywell Wallsend is worth today about 20/. per ton, while freights are up several shillings. The Talisman sailed on the 15th ult. with 798 tons Steam coal from

W.A. Harding, Esq.,

Manager,

Stanley.

Cardiff at 23/9d., we contracted for this over a month previous to shipment, and learn that at the time she sailed the same coal had advanced to 27/6d. A further rise is probable, and we shall have to raise our price to the Admiralty for the second half of their requirements. Nothing like the present state of things has probably ever been known in the coal market, at all events for years. You will of course economize the consumption of the Samson as much as you can, and not charter her without taking full account of the price of coal.

5. Par. 6. In connexion with the remarks on the Samoa, I have to acknowledge receipt of your cable of 28th August from Montevideo announcing that the ship has been towed safely to Stanley. There has been no Board for six weeks, but the Directors have been severally informed and are delighted at the news. I cannot say what the Board will decide as to her disposal; but I think that if she is seaworthy and her decks can be made tight it is quite possible that we may have her home with a cargo of wool as soon as she can be loaded, and if I had been back from Scotland in time I would have cabled you to retain Rees for the present at all events. As it is I shall send the message via Valparaiso. With regard to the cargo, if you find that any portions would command a good price at Sandy Point, Valparaiso, or Montevideo, the best course would be to ship away what is not immediately saleable in Stanley; but it would not do to send it on speculation as a wrecked cargo, as it would probably be sold by auction at knock-out prices. I believe that you have sent some samples away already, and may know more by now than we do as to values. Would not the liquors go well at Sandy Point, and perhaps the barbed wire also? If the former are shipped I think that the cases that show any signs of having been tampered with should be made good as to quantity, and neatly repacked. Some of the Directors I believe would be inclined to reship much of the cargo to Hamburg. It is a great pity that the shippers would not part with the invoices, or give any information.

6. Same par. Enquiries are so often made about the Glengowan here, that I do not anticipate much difficulty in selling her

for Sandy Point as soon as she is afloat, and found to be tight in the bottom. The buyers would deck her themselves, probably before trying to tow her across. To enable us to quote a price you had better let me know exactly what she has cost, including the repairs and other outlay, but deducting the value of the materials taken out of her. This, however, I believe we can get from the Stanley accounts. I note what you say as to the cost of ballast, which I will communicate to our shipbrokers. Returning to the subject of the Samoa, since writing the last paragraph Mr. Langridge has told me that he has seen a Norwegian here who knows all about her, and says that if in good order she is unquestionably worth £5000 here today.

7. Par. 8. The decision to recommence the Naval Works at a time when labour will be wanted may be disastrous to the interests of the farmers.

8. Par. 12. I will ask the people who engaged Ryan about the promise said to have been made, and in any case I do not think that there will be much difficulty in getting him out by the Thetis.

9. Pars. 13, 14, & 17. I am sure that the Directors will read with great interest all your remarks on the new mail service, and will be glad that you have expressed your opinions so fully and freely. It would not be desirable for you to keep back anything that you think ought to be said, for the sake of brevity. As regards discharge of cargo, the Governor has been so reasonable on so many points as to which we were formerly obstructed, that I hope that you will be able to convince him that it is unfair to us and the public to insist on cargo being discharged at a jetty to which our lighters cannot get access at less than half tide. We should make no extra charge for the use of either of ours, and I imagine that the Customs Officers who would be present would be better sheltered at either the East or West than at the Government jetty. There is an outcry already I hear about the stipulation that we, as agents, are to discharge all the cargo. The public should be made to know that for the sake of despatch it is the universal custom with all lines to have goods discharged by their agents, in every part of the world but

our little Colony, simply because they cannot afford to waste time, or incur penalties for unpunctuality; the Kosmos people often regretted that they had allowed the system under which they worked to take hold, and the P.S.N.Co. are wise to be stiff at the outset. Williams's agents have already asked permission for him to send his own lighters alongside, and have been met with a firm refusal. I enclose copy of a letter I lately wrote to Liverpool on the subject; if, when you have carefully calculated the cost, you see that anything else would leave us a decent profit, there would be no harm in making a reduction, but it must be left to you to judge. To prevent misconception, it would also be well to publish the fact that we had nothing to do with the ^{al} ~~iteration~~ of the service, which was arranged between the G.P.O. and the Pacific, and also that we neither applied for the agency nor for the privilege of doing the lighterage. I may have to go to Liverpool shortly, and will discuss when there all the questions you raise. As regards Bills of Lading, it is not desirable to have wool and sheepskins on the same, or consignments at different rates of freight, and there are the separate ones required for consignees other than ourselves. But if there is a great press, you might specify in the margin the rates of freight on the different marks of wool, and even include sheepskins, although, as I have said, it is not desirable. I would suggest, however, that as you will have no mail to answer or even read, you will have more time to spare than you have hitherto had, and that you may lighten the work on the day immensely by having your sets of Bills of Lading prepared beforehand as far as possible, that is, filling in the name of the ship, the consignees' names, the description of the produce, &c., and then at the last moment when you have the tallies nothing will remain to be done but inserting the quantities, for even the marks may be entered beforehand in most cases. I hope that when you get into the routine you will not find it as irksome as it appears at first sight. The copy of the letter to Stubenrauch which was not enclosed is now forwarded.

10. Pars. 22 and 23. The owners of the two American ships have agreed to accept their Masters' drafts; I should have pre-

ferred credits on London, as saving time and trouble, but the bills will be safe enough. I hope that you will have drawn in U.S. currency. Mr. Stickney reported another ship as having arrived which was not on the list nor mentioned by you, and some woman who called brought to the office a cock and bull story about £600 having been asked for towage, which the Captain refused to entertain, and got in without assistance; this, however, I put down as a Stanley yarn.

11. 26. You have done very well over the purchase of the Garland, though the price is rather stiff; but it was necessary to buy her, and she ought to be a lasting hulk. You will be able to report later whether it would be possible at no great expense to strengthen the frames that have been attacked by the acid, so that if we wished to send her home or to Sandy Point it could be done. You do not mention if she was sold as she stood or with masts, sails, and rigging stripped; if the former her cost as a hulk will be much lessened after you have taken over her inventory into the Store. You will hear from the Salvage Association probably that you ought to have remitted the proceeds to them, and not to the owners. The size of the old iron ships I was asking about was precisely that of the Garland. The coke it may pay to ship on by the Talisman, but I will let you know more of this after enquiry. Regarding condemnations, there have certainly been enough of late years, and you should do all you can to prevent them. It pays us better to repair ships than to buy them, and we cannot go on accumulating hulks indefinitely, though there is an outlet for them at Sandy Point now, which did not exist before.

12. Par. 27. The arrival of the Samson relieves us of some anxiety, and she has already done good work. Can you find out what any of the Sandy Point steamers would have done the job for, as a guide to what we ought to give her? Regarding the crew, no doubt it was better to get rid of them; but I do not think that they could have refused to do any work required of them, or that they were any more justified in asking for extra pay for taking in coals, than the crew of an ordinary ship would be in refusing to work cargo.

13. I have to acknowledge receipt of your further despatch no.155, which arrived with the other.

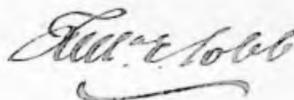
Par.1: I will arrange about the fenders, and write to the P. S.N. about Bills of Lading.

14. The remainder of the cablegram from you was:—"Rees ofenschirm take home kabeltan brandon pausback morris chassos wagenburg pallisaden canon laminoso". I translate it, though there is some doubt about the Canon's message:—"Rees has offered to take home (Samoa) shall I keep (him) ? Brandon would prefer Morris if he can come, can wait as long as you please, please give second class free passage to (him). Canon will leave immediately". On the 13th ult. we cabled you via Valparaiso:—"Desganamos Blanchard and Failing", and on the 15th :- "Orissa Strillare", i.e. Orissa has 84 tons cargo.

15. I send this via Liverpool, and if there is anything to add will write by Supplementary mail.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatches No 913/14.
 Remarks on Accounts for 1899.
 Ledger & Journal Entries
 List of Enclosures.
 Remarks on Stores & replies
 List Cargo Companies & Chints
 Chints Dealers reports & contracts

T	140.	bales wool "Modestia"		
T.R.	130.	"	"	"
S	103.	"	"	"
FB	94	"	"	"
IFW	49	"	"	"
RBC	29	"	"	"
B	102.	"	"	"
S.S	104	"	"	"
L	220.	"	"	"
Hummock	1/2.	"	"	"
Danielsen	2.	"	"	"
W. J. W.	36	"	"	"
W.P.	40.	"	"	"
IF	31.	"	"	"

List of Parcels in Pearson's case
 List of Durable goods for "Quissa"
 General Invoice
 Chints reports & contracts

W.P.	1	bale skins "Modestia"		
L	7	"	"	"
HB	12.	"	"	"
IF	2.	"	"	"
S.S	6	"	"	"
L.	5	"	"	"
T.R.	3.	"	"	"
RBC	2.	"	"	"
DS	1	"	"	"
S	4	"	"	"

Chints Invoices
 S.S 29 Hides
 Goods "Quissa"

J. J. Feltow 75. 2. 10
 Bertrand Feltow 16 19. 7.

Bff goods for "Quissa"

General Invoice & Bff Coals for "Salimau"
 also freight account.

Copy of letter from Rowson Drew to re steel bands for Paake Bros Co.

to Jones duplicate receipt for £10.

Collected General Invoice goods per "Quisa"

Brighton College schooling account for Sutton

copy of letter to Pacific Steam 5th Sept.

Client's Appearances:

S	4	Y. value Skins "Modestia"
14	2	" " "
L	4	" " "
S.S	6	" " "
WP	1	" " "
T.R.	2	" " "
RBC	2	" " "
DS	1	" " "
1400	5	" " "
	5	" " "
H.B.	12	" " "
S.S.	29	" " "

Copy of Brokers. Appearances Company Skins & Hides "D. O. K." account for W. W. Bertland £29. 11. 6

Client's Invoices:

Paake Bros Co	4	15	0.
W. W. Bertland	19	8	10
W. A. Starding	11	16	2.
W. A. Starding	26	10	11.
W. A. Starding	1	9	0.
W. A. Starding	34	18	11.
Baillou Stickney	2	10	9.

Copy of letter to Jowden of 4th Sept. & Mr. Asherton's

Copy of Pacific Steam's letter to Stubbs & Co. dated 9th May

" " " " " to 170000 Yates

" " " " " 29th Sept.

London 5th September 1900.

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The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Supplementary
mail via Lisbon,
916.

London, E.C. 7th September, 1900

Sir,

My last despatch went yesterday via Liverpool, and I have now to add a few lines.

2. The P.S.N. report this morning that there are 13 tons weight and 208 measurement on board the Oravia, 221 will be cabled out to catch the homeward boat. After this I will not prefix the name of the ship, but the first word in the message will mean the tonnage of the cargo just shipped. They mention that there are some heavy logs as much as 28 ft. long for the Government, and hope that you will be able to get them out without delay. On the subject of weights generally, they ask what facilities we have for discharging heavy ones, and I have replied that I must refer the question to you, but that we have at times had out heavy boilers of our own, and that I do not think that there should be any difficulty, at the same time it should be arranged that an extra charge is payable on any exceeding a certain weight, as to which I should like your opinion. In the Docks this is fixed I think at 2 tons, but we might make it less.

3. The P.S.N. ask us not to send any more packages of papers in charge of the Captains, as they are contravening their postal contract in carrying them. I shall endeavour to get them to reconsider this decision when I have explained the matter.

4. I shall be glad if you will find out from Atherton whether he thinks it desirable to have any kind of boiler fluid for use, and whether he has a proper supply of zinc plates, these being for the prevention of scale and corrosion respectively.

5. For your information I may mention that I was told by

W.A. Harding, Esq.,

Manager,

Stanley.

Earle's people at Hull that the number of crew all told they put on board the Samson for towing was 7. We have had to pay £10.10/.per annum insurance on her, which seems excessive, but we tried the Companies and Lloyd's hard without getting it done at less. Of this we run one quarter ourselves. There is a return for each 30 days she is laid up in harbour; this probably means with fires out, and doing nothing in the harbour at all; but you should keep us posted as to the number of times she goes outside the heads, as it is quite possible that if she runs the first year without accident, and we can prove to the Underwriters that the risk has been exaggerated, we may do better next year.

6. The orders for Stores are becoming noticeably smaller and smaller: no doubt you know what you are about, but is there no risk of running out of some of the principal necessaries?

7. The Kosmos Co. would have put the Neko on for the return passengers in a week's time, but they cannot get an answer from the C.O. as to the remission of the Harbour dues, the excuse being that nothing has been heard from the Governor, which seems mere red tape, as surely Mr. Chamberlain could order it to be done. The agents have an exaggerated idea of these dues, which they think amount to £20 or £30; I tell them that to the best of my belief they are only 6/.per foot in and 3/.out, and I have written to say that as the detention of Finlayson and our men is most inconvenient to us and to them, the Company will guarantee payment of these dues should the Government not allow the ship in free. I hear today that it is now too late to arrange for the Neko, but that another boat may go towards the end of the month.

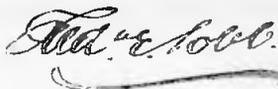
8. The cable to Valparaiso will be sent tomorrow, as follows: - Oravia Travoltare Kabelweise Rees Pazzia, that is, the Oravia has 221 tons, you may keep Rees for the present. I think that as the pay given to Rees was for a special and somewhat risky job, you should arrange with him for a lower rate if you keep him.

9. I find that there was some unnecessary expense over Mrs. Atherton's embarkation, as will be seen by the account forwarded. As a matter of fact, she could have left Hull at 9.30 on the day of sailing, and gone straight on board, but as she was told

from here to be in Liverpool early, without the time of sailing being mentioned, it was probably not her fault that she went the previous day. But she took with her her mother and a sister as well, and their united expenses were paid by our agents. As we are only responsible for herself and child the expenses of the relatives must be borne by her husband.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

per Supplementary mail via Lisbon

- Thomas Harris, signed agreement
- Replies to remarks on Stores
- Corrected General Invoice Goods per "Cravia"
- Burgon's credit note error in invoice per "Cravia"
- Copy of letter from Pacific Steam 5 Sept.
- Debit note for ~~Quintanilla~~ ^{on wood} error in freight per "Modestia"
- Wells' circular re Boiler Fluids
- Copy of letter from Lowden dated Sept 5.
- Ledger & Journal entries
- Remarks on Accounts.
- Bill cargo per "Cravia"
- Letter for W W Bertrand

London 8th September 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Iberia.

No 917.

London, E.C. 3rd October, 1900

Sir,

The last despatches went per Oravia, and I have now to acknowledge receipt of your nos. 156 and 157, which arrived per Iberia on the 20th ult. I have also to own receipt of your cable on the 1st inst., as follows:—Trinkfest pound tins fry's cocoa bound deshelamos marzeado federal kate thomasson (sic) liverpool lusitania rostimos, which I understand to mean, "Ship 960 1 lb. tins Fry's Cocoa, W.H. Bound may draw up to £450, arrange credit with owners of Kate Thomas of Liverpool, Lusitania has 208 bales Wool?"

2. Referring to remarks in your despatches per Oravia, I think that you are a little in error in saying that the Directors had had doubts about cutting extra ports in the Great Britain. If I am not mistaken, the proposal made by Mr. Baillon either direct or through Captain Rees was that a port should be cut below the line of the 'tween decks, and that was considered objectionable; but now, if making extra ones in the 'tween decks on either side would lead to extra despatch in loading steamers, it ought to be done when time allows. When the Kosmos Co. took wool, to the best of my recollection we could always give it through the one port more quickly than they could stow it, so that there was no object in going to the expense. As regards giving coal to the Pacific boats, it seems hardly a practicable thing, as they would expect it to be put on board for them as at other ports, and while coal remains at the present price they would hardly take it from us, and we could not lay it down unless they asked us to do so. We have just chartered the Athene at 23/. for the balance of the Admiralty coal with a few hundred tons over for ourselves, the coal is to cost 29/., insurance 1/4d., and I have quoted 72/6

W.A. Harding, Esq.,

Manager,

Stanley:

to the Admiralty, a high price, but showing only the usual percentage over the cost. I am going to see the Iberia off, and have a talk with the Pacific people, so the question may crop up.

3. The Directors do not see any objection to granting a passage to the Cooper's son.

4. 156 - 6. It was a slip cabling July for June. Par. 7. The arrangement about payment for messages by Vorwerk & Co. is satisfactory.

5. Same par. We have agreed to continue Mr. Morton as our agent, at present through his son.

6. I will speak to the P.S.N. Co. about tallying. Bills of Lading they have already sent you. As regards delivery, it seems good work to put out 140 tons in 7 hours, the Kosmos under their system of sorting at the gangway would have taken much longer.

7. Par. 14. The Directors regret to hear of the murder. It is rather singular that in the only similar case during the last 30 years I was summoned and sat as an assessor under Mr. Kerr.

8. Par. 15. Rather than run the slightest risk of an accident I am sure that the Directors would prefer sending out a new boiler for the Great Britain. You speak lightly of a pressure of 40 lbs., but the terrible explosion at Goose Green that killed Miller and severely injured several others occurred with less, and the digester was carried bodily through the roof and landed about 50 yards or more off. How about the John R. Kelley boiler? Would it be worth while treating for it? Of course Atherton will always be available now to give an opinion, should there be any doubt about any of our machinery. We bought the Great Britain in 1886, and the boiler was not new then, so it has had a good long life.

9. Par. 16. The Directors have no hesitation in giving you authority to sell the Wasp for £200, and consider it a good price. They do not think that she can hurt our carrying trade much.

10. Par. 17. The owners of the Kathinka have accepted the draft.

11. It is satisfactory to hear that the repairs of the P.N. Blanchard were carried out so quickly and well. Rosenfeld's agents here gave us a cheque for the account, and we reduced the commission from 10% to 5, the usual charge on ships' accounts payable in England. This was much better than sending the draft across to San Francisco for acceptance and return, and we shall do the same with the Henry Failing's.

12. I hope that the work on Navy Point will be done by outsiders, without disturbing the local supply of labour.

13. We should like to have the Pacific accounts every mail.

14. 157 - 1. The Directors agree with your remarks on Mr. Waldron's produce, and would be willing, as long as his Store account is so good, to give him as good terms in the matter of freight as our other clients. 15. Par. 3. It would be better to make out drafts on the Continent in the currency of the country where they are payable.

16. Par. 5. It is evident that nothing can be done in the way of getting damages for the collision between the Albatros and the Hornet.

17. Par. 7. The Board have read with great interest and pleasure the account of the proceedings that resulted in the safe arrival of the Samoa in Stanley, and wish to express their appreciation of the skill and judgment shown by all concerned, in which they include yourself for the excellent arrangements made for carrying out the enterprise. They desire to reward substantially those whose conduct in any way was of material service in bringing the venture to a successful conclusion, and would like to have from you a list of those who are in your opinion entitled to reward. Among these they think that the second Engineer should be included for his plucky conduct in going down with considerable risk to himself to lift the safety valve on board the tug. The amount to be awarded must to a considerable extent depend on the value of the property saved, and on that subject you may be able to give us more information than we have at present. We believe that the ship is worth £5000 in London, but what we are going to get out of the cargo is at pre-

sent uncertain. There is a large amount of property at stake, and I have thought it desirable to insure the ship for six months from the date of your last despatch for £5000 against fire, and £6000 on the cargo, whether in the vessel or on shore. The latter is probably under the mark, but we have no idea at present how much you have worked off, and the value will be constantly decreasing through sales. Probably the bulk of the cargo will not go off in Stanley, and recourse will have to be had to the markets at Valparaiso, Sandy Point, and Montevideo, and as it would be most undesirable to send it forward to any place without proper enquiry the Directors think that you had better, if time allows, and you are of opinion that you can safely leave Stanley, make a voyage to Valparaiso, and possibly to Montevideo, for the purpose of seeing our agents, and consulting them as to disposing of the goods to best advantage. As this will also be of advantage to the Pacific Co., as affording an opportunity of personally conferring with their agents about cargo by the steamers, I asked them if they would give you a free passage, and they have agreed, as per enclosed copy of their letter. You will of course have to conduct your negotiations in a diplomatic manner, making the Samoa business subsidiary to the object for which the passage is granted, or they might think that we were taking an unfair advantage of them, although, after all, if they get the freight on what is forwarded it should be an object to them to facilitate your business. Par. 8. Regarding Captain Rees's offer to bring the ship home, I am sorry that I returned to London just a day too late to cable you via Montevideo, but you will have received the message from Valparaiso in time to stop him. The Board have decided, ~~that~~ if the ship is unharmed and therefore fit to carry wool, to get home by her as much as you can load up to about the first week in January. If she can leave then, but no later, there is every chance of her catching the March sales, which are the earliest that the steamers could bring wool for. Probably she will want caulking both on top sides and decks, but that you will be able to decide. You must get her a British Register with Stanley as her port, and I ima-

gine that there will be no difficulty with the Shipping Master about that, Registrar of Shipping I should perhaps have said. For the satisfaction of Underwriters I think that you should have her bottom examined and reported on by a naval diver, and if there is, as I think you said, some small injury to the fore-foot, perhaps he can patch it up. Of course there must be a Survey held after repairs, and a certificate of seaworthiness given. Captain Rees is just the man to take this sort of job in hand, and he will carry everything out well without doubt. As regards freight, if we get 20/. or 25/. from Stanley it ought to pay expenses and leave a profit, this we must leave to you to arrange. Mr. Blake, whom I have seen lately, would like to get some of his wool by her, and I do not think, especially if steam freights are raised, that there will be much difficulty in filling her, provided there is time, but we should look after ourselves first. Remember, however, that she should sail with a part cargo, rather than lose the sales. Since beginning this paragraph I have communicated with our Shipbrokers as to the Port of Registry, and they tell me that it will save much trouble if she is registered in Stanley as belonging to the Port of London, for the reason that if belonging to Stanley the papers would have to go out to be transferred when she is sold, as she undoubtedly will be, if she arrives safely. There would be no harm, if wool is not available to fill her, in taking cargo from Williams, at something less than steamer freight.

18. Par. 11. It is very disappointing to find that the Iberia was unable to bring the balance of the cargo left by the Oravia, and I shall make a point in talking with the Pacific Co. of the absolute necessity of making definite and precise arrangements for shipping wool from Stanley. This sort of thing will never do, and if they cannot serve us, either by their mail or cargo boats with certainty, we shall have to accept the offer of the Kosmos Co. to do our work, which they are anxious to continue. About this I shall advise you either by Supplementary mail or by cable.

19. A copy of the cable about Wasp and your trip to Valpar-

also is enclosed.

20. There has been some stir in the papers about the question of foreigners on Shipping Enquiries, which has been raised by the report on the case of the Bianca, in which Messrs. Schlottfeldt and Morck sat as Assessors. You will see by the papers sent you that this is not to be allowed in future.. I should have thought that both Willis and Campbell were available; but who was the particular friend?

21. With reference to the Samson's insurance, I have spoken to the Brokers, but they are not clear as to whether not going out of harbour for a month would benefit us under the laying-up clause; but they say that if a log is kept, or other evidence given that she has had no sea risk for that time, they will probably be able to make some arrangement favourable to us.

22. By the Iberia two men named Begg and Strickland, paid off from the Samson, arrived, and claimed 3 days' extra pay, to which according to their discharge notes they seemed entitled. You did not say anything about them, and owing to Rees's omission when leaving England to give me any account of the crew, I was unable to verify Begg's statement that as 2nd Engineer he was entitled to a second class passage, and I refused to refund the difference. He produced your memo about it, but my impression is that it was arranged when I was last at Hull that there should be no certificated 2nd Engineer, as the size of the boat rendered it unnecessary, and that the man was to be a leading fireman, and berthed in the fore-castle, there being in fact no room for him in the cabin. I should have liked, however, to have an intimation about these men, as the settlement with them was not final.

23. What I wanted about the probable charge that would have been made by a Sandy Point steamer you have supplied in the letter from Braun & Blanchard about the Lovart, which is instructive; possibly you would have got better terms by bargaining, but the Board are quite satisfied that we should have had to pay through the nose if we had not sent the Samson out. We have had some discussion about the amount to be allowed to the

*not certified
but by
the
Board
as per
my*

latter in your books for bringing the ship in, and the Directors think that it should not be less than 25% on the value of the property saved. You have probably made yourself conversant with the subject of salvage, and understand the difference between a service that amounts to that and one that is simply towage; if not, you have the information at hand in the various books on Shipping law in the office, and now that the Samson is at Stanley you will find it most useful to be up in the subject. Although I suggested to you some time ago that if you made a contract with an outsider you should get it put on towage not salvage terms, as being better from our point of view, I cannot help thinking from the little I recollect of the law that the principal elements of salvage were present in the service rendered by the Samson. To distinguish it from towage, I think, - and I am subject to correction, because I have not seen a law book for more than nine years - there must be, 1st, skill on the part of the salvors, 2nd, danger to the salving vessel, 3rd, loss of time. All these elements existed to a greater or lesser degree, and had the Samson rendered the service to an outsider, she would have been awarded a substantial sum. I am merely taking this case as an illustration, in case anything of the sort should occur again. As regards what she is to get, it is a book entry of course, but bearing in mind that we expect lean as well as fat years for her, it is only fair to credit her with an amount that represents the smallest sum that we should have had to pay to another steamer. In Salvage, as you know, if the amount is decided by the Court, it often happens that the several shares to be awarded to the Master and crew are laid down; I do not know if contracting out is allowed, and I must find out; but it seems to me that when going out on an expedition that may lead to Salvage, it would be to our advantage to agree with the crew what share they are to take beforehand. In towage there is no share, but in salvage the crew have a right which they can enforce, although in the case of service rendered by a steamer as distinguished from a sailing vessel the owners always get the larger slice.

24. In case you have anything very urgent to say on the arrival of an outward boat, do you think that sending a letter across to Sandy Point to be carried to Montevideo by a Lamport & Holt or a Kosmos you could anticipate by a week or so the next homeward steamer? You might try it.

25. The S.A.M.S. have called my attention to the matter of Willis's passage home, which they disputed, and I enclose correspondence on the subject. Please report what Willis has to say, and on what authority we gave him the money, no doubt it was quite in order.

26. The low price of wool must be affecting the sheepfarmers very prejudicially; do you think it necessary to curtail credits in any direction, or to take security for further advances? We shall be glad of your report on this subject. You are quite at liberty to act when you think it necessary, without referring to the Board.

27. I send a letter with enclosures from Eills & Co., who are acting very squarely with us, more so than many people will like I think. I only hope that their goods will turn out satisfactorily.

28. From the copy of Kosmos letter enclosed you will see that they are ready to take up the wool carrying next season, but that they expect a rise in freights will not meet with any objection, and seeing the price of coal and considering that freights all over the world are on the rise, I am afraid that they have reason on their side. You will notice that the despatch of the Pacific boats has been commented on favourably; I told Mr. Pepper in reply that the reason was a simple one, and that it was due to the discharge of cargo being placed in the agents' hands. It is very satisfactory, however, that there has been no delay, as it will show the Pacific Co. that we are indispensable to them, no other firm in Stanley having any appliances on the same scale as ours, and this you may be sure they will learn quickly from their Captains. I need not point out that we must hold a much more favourable position in dealing with them than we should if the holding or relinquishment of their agency by us were a matter of indifference to them.

29. I forward for your perusal and edification copy of correspondence on the subject of the towage of the Cyrus Wakefield last year. In the last letter to Bruce & Co. the Kosmos Co. practically give themselves away, and the matter is by no means closed, as the former have now made a formal demand for the return of £70, on the ground that the whole sum was drawn from us on account of the Kosmos Co. by their agent, and in the event of non-compliance they are going to take legal proceedings. Is it too much to infer that the foreshadowed retirement of their agent from Stanley is in some way connected with this incident?

30. I notice in your remarks on Stores a wish expressed that none of our own goods may be shut out of the Thetis, especially the wood. This was probably written in error, or forgetfulness of the fact that the prime duty of the Thetis is to carry out once a year all the goods our clients indent for, and that after room has been found for all these, the remaining space may be devoted to cargo for Stanley. There is, I understand, nearly enough wood ordered to fill her, leaving out the consideration of anything else, and it will be impossible to carry out your suggestion. Perhaps you can explain how you would deal with any of the clients' cargo that might be shut out if we carried out your wishes. At the same time means shall be adopted, if they exist, to get out what you want, and I think that the solution of the difficulty may be found in a joint charter with Spearing & Waldron of a ship for Port Howard, which they cannot fill ~~after~~^{out-}wards. I have already had a talk with Mr. Spearing about it today.

I am, Sir,

your obedient servant,



Managing Director.

Duplicates Enclosures.

Despatches - Nos 910/916
 Replies to remarks on Stores
 Ledger + Journal entries
 Remarks on Accounts.
 Shirts of sales.

S. 4 bales Skins "Modestia"
 L 7. " " "
 DS 1. " " "
 IT 2. " " "
 RBC 2. " " "
 T.R. 3. " " "
 S.S 6 " " "
 W.P. 1. " " "

S.S 29 Hides
 General Invoice Coals for "Salisman".
 " " " " "Gravia"

Shirts Invoice:

Packet 26. 10. 11.
 Packet Bros 7. 15. -
 Bailon + Stickney 2. 10. 9
 Packet Bros 8 19. 8. 10.
 W.A. Harding 11. 9. -
 Mr Robson 11. 16. 2.

Enclosures per foreigner's letter for "Gravia"
 B.L. cargo for "Gravia"

Colonial Reports for year 1899 (2).

Copy of cablegram of 26th Sept.
 Shanty Party ship "Athene" coals.
 Bills letter of 20th Sept. with Hatchiffe + Aldridge's
 letters attached.

Shirts of sales + reports + contracts

3 bales Skins "Modestia"
 FB 5
 14 W 5
 S.S 1 bale Hair "

Brighton College Account for J.L. Felton
 Copy of Pacific Steam Navigation Co's letter of 26 Sept.
 Correspondence re "Oyus Wakefield"
 Thomas Price's receipt for £10.
 Dawson's notice re rise in prices.
 Copy of letter from the Royal Insurance Co of 1st Oct
 re insurance "Samoa"

Copy of letter from the Cosmos Co of 26th Sept.
 " " " " 20th Sept. to Bruce of
 Contract from South American Missionary Society
 Letter of 25th Sept. our reply of same date
 Copy of Brokers, Agents Companies Haiti for "Modestia"
 letters for the following
 Peter Hoole.
 W W Bentlands

London 3rd October 1900.

Chients Invoices — "Opavia"

To Feb.	10.	15.	6.
Out Janey.	2.	1.	9.
Sharp Smith	9.	19.	9.
D Smith	7.	14.	-
Capt Willis	2.	18.	1.
Parker Bros	-	9.	7.

Enclosures.

Suppliers Invoices (Companies).
" " " Clients

List of Company's Cargo.

List of Parcels. &c.

Butiable Goods for "Iberia" (incomplete).

List of Clients Cargo.

London 3rd October 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No 918.

London, E.C. 5th October, 1900

Sir, S

Since writing to you on the 3rd inst. I have been to Liverpool to see the Iberia off and to have a talk with the Manager of the Pacific Co. about business. I have just returned this afternoon, and will give you the substance of my interview.

2. With regard to produce, I pointed out the necessity of having definite arrangements made for taking away as early as possible all cargo brought into Stanley, and mentioned the inconvenience we had suffered from the delay over what the Oravia ought to have taken. Mr. Ward regretted this, and said that he hoped that the case would prove to be an exceptional one, as they expect the boats to make better time after this from the Coast, so that they will have a little more time to stay at Stanley. Besides this, he has written to Mr. Sharp about sending some of the cargo steamers in when necessary, and he much approves of the proposal that you should go to Valparaiso, as you will be able to explain all details to Mr. Sharpe much better personally than by correspondence. As to condition of cargo, I mentioned that the tallow had been too much knocked about, and he promised that this should receive attention. With regard to outward freights, he is willing that we should go according to their tariff, instead of having the general rate as we did with the Kosmos, and on this point we are to make a new arrangement. On the passages of our own people we are to have 15% off 1st class and 10% off 2nd & 3rd; but your passage, travelling as our representative, will be granted at 33 1-3% discount, when your time for a voyage home arrives. Coaling has to take its chance; Capt. Massey did not mention it, and we agreed that we could not be expected to keep any reserved in the improbable event of

W.A. Harding, Esq.,

Stanley.

their wanting any. I told him that we should probably fill the Samoa before getting any wool home by steam, and he quite understood it. I had a good deal of talk with the Chairman and two of the Directors, and came away with the impression that they desire to treat us fairly in all matters, and that they will make it their object to work smoothly and amicably with us. The business is a new one, and can hardly be expected to run as smoothly as that with the Kosmos did, at first, for 20 ~~years~~ years' experience had run things into a pretty deep groove. They and their agents are much pleasanter people to deal with than those of the Kosmos, and having the whole thing in our own hands at Stanley, it will be odd if we cannot make working arrangements before long. I am going to send out some fenders for the Great Britain before the season begins. I have mentioned already that it might be well to get the Governor to allow the Great Britain to be moved if there would be any advantage in doing so. If you pointed out that it would be assisting to make the new mail service a success, he could hardly refuse. Would it not be a good thing to take down the rail and stanchions of the G.B. so that in case of discharging outward cargo, goods such as wood could be passed on deck without any obstruction? The stanchions would help to ballast the Samoa, and fetch money here. One of the Captains had suggested that as the Great Britain's moorings could easily be slipped, she might be taken to Port William when it was difficult to get alongside; this I said we could never assent to, for if she once got ashore by accident her usefulness as a hulk would be gone for ever in all probability. Perhaps if the Governor takes up the idea of making it easy to go alongside, he will prohibit any vessel being placed where the American was at the time a mailboat is expected.

3. I am sorry to say that some of the London cargo did not arrive in time for the Iberia; this however is not the fault of the Pacific, but of people here who ought to have told us that the coasting steamer we sent it down for was missing a turn for repairs.

I am, Sir,

your obedient servant,

John E. Sobell

Managing Director.

Enclosures.

Supplementary mail via Lisbon

Dispatch to G. B.
 Ledger + Journal Entries
 Remarks on Account
 Corrected list of Company's Cargo for "Iberia"
 Bills inoices
 Remarks on Stores + Replies to Remarks.
 Extract from our letter of 28th Sept to the
 Cosmos Co + their reply of 2nd Oct.
 Billing Cargo for "Iberia"
 Completed list of Antiable foods.
 Army + Navy's invoice for 14th Regiment +
 copy of ^{their} letter dated 3rd Oct.
 Copy of letter from the Royal Insurance
 Co. 3 Oct re "Samoa" insurance
 Notice from Pacific re rise in freights
 General Invoice foods for "Iberia"
 Supplementary Remarks on Stores

London 6th October 1900.

The Falkland Islands Company.

INCORPORATED BY ROYAL CHARTER 1851.

61, Gracechurch Street.

Per Lusitania.

No 919.

London, E.C. 31st October, 1908.

Sir,

My last despatch went per Supplementary mail and Iberia, and I have now to acknowledge receipt of your nos. 159 and 160, which arrived on the 27th inst. Your cable advising 119 bales per Or-opesa arrived on the 22nd inst., two days late only, which is better.

2. 159 - 2. The Board have discussed the passage question to which you refer, and consider that the word "family" means those who are still children, or are dependent on the parent for support. When a boy grows up, and is able to work and keep himself, he is considered to have left the family. But in the case of an unmarried daughter they would take the liberal view that, if in service, her engagement is of a temporary nature, and if she wished to return to England with her father they would give her a passage. Married daughters are, as you suggest, excluded, as they have left the family for good. This decision will be seen to be reasonable, when it is considered that the original meaning of the free passage was to prevent time expired men with those dependent upon them being stranded in the Islands without being able to get employment. I think that in going into this question some years ago I pointed out that if sons and daughters were considered to be members of a family for their natural lives we might be sending home at our expense fathers of families themselves, and to that I will add that they might be the children of someone had gone out single, and were not dreamt of when the parent went out.

3. Par. 3. I have a specimen of the locally made brick which

W.A. Harding, Esq.,

Manager,

Stanley.

Mr. Felton sent me, and if the question comes to the front I shall take it to the Colonial Office. The request about the Samoa is disturbing as regards Colonial finances, for she would probably carry easily 900 tons, and be light loaded. Two loads would be 1800 tons, and at 3 tons to the thousand it means that they contemplate using 600,000 bricks on Government House. The quantity sent out for the Manager's house, as estimated by the architect, was 160,000, and to these I think some 20,000 were added for outbuildings; does this mean that the new Viceregal residence is to be more than three times the size of ours, and if so where is the money to come from?

4. Par. 4. The Board decline to be responsible for surgical attendance on L. Fleuret.

5. Par. 5. The Board consider that Mrs. Dean, having guaranteed the half cost of the fence on Bender's property, should fulfil her engagement now that the fence is completed. The original mortgage having been taken to secure the advance made long before the fence was contemplated, it should stand as a first mortgage, and Mrs. Dean should have an equal interest with us in a second mortgage to secure the cost of the fencing. I think that this ought to commend itself to her.

6. Par. 6. It is a pity that the supply of mutton was so short when the Orissa was in, as if ^{if possible} they gave satisfaction it might mean a large business. I do not think that they would take live sheep at all, as all the meat on board is refrigerated.

7. Par. 8. The Board have discussed the question of a Marine Superintendent, and have authorized me to look out for a suitable man. What you say about economy is quite correct, but the Board think that if we get the right man his engagement may lead to economy in the end, and they quite agree with what you say about the Samson and the Mail agency necessitating an alteration. I shall not lose sight of the matter, but must be careful to select a man who is fit for the job, and therefore I must not be in a hurry. The Board will be pleased if his engagement has the effect of relieving you of a certain amount of routine and detail work, which ought to be done by deputy. The

insurance of the Samson covers all risks.

8. I think that you have been wise in not hampering yourself with a contract for the Naval shed, especially as work on the Samoa will be imperative. You would do well to follow this up, however, if you can find out from Mr. Hayes after it is finished how much it has cost. If the building cost £300 at home, I suggest that freight and shipping charges will double it nearly, and then the cost of erection will come to more than he thinks. Making allowance for free labour from the ships, I question if your estimate is at all exorbitant.

9. Par. 11. This morning the Thetis is reported off the Lizard, (see Times) and by the Supplementary mail I may be able to say that she has arrived. She is sadly behind time, and I must get her work hurried on as much as possible.

10. Par. 12. We have paid Bound £250 on the authority of your cable, but do not propose to charge him anything extra beyond the cost of the message. He has applied for a public house licence, and from the enquiries I have had from people from a Superintendent of Police downwards I judge that the authorities are very thorough in their methods. The lease to Rutter is approved; I am sorry that I have overlooked the matter of the ~~£~~ form, which, however, I will ask our Solicitors to prepare.

11. Par. 13. The Board have read your remarks on the mail service, and regret to find that you are so heavily worked. They hope that your expectation that pressure may be relaxed when things have settled down may be realized, but they will not be surprised to hear that you are obliged to ask for a second clerk, and as they are the last people to wish to work a willing horse to death, you may be sure that they will favourably consider any request you may think it necessary to make.

12. Par. 14. It has been definitely decided to grant us 15% on 1st class and 10% on 2nd and 3rd class passages, and I think that the P.S.N.C. are treating us very fairly. The question of outward freight is still in abeyance, as they have not answered a letter I wrote them last week on the subject, and as they are silent as to a question I put them about sending you the am-

ount of homeward freight per Oravia, upon which the Agency is to take credit for 5%, I judge that Mr. Ward is waiting for a Board meeting. The reduction on passages has been made retrospective, and they want me to give them an account of all homeward passages taken on our account, which please supply, including of course those of the Samson's crew. We have copies of the tariff and classification. As for lightering wool to the steamers, it ought not to be done, as it must add to the expense, and we get little enough already for the work we do for the clients. In fact I think that the time has nearly arrived for revising freights, both outward and homeward. With materials and provisions, as well as wages, higher than they were, we cannot work on the old tariffs, and rates that were fixed 10 years ago are not necessarily fair to us now. We hope that you will be able to come to an understanding with the West Coast Manager as to cargo boats. Par. 15. Your explanation about the Orissa is quite sufficient, and as Mr. Ward sent me a copy of the Captain's report I had a good reply. The idea of getting up steam in the Samson to provide against a breakdown in the Sissie will never do, it is an expense that should on no account be incurred. If the Sissie's boiler cannot be trusted it ought to be retubed; but we have never heard that it was likely to get out of order, and the fact that it did just as it was badly wanted must be looked upon as a perverse accident at an awkward time. I take it that you will always have the Samson running lighters to the outward boats, but in the case of those homewards the hideous price of coals should be a deterrent.

13. Par. 16. We are glad to hear that the Samson has had her first tow in a case of distress, but hope that the price, £70, is less than we shall generally get. If you refer to the time I mentioned lately, when the Malvinas and Ranees were competing, you will see that from £100 to £200 was the price, unless I am much mistaken. It should be borne in mind that the Captain of a ship wanting repairs will generally give more than when putting in for provisions and water only, as he is in for a case of General

Average, and the chief part of the cost will fall on the cargo, especially if it is a valuable one. The Kosmos steamers got large sums if the amounts charged were received by them, which the Cyrus Wakefield affair makes a little doubtful. It is scarcely necessary to say that work of that sort should not be countenanced.

14. Par. 18. We should have liked to know when the Henry Failing might be expected to get away, but suppose that the Captain had not made up his mind about discharging. David Bruce & Co. will give us cash for her bill in the same way as with the P.N. Blanchard, which is satisfactory. Do you cable all arrivals and sailings to Lloyd's?

15. Par. 19. The price to be allowed to the Samson was dealt with last mail, and when we see the full value of the property saved we can reconsider it if necessary. It would, however, be only a book entry as far as you are concerned, as the Samson's account will be kept in Stanley, and the profits go to the credit of the establishment. We cannot agree with your suggestion to merge her in Company's Shipping, it must not be thought of. When all the schooners have their separate accounts it would never do to wrap up her gains or losses in another account, besides which the question of a tug is one that has cropped up at odd times for years, and now that the Directors have made the plunge they would never be satisfied if they were not provided with an account of her working carefully made up, and if they were, the Shareholders would be sure to ask questions. An approximate estimate can be made of time spent on her, if the men keep their time books as they used to do, and this should give no trouble at all. We want, when you have time, as many particulars about her as you can give, that is to say, her actual consumption of coal and other engine room stores, the number of men who go out with her as crew, in fact any details as to cost of working that you think will be interesting. I think I mentioned that at Hull her complement for Channel or rather North Sea work was 7 all told. As to hawsers, although ships always find their own, I believe that she ought to be supplied, but on the understand-

ing that if used by vessels in tow a heavy charge must be made, this I understand is always the case. It is a very unfortunate time, as Manilla is about double the price it was a few years ago. The worst of it is that if not most carefully kept a hawser soon goes wrong, and in the Falklands what chance is there of keeping it in good order except in the summer?

16. Regarding the Hornet's sails, which were made by Captain Adam Smith of the Galgorm Castle, he assures me that the canvas was of the best quality, and that Manilla is not used here for roping sails, as in America. I think, however, that it may be in yacht sails, although I am not sure. The sails cost little more than half what Lapthorns would have charged for them, and I hope to hear that they last more than half as long. The fact is, our coasting men have been a little spoiled in the matter of sails; such a thing as getting a suit from the best yacht sailmakers in the world for an English coaster would never be thought of.

17. I send you copies of correspondence with Hayward Tyler & Co. to show you what trouble I have been put to in consequence of the lack of any information about Bonner's press, the head of which required replacing. When anything is sent home for repair the name of makers and date of invoice should always be given, together with any other information that may be available. I could have added to this the correspondence with Howards of Bedford, to whom the pieces were sent at first, as they were naturally thought to belong to the Boomer last sent out. There was much delay in getting them from Liverpool and from London to Bedford and finally Luton, so that the new parts are not ready yet. To add to the complication Tylers steadfastly disowned their own offspring, and I have only now been able to tardily convince them that I have been right, and they wrong.

18. One of the Pacific Captains has reported that there ought to be a buoy on the Forth Shoal, and Mr. Ward has written to ask what you think of it. I replied that I would refer the question to you, and added that if the P.S.N. liked to lay one down at their own expense the Government would probably not object to it. What do Naval officers say?

19. I have been asked how much we would charge for the services of the Samson in pulling round the steamers when getting under way, but replied that as you were better acquainted with her cost of working than I am I would ask your opinion. I have made some enquiries among shipping people, and gather that under the circumstances £10 would not be excessive. Try to find out in a casual way what one of the P.S.N. Captains thinks of it.

20. In the present condition of the wool market we ~~are~~ are not desperately anxious to get all our own clip home in a bunch this next season, so that if you can manage to get a fair admixture of clients' wool it will be all the better. Mr. Cameron has asked me as a favour ~~of~~ to get forward some of his by steam early in the season, and it occurs to me that you may get a convenient load ^t between him and Bonnet, and this, perhaps, will save the Thetis a journey to San Carlos, which according to late experience seems a thing to be avoided. I think that he should be charged 5/. more than regular clients for the benefit of the schooner that goes there, perhaps we can divide the difference with the P.S.N.

21. With regard to the registration of the Samoa, I find that I gave you information that was slightly incorrect when I said that she could be registered in Stanley as hailing from London. I find from Mr. Stebbing, the London Registrar, that the official at Stanley can only give her a permanent register as from the port of Stanley, but he says that Sec. 23 of the M.S. Act of 1894 deals with this case, and that the Governor can give her a provisional Certificate, which can be exchanged for one in the usual form on arrival in London. I forget if I explained that our ^{the} object is to be able to deal with ship at once on arrival, which could not be done if registered in Stanley, as a reference to the Registrar there would have to be made before the Certificate could be transferred. I send you Scrutton on the Act of 1894, which codified all previous enactments, and Kennedy on Civil Salvage, which is considered a standard work on the subject.

22. The P.S.N. Co. are having some fenders made for us for the Great Britain, and will send them out free of freight.

23. The Admiralty have accepted our tender to supply the second half of the 1300 tons at 72/6d., and I hope that the Athene will soon be loading. The Talisman should be out before this, I thought that she might have been reported to Lloyd's by the Orpesa.

24. Financial matters call for a few comments. You have not explained how it was that you had to draw £1000 at 10 d/s in favour of the Government on the 19th September, when you presumably had £1000 from them about the 1st to add to a balance of £500 odd, and would be receiving another £1000 11 days later, and this at a time when the Government are supposed to be short of money, and our outgoings are not usually very serious. No doubt you had good reason for it, but when you have to draw large amounts unexpectedly we like to know about it. Do not let them make a convenience of us if they want to send home larger sums than usual; and you have as much as you want. We quite hoped the payment of £12,000 a year by monthly instalments would obviate any further drafts, except once or twice in the year when more is wanted than usual. On looking at the copy of Cash Book for August I notice that you did not receive the £1000 that they ought to have paid, and I now send you a copy of a letter from the Crown Agents, which I did not think it worth while to write about at the time, in which they took us to task for posting the cheque of the 31st so that they only received it on the 1st of September, and asking us to conform strictly to the agreement. It is a little comic now to find that the compact was also broken by the Governor, and I think that you should let him see this in a friendly way, not officially, as a hint that if the C. Agents are going to be so very exacting, we ought to be the same on your side. There is also a copy of a request by Braun & Blanchard that you would get us to pay Hoares £1000, but you made no comment on it, and although I sent it, I had my doubts as to whether it was right to do so. We know nothing of your account with this firm, and it may all be extremely regular, but we are apparently in the position of giving them a sort of open credit here without any cover from them. In such a case I think

that unless the balance due them in our books nearly approximated the amount we were asked to pay, they should have sent a remittance to meet the deficiency. There was a further sum of £220 which I have not dealt with yet, as Mr. Blake has left England, and I know nothing about Kyle's order which was returned to him. All this may be extremely regular, but it would have been better if you had explained the deal. At this time of year finance is a little troublesome, and the lighter the drafts upon us are, the better we are pleased.

25. We have chartered the Annie out and home on a joint venture with Langridge's, taking out Waldron's goods for Port Howard, and contracting with Spearing & Waldron to bring his wool home. The orders are large enough to fill the Thetis twice I think, the wood alone running into about 400 tons, the whole of this we shall ship by the Annie, and if we manage to fill her we shall have a very cheap freight.

26. I will write a short despatch by the Supplementary mail.

I am, Sir,

your obedient servant,



Managing Director.

Enclosures.

Duplicates

- Dispatches to 914 + 918
- Charter Party ship "Athene"
- Billading cargo for "Iberia"
- Set of Enclosures
- Remarks on Stores + replies
- Supplementary Remarks on Stores
- ledgers + journals entries
- Remarks on Account

Clients Invoice

Capt Willis	2. 18. 1
Parker Bros Co.	9. 7.
Sharp Smith	7. 14. -
Wm H. answer	2. 1. 9
W. Hill	10. 15. 6
D. Smith	9. 19. 9

Parker Bros Co. Apale 1 bale Hair "Modutia"
 Duplicates of Conique's letter for "Iberia"

Wool reports

- Copy of cablegram of 8th inst
- Copy of letter from Spruckels Bros of 24th Sept + our reply of 17th Oct.
- Kirkland Cope's account for 7. 9. King 17.
- for Company 8/6. + 30/6
- Howson Thompson's receipts account for D. Foley.

Clients Apales + reports + contracts

to Hill.	12 bales Wool "Gravia"
Pullabye	.32. " " "
JR	22. " " "
△ DH.	26. " " "
TB	123. " " "
L	29 " " "Modutia"
△ FB	22. " " "
H.W.	9 " " "
J-B	12. " " "Hyrodot."
TB	48 " " "
J.B.	99 cks Tallow. "Gravia"
to Hill.	" " " "

- (report only) TB 83 " " "
- Copy of Brokers Apales reports + contracts Company. Wool + Tallow in "Gravia"
- Copy of letter from the Pacific Steam Navigation Co of 17. + 27. Oct. + our reply 29th Oct.

Mr Langdon's receipt for £50.
 Copy of letters from Read Bros. of 22nd + 25th + our
 reply of the 24th inst
Chimts reports + Contracts:

S. 9 bales. Skins "Quavia"
 TB 24 " " "
 to Sell. 4 " " "
 $\frac{DIT}{T.R.}$ 5 " " "
 1. " " "
 Bulls by 1. " " "
 T-B 1. " " "

Copy of Correspondence with Hayward Tyler re
 parts Bonner's press 22nd 25th 27th + 30th Oct.
 + ours of 24th 26th 29th Oct.

Copy of letter to the Gramophone Co of 30th Oct.
Chimts Invoices:

Packer Bros. Co	92.	3.	4.
- Baillon + Stickney	50.	5.	11.
Packer Bros Co	39.	15.	2.
J. J. Feltow	24.	16.	6.
D Smith.	8.	11.	5.
Stanley Benefit Club	2.	1.	0.
14. 6. 11. 5	19.	14.	5.
Packer Bros Co		10.	6.
Free Packer	39.	0.	1.
Mr Robson.		14.	4.
Packer Bros. Co	15.	0.	5.

Copy of letter from the Brown Agents of 3rd Sept
Spiddist notes again recovered sea damaged wood

Bertrand Feltow	3.	12.	-
Free Packer		16.	3
14. 6. 11. 5. Blake.	1.	1.	4.
Dean Anson.	2.	6.	4.
Spiddist Old Ap.	7.	6.	

Letter for J. J. Feltow

London 31st October. 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No 980.

London, E.C. 2nd November, 1900.

Sir,

I now write in continuation of my despatch via Liverpool.

2. Finlayson went per Lusitania, and will be in time for the season's work. I am sorry to say that he has been put to great expense over his son, and has had anything but a holiday.

3. In further reference to questions of finance, since writing about Braun & Blanchard the August Journal has been examined, and the payments ordered on their account are seen to be fully justified. The mail, as you are aware, only came in a few days ago, and enclosures that were not considered pressing were laid aside. A few words of explanation in the statement would have prevented uneasiness. With regard to the cash to be received from various sources in Stanley, it occurs to me that the passenger fares paid in must make a material difference, although many of them are only book entries. If you find that the amount of hard cash is considerable, perhaps the £1000 per month paid to the Crown Agents will not have to be supplemented at all by drafts from your side; I do not think that we are in any way bound to make it easy for the Government to send money home when it does not suit ourselves.

4. You have not said anything about the 300 tons of coke you bought out of the Garland, and we do not know whether you propose to sell it in Stanley, or take an opportunity of getting it round the Horn. I was inclined to try for a provisional arrangement with the owners of the Talisman to take it on, but not knowing its condition or the prospects of sale in Stanley, I did nothing.

5. We have been unable to make out definitely what it cost

W.A. Harding, Esq.,
Manager,
Stanley.

Handwritten notes:
also p/p
Balance of 50
at end of
Balance of 50
under the
after lunch
at 5.00
cash you will have
to pay that is
do not get in
more for the
P.O.

to get the Samson out, as Rees never gave us an account of the crew and wages, and this should be supplied at once if not already sent. Probably the right way to treat her will be to add to the cost here the voyage expenses up to at least £4000, making that sum her cost to start with, and charging any surplus to her working account; but I must have all payments made on her account overhauled, and write further on the subject next mail.

6. The Lusitania's cargo is being forwarded to London, with the exception of the tallow, which we are trying in Liverpool, the P.S.N.Co. having agreed to knock 10/6 per ton off the through freight. The Bills of Lading you send do not express the fact that the cargo is sent through for London, and I think that London as the final port of delivery should be stated on them.

7. A copy of cable about the Samoa was sent via Liverpool. The Directors will be interested to hear what arrangements you can make for filling her; if Williams has much that he wants to send home, there should not be much difficulty. There may also be some of her own cargo that would sell better in Europe. Old or scrap iron, or even some of our surplus stock that hangs on hand for years would be better turned into cash, though prices here are dropping at last. As to freight we rely on your getting the best you can.

8. I enclose copies of two letters received this morning from the P.S.N.Co. I think that they have met us very fairly about outward freights, and in all their dealings there is an evident intention to work well with us, which is gratifying. The officials, personally, are most pleasant people to deal with, very different from the man in the Kosmos agency with whom we are most brought in contact, though I have no fault to find with the principal.

9. In further reference to the registration of the Samoa, I have obtained a form of request to transfer from one port to another, but I do not yet know whether this can be signed by you in Stanley, or whether it must come from here. I shall find out before next mail, and act upon the information. This is only to

Handwritten notes:
 About the 1910
 better than
 from
 P.S.N. Co.
 direct

provide against the contingency of the registration in Stanley having been already effected, the provisional certificate will be the best.

10. I have received some valuable information about tugs and tow lines from Watkins, the great owner, whom Rees will recognize as an authority. He says that the London custom is to have two-thirds rope and one-third wire, while Liverpool is exactly the reverse, and he supposes that Rees adopts the latter. The steel rope is just like a bar of iron, and is hard on engines and bits while the Manilla gives to a certain extent. Their practice is to charge £5 for use of own hawser, but it hardly pays, and he thinks we ought to make it £10. For services in turning a steamer in Stanley he thinks that £10 would be the proper charge, and that for bringing in a ship like the Kate Thomas, i.e. in distress wanting repairs, the minimum should be £100.

11. The Thetis has docked this morning, and Thomas has been up to report himself. He says that a woman passenger had a child on the voyage, and he wants no more incidents of that kind on board his ship. I do not remember that you reported any passengers on the list; under what circumstances were they taken?

12. I have sent you copy of an interesting letter from the house of Spreckels in San Francisco about Stanley as a port of refuge, to which I have replied giving a good account of ourselves, and mentioning that Capt. Adam Smith will report favourably about us. I am also going to see Capt. Freeman, and write to another underwriters' agent I know in Liverpool.

I am, Sir,

your obedient servant,

Managing Director.

Cross wire Hayes continued to make a note of interviews of Mr. B. (after Mr. B's report) as the prospect being there taking up to allowed to go. The delay in the defectives possibly accounts for the bulk of a child on board.

Enclosures.

per Supplementary mail via Lisbon

Wool report
 Remarks on Stores + supplementary
 Replies to remarks on Stores
 List of Company's Cargo for "Lusitania"
 General Invoice Goods for
 Sheep Dip from Dalgety Co. for
 M^r Mathews
 Copy of letters from the Pacific Steam
 Navigation Co (book) 1st + our reply of 2^d Nov.
 Bills ^{editors} invoices for goods supplied
 B/L Cargo for "Lusitania"
 Ledger & Journal Entries
 Remarks on Accounts + replies to.
 Letters for the following

- to to-Bertrands
- to A. Harding
- to A. Gorton
- to Finlayson.

London 3rd November 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Oropesa.

No 921.

London, E.C. 28th November, 1900.

Sir,

My last despatches went per Lusitania, and I have now to acknowledge receipt of your nos. 161 and 162, which arrived per Oropesa on the 13th inst., also of your cablegram dated Montevideo 18th inst:—Munro died sdridito (10th September) Mathews Orellana rividere (sic), probably revivere, or 133. This message is not as clear as it ought to have been, and the first part was unnecessary. Munro's death was known to Mr. Blake the very day Mr. Mathews sailed from Liverpool, having been communicated by cable from two different quarters, Mr. Mathews ~~himself~~ tells me that he cabled himself from Montevideo, and this makes the fourth intimation. I take it to be sent on his account, and that the "Mathews" is intended to indicate this; however, we shall understand in due time. Mr. Blake left Liverpool for Sandy Point a fortnight after the news came. I had rividere repeated, but it came back the same, so must have been handed in wrongly in Montevideo. It is probable that Rivivere, meaning 133 cases, chests, or boxes, was intended, but if it was to signify 133 bales of wool Roidit is the word that should have been used.

2. 161 -2. I do not think that your suggestion that you should be allowed to settle small claims for damage on wool would be approved of by the Underwriters, as in a late case our Insurance Brokers made up a claim themselves on our account, which the Underwriters refused to recognize until the papers had been before the Average Adjusters. Claims are far more complicated than you may think, and depend not only on decrease of value as shown at Public Sale, but on weight, amount per bale

W.A. Harding, Esq.,

Manager,

Stanley.

insured, and other circumstances. When a bale goes overboard at a jetty, a note of the circumstance should be made at the time and reported by next mail, and later on, possibly in the following year, when that bale having been dried is reshipped, it should be specially noted on the specification, with an account of its original weight as well as that of the rebaled package. In the case of the Modestia the damaged bale should have been signed for as such on the Bill of Lading, and a certificate showing how and when the damage arose should have accompanied it.

3. Par. 2. Messrs. Langridge have agreed to our shipping 100 tons house coal at 20/. in the Annie, and at this rate it cannot do any harm, although it may take time to work off. There may not be another chance of shipping for a long time, as small vessels are increasingly scarce, and it seemed to me a prudent thing to do. Of course when all the cheap damaged coal is out of the way the old price of 60/. should be charged, in fact none of this should go for less. The reduction to 50/. has been admitted to have been a mistake, and with the price of coals as high as at present it is more than ever necessary to keep it up on your side. In mentioning 20/. I refer to the freight. As to steam coal I regret to say that there has been a delay over the Athene, which, if it had been foreseen, would have prevented our chartering her at all, and I am much concerned about it. The Charter party was signed on the 28th September, and at the time it was fully expected that she would sail from Cardiff before the end of October. Head winds and bad weather, however, protracted the voyage from the Baltic, and she actually arrived at Newport only one day before the cancelling date. She is now being pushed on as much as possible, but I am seriously afraid of complications with the Admiralty, and you will have to spin out what coal you have as far as it will go, and say as little as you can to the Naval people about this contretemps. This was the only vessel we could hear of at the time, and affords another instance of the scarcity of suitable tonnage.

4. Par. 4. The Board are glad to hear that work has been

started with the Samoa, though it is vexing to learn that so much unavoidable interruption prevails. I thought that some protest would have been made by employers of labour in the Colony on the subject of the absorption of 60 hands, as I understand, by the Admiralty for the Naval works. It seems distinctly unfair that they should go to a small Colony where labour is at all times scarce, and pick up all the hands that would otherwise have got employment on the usual work of the place; it is not as if they were benefiting the Colony by finding work for the unemployed, and in undertaking works of such magnitude, they should in all reason have brought their labour from outside. With regard to the cargo of the Samoa, the Board would have liked to hear some details of the progress made in realizing it, such as prices obtained and what has been sold locally. Although the liquors may not be worth much, there is a lot of value in some of the goods, such as candles, which are rising in price, and should on no account be sacrificed; in fact if they cannot be sold in Valparaiso they might be sent home. Have the pianos been all sold, or have you decided to ship them elsewhere? Any information will be valued, and we expect much if you have been able to get to Valparaiso. As a general principle, we wish the cargo to be as much as possible to be turned into cash, rather than overstock the Store with a lot of goods that may hang on hand for years, even if charged to it at low prices. It will be necessary in making up your books for the year to take this venture at some value, and in dealing with the ship I learn that it will be quite safe to put her, as delivered in Stanley, at £3500; this will show well in the present year's accounts, and leave a still further profit for 1901, when she will be sold, and we shall know her exact value. The cargo is more difficult; but you know the total insured value, and comparing this with the information that you will have acquired at Valparaiso and Montevideo, you will be in a better position than anyone else to arrive at an amount. Make your estimate of the cargo still on hand with caution, and then allow a margin of 25%, this ought to be safe enough.

5. Par.6. Your detailed remarks on the subject of landing cargo and the difficulties attendant thereon have been read with interest. As regards the Admiralty, it is quite right that special terms should be made, as I understand that the charge of 6/. per ton is on goods that you convey ashore to a jetty on the town side, and land either on the end or at the head, (I do not know which) but in the latter case with the use of a tramway and trucks to facilitate the work. On the other side I gather that there is no jetty, and your remarks fall short of giving a clear explanation. What do we do there for the 5/? If we land cargo on the beach, are we expected to convey it above high water mark only, or put it under cover? If the latter it almost seems as if the charge is small enough. As regards the pitch pine logs which were thrown overboard with a southerly wind, and allowed to float ashore, the criticism naturally arises that, as the case is represented, it would have been better to lash them together into a kind of raft, and that then they would have gone ashore together, and saved the expense involved in employing the Sissie and the whole gang in collecting them which seems to have occupied a day and a half. They were hauled up in safety, and Mr. Hayes agreed to take them at "that", and the landing charge was reduced by £5. If you will read over again what you wrote, you will see that the facts were not clearly explained to people who know no more of the circumstances that you have stated. For instance, what more could we have done than haul the logs up above high water mark, and why should we be mulcted of £5 for doing it? Please take these remarks not as finding fault with work that was doubtless done to the best advantage, but as the expression of criticism and queries on points that have not been made sufficiently clear. Your remarks as to weights have been communicated to the P.S.N.Co. Since I last wrote I have suggested to them that £10 would be a fair charge for the services of the Samson in turning the steamers, and elicited the reply that £5 is what they pay on the coast for services of a heavier nature. I rejoined that if the tug should be under

steam for any other purpose the sum named would be sufficient, and that we wished to avoid overcharging them; but that if we had to get steam up specially the cost of doing so would make a large hole in the £5; to this they have not replied, and you may hear something of it direct.

6. Par.7. In the case of a British wreck, if the Master cannot get funds to pay off the crew he is entitled to apply to the Governor or Consul at the place he arrives at, and his drafts on the owners are countersigned by the proper authority, and the Board of Trade send the crew home. This, at least, I have always believed to be the case, and I have acted on it. In the case of a doubtful owner it saves the risk of advancing money for which there is no security in the shape of a ship in existence. What the position of Americans is under the same circumstances I think you had better ~~be~~ find out from Mr. Rowen; it would be a pity to do anything that could be looked upon as churlish, especially in the case of a ship that we had had dealings with before she was lost. I think that you are quite right as to your duty as Underwriters' agent; in this case I am inclined to believe that the Captain would have been within his right if he had insisted on using the proceeds of the boats as far as they went towards paying off the crew.

7. Par.8. It is somewhat amusing to find that on the slender grounds you mention, something in fact said in the way of chaff, it has been currently reported and even reached Hamburg that we asked £600 for towing in the Kathinka. Shortly after hearing it from a casual caller here, Mr. Geveke met me and asked me if it was true.

8. Par.10. The P.S.N. made a similar objection to forwarding the invoices by hand as the Purser of the Oravia did with regard to the papers, but gave way when I explained that it was done to facilitate the despatch of the steamers.

9. Par.11. I am sorry to say that the circular I forwarded you about boiler fluid went without the name of the maker being noted, and as you have not mentioned this I can do nothing. Our Chairman tells me that Hemlock extract is good for the purpose,

better than many so-called boiler fluids that under high sounding names are sold at absurdly high prices.

10. Par. 16. I have forwarded your note to the P.S.N.Co. with one small alteration only. I did not think it desirable to publish to the world that towage in by Samson would be from £25 upwards according to size of the vessel. This, it seemed to me, would pave the way to a distressingly long bargain starting from £25 upwards, and I altered it to "rates of towage according to circumstances", which I thought sufficiently vague. You will see, on consideration, that not only the size of the towee, but the state of the weather and her condition of helplessness are factors that must enter ~~into~~ into the agreement; we should not, for instance, tow in a totally dismasted vessel for £25, whatever her tonnage, and still less so in a gale of wind, which, without assistance, might carry her miles in the direction of the Cape of Good Hope.

11. 17 & 23. We must bow to the inevitable, and are therefore sending you £1200 in silver, and a draft for £1000 by this mail. The demand for money at this season is unexpected, and I may add inconvenient. Last year you had to draw £1000 in favour of the Government in September and November, but wanted, unless I am mistaken, no silver, of which we sent none until May this year. When, therefore, we arranged to increase the payments to the Government from £450 per mail to £1000 per month we thought we were putting you on a very easy footing, and that you would not have occasion to draw more than £2000 or so during the year in addition. Payments of duty have increased your outgoings, and this means I hope that you are selling a good deal of liquor ex Samoa, as I do not suppose that you are paying on any that may afterwards be exported. However, your Cash book shows that you are sailing pretty close to the wind, and we can only hope that the average of payments during the year will not increase, so that later on the monthly drawings from the Government will accumulate to some extent. It is unfortunate that the Governor should be the arbiter on the subject of the money that we require in the Colony, and rather humiliating; but we cannot af-

£1600
 £1200 in silver
 £1000 in draft
 £2000 in cash

ford to lose the freight and expenses which are defrayed by the Mint when the requisition comes through the Crown Agents, and so have to put up with it.

12. Par.18. It is to be hoped that the trade in sheep will come to something, and to this end you will of course try to have the best mutton available in Stanley at mail times.

13. Par.19. The Board are favourably disposed towards Captain Thomas as Marine Superintendent, and particularly so as he is a candidate for the place after seeing the routine and knowing what the climate is; it is also a good point that you approve of him. We might get a good man who could not put up with the weather or the work, and altogether we look upon him as a fortunate find. I conclude that he will finish the round voyage, and call here on his return. As regards pay, I have had an opportunity of talking with shipping people, and judge that no one worth having would go out under £200 (two hundred) and a house, which would be the one now occupied by Mc. Lauchlen.

14. Par.21. I think that the amount of advance on the Wasp should be covered by insurance. Do not let Osborne have too large a credit, however good a man he may be. We have the cases of Fugellie and Bragg before us as a warning.

15. Par.22. The news about the work on the Kate Thomas is satisfactory. I hope that you will have reported her sailing to Lloyd's, either via Valparaiso or Montevideo.

16. Despatch 162, par.4. The Board have considered Mrs. Turner's letter, and regret to hear that her health has been unsatisfactory. In consideration of the good services rendered by her they are willing to let her have six months' leave of absence on full pay. Her further application for a passage cannot be entertained; it is the old idea again that passages are regarded as a fee or reward for service, whereas they are granted exclusively to persons who have been sent out by the Company under a contract to return them to England on the expiration of their term of service. Mrs. Turner was engaged in the Islands, and to grant this request would be to establish what would

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probably be a most awkward and expensive precedent.

17. Par.6. I wrote to the P.S.N.Co.that I thought that there was tallow left behind by the Oropesa, and they replied that the Captain told them that you did not seem to mind as long as he took all the wool. This was probably untrue, and it is a pity that the tallow did not come, as the market is good.

18. We should like to know what the s.s.Kosmos was doing in Stanley; how did she get there with a cargo of cement from Sandy Point? Have you ever heard anything of their running wool across to feed their steamers in the Straits?

19. I learn that something was paid for carrying cargo ex Thetis from Hill Cove to Shallow Bay. All the goods were marked "Blake, Hill Cove", and the idea of shifting them at our expense was never mooted here. We cannot go into two ports so close together, especially with a small quantity of cargo that will not pay for the loss of time.

20. I have not yet heard from the P.S.N.what they have authorized you to credit the Agency with on produce home, and perhaps they think it will be sufficient to report it to you. A return of what we make it will be made up for this mail.

21. Our neighbours Messrs.G.F.Neame & Co., who are in the timber trade, tell me that there has been an enquiry for wood from Puget Sound for Stanley, and that they have been asked what the Port charges are. Do you know anything of this, is it on account of the Admiralty?

22. By this mail I send a new travelling schoolmaster for the Camp named James Robertson. I saw the testimonials sent in by several, and thought this man the most suitable; I hope he may prove so. You had better pass the testimonials on to Mr. Mathews, as well as the copy of letter from Fleming & Haxton defining the duties.

23. In further reference to the question of the registration of the Samoa, I enclose a formal notice to transfer the Register to London, in case you have already registered in Stanley. If the provisional Certificate has been obtained from the Governor this will not be wanted. The form was supplied by Mr.Stebbing,

the Registrar of Shipping here, so it comes from the highest authority; I ventured to remark that it seemed to me a little imperative, but it was explained to me that it was a demand on a subject that would not be properly put in the form of a request, as we had a right to make it; this is, of course, unofficial, and for your information. The point to be observed is that when the ship arrives ~~at~~ in London we must be in a position to sell her at once to anyone, British or foreign, which we can do if she is registered here; but in the case of a foreign sale, as it will probably be, there would be delay in getting the transfer of the Register from Stanley, which must be avoided.

24. I enclose copy of a letter I have sent the P.S.N. about the cost of keeping steam in the tug when the boats are late, as they always seem to be. I expect to hear that you have been much put out by the lateness of the Lusitania, which left Rio five days late.

25. In future you will please take triplicates of your despatches, and send one copy by the mail that brings the original.

26. In the event of anything of interest occurring I shall write, as usual, by supplementary mail.

I am, Sir,

your obedient servant,



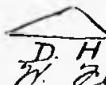
Managing Director.

Enclosures

Duplicates.

- Despatches. Nos 919 & 920.
- Ledger & Journal entries.
- Remarks on accounts.
- List of enclosures.
- Remarks on Stores.
- List of Cargo Dutiable Goods & Clients Cargo.
- Clients sales reports & contracts.

Bull bye 32 bales Wool "Oravia".

J. R.	22	"	"	"
	26	"	"	"
H. Bell	12	"	"	"
L Roy Cove.	29	"	"	"Modestia"
	2 1/2	"	"	"
H. Bell.	1	CK Tallow	"	"Oravia".
J. B.	123	bales Wool	"	" of sale sent back time
J. B.		CK Tallow	"	"
J. R.	1	bale Skins	"	"
J. B.	24	"	"	"
H. Bell.	4	"	"	"
	5	"	"	"
S Bull bye	9	"	"	"
	1	"	"	"

Clients Invoices.

Stanley Benefit Club	2"	1	—
J. S. Felton.	27"	6	6
H. Clements.	19"	7	5
Vere Packe.	39"	—	1
Packe Bros & Co	15"	—	5
"	92.	3.	4
M ^r Robson		14.	4
Baillon & Stickney	50.	5.	11
D. Smith.	8.	11.	5
Packe Bros & Co	39.	15.	2
"		10.	6

Clients Credit Notes.

Speedwell Island.		7.	6
Vere Packe		16.	3
Bertrand & Felton.	3.	12.	—
Dean & Anson.	2.	6.	4
Holmsted & Blake.	1.	1.	4
73/2 Cargo per "Lusitania".			

Copy of Cablegram of 5th Nov^r
 Copy of Broker's Contracts & a/sales Company Tallow
 per "Oravia" & "Lusitania".
Clients Reports & Contracts.

J.B remainder Tallow "Oravia".
 J.B. 27 casks "Lusitania".

Army & Navy's invoice for H. Clement. 9/-
 Copy of letter from Spreckels of 5th & our reply of 21st
 " " " Lenanton of 13th Nov^r re oak per
 "Thetis".

Clients a/sales

W. Zell 4 bales Sheep Skins "Oravia".

J.R.	1	"	"	"
D.H.	5	"	"	"
J. M. & Kay.	1	"	"	"
S.	9	"	"	"
Press Copies H.B.	1	"	"	"Herodot"
J.B.	24	"	"	"Oravia."

Copy of letter from Gramophone Co^o of 19th & our
 reply of 20th Nov^r.

James Robertson's agreement & testimonials.

Copy of letter to the ~~Crown Agents~~ of 13th Nov^r
 " " from Fleming & Haxton of 3rd Nov^r &
 copy of their circular.

Letter to the Registrar of Shipping of 21st Nov^r.

Copy of letter to the Pacific Steam Nav. Co of 28 Nov^r.

" " from Pinto Basto & Co of 24th Nov^r.

" " from Schweppes, Ltd dated 26 Nov^r.

Copy of Maw, Son & Thompson's a/c D^r Foley £3. 1. 2

Clients Invoices

Vere Packer	10. 13. 10
H. Clement	5. 10. 2
H. & G. Cobb	18. 14. 2.

London. 28th Nov^r 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61, Gracechurch Street.

Per Supplementary mail.

No 922.

London, E.C. 30th November, 1900.

Sir,

I now write in continuation of my despatch per Oropesa, which sailed yesterday.

2. The Thetis arrived on the 2nd inst. delivering her cargo in good order, she has since been in dry dock, and is now loaded and almost ready to sail. She will carry the three rams bought by Mr. Mathews in Kent.

3. An examination of the results of her voyages since she was built in 1893 is melancholy reading, as it shows that her earnings are nothing like what they should be, and had we seen that she would make so little it is doubtful if the Board would have built her. It appears that on her six completed voyages she has made a net profit of £1861.5.6, or £310.4.3 per annum, without charging her any interest on cost, which is a miserable result. Built for the purpose of coasting, with a double bottom, and having proved herself good at going to windward, it is unquestionable that she should do much better than she has up to the present, in fact, on her cost of over £5200 she ought to net £800 a year. I have been at some pains to look into the causes of her want of success, and attribute it to (1) insufficient freight, (2) prolongation of her voyages through detention in the Islands, and (3) insufficient earnings on the coast, considering the long time she is in the Islands. I have tried to find that the expenditure on her has been extravagant, but considering the desirability of keeping her in thorough order, the result of which has been that she is now valued much higher than an ordinary vessel of her age, I do not think that we can blame ourselves on this account. To take the causes in order, I am not

W.A. Harding, Esq.,

Manager,

Stanley.

quite sure that we have much reason to complain of her gross earnings, for she has brought in £2060 this last round voyage, and had other conditions been favourable she ought to show a handsome profit. At the same time, provisions, wages, cost of materials, dock charges, &c. &c. are all rising, and the effect generally has been to put freights higher all over the world. The Pacific line have raised their freights to Stanley, and there seems no reason why we should consider the rate of 30/ & 5% which was established seven years ago (some years at all events, I think we charged higher at first) should be regarded as fixed and immovable. This voyage we cannot alter, not having given any notice, but clients must be told that an increase must be made next year, especially on goods beyond Stanley. We do so much for our clients for very little, that we are entitled where we see a chance to raise our rates to a reasonable extent. Whether this will have the effect of bringing competitors into the field you will be able to judge better than we can, and your remarks on this subject will be valued. As to wool homeward, we must be guided by what the P.S.N. do next year; the Kosmos were going to raise their rates, and I do not expect to maintain the present moderate ones as a permanency. Then there is the detention in the Islands. I have been through the log book, and am struck with the fact that the principal loss of time is in harbour. With few exceptions the passages from port to port have been good, proving the sailing qualities of the vessel for coasting. She started last voyage with a stay of a month and a day at Stanley to put out about 200 tons of cargo. This seems monstrous, and some plan must be devised for giving better despatch there. Not only was the discharge slow, but the ship's men were taken off also for other work. No doubt labour was scarce, but it would surely be possible to put her alongside some hulk, into which the crew could discharge themselves when assistance is not available. Going round the coast, at some ports Capt. Thomas tells me he gets assistance, at others none. Can nothing be done in the way of persuading our clients to give a reasonable amount of assistance, or to charge higher freights to those who

will not? On the third point there is an improvement this year, which I think will help to improve the profits for the year, notwithstanding the prolonged voyage. This deserves your careful attention, for a good deal of wool can be brought from the more distant ports at a profit if arrangements are made beforehand. If you will ask farmers to give wool as the goods from here go out, she ought to bring a fair cargo into Stanley on the first trip. Thomas tells me that he had several refusals on various grounds. I do not think that when we undertake to bring our clients' wool to Stanley for shipment by steam, they ought to assume the right of saying what vessel they want, that is our business. Coals were objected to because they made the hold dirty for wool, and we ceased to ship them, but sent patent fuel, which we were told did not give ^{off} ~~up~~ dust. That, in its turn, caused trouble, and now we take neither, so that the hold should always be sufficiently clean. If Thomas makes a practice of taking up as much wool as he has room for at each port the effect on his earnings should be good. A trip afterwards to distant ports would pay well, or more than one if there is time might be taken and the ship should leave the Islands early in July, and be laid up here for sometime before she loads out again. Of course if she could be profitably employed, she might take longer on the coast, but it is the long detention while doing nothing that eats up the earnings. If you give the subject your best consideration I do not doubt that an improvement will result, but it must be understood that unless she earns quite double the profit she has made hitherto the best course will probably be to sell her while she is still comparatively new, and give up the delivery of goods round the Islands direct from London altogether. It has been a great boon to the farmers, and I doubt if they could find any firm who could do the business as well as we have done. There is another point of great importance to which I must allude. I find that last voyage you ordered her alongside the jetty, a thing that should never be done. I do not know whether any directions on this subject have been given to you since you took charge, and I must assume that you do not

know the reason for them. Every Lloyd's Surveyor who has seen her, every Dock owner, every expert in short, has said that whatever may be done with a wooden vessel or even an iron one, ~~(which)~~ (though that is not recommended) it is little short of madness to put a steel ship like the Thetis in a position where she grounds and may bump every tide, and consequently the most imperative orders have been given to the Masters not to do it. This is a matter that vitally affects the ship, and no deviation from the rule must be allowed. I know that Mc. Lauchlen has always tried to get his own way about her, but he cannot be regarded as an expert in the building and framing of steel ships.

4. The Annie will sail soon after the Thetis, carrying all the wood ordered, and some goods for which the Thetis had no room, but I believe that all the cargo for the outports is on board the latter. By the Annie a hawser for the Samson is being sent.

5. I send a copy of a letter from the P.S.N. Co. received this morning in which they ask if I can explain why certificates of delivery of the mails have not been obtained in Stanley. I replied that instructions on the subject had probably been sent direct from Liverpool, but that I would mention the matter to you.

6. They have also written explaining the delay of the Iberia outwards, and saying that the Lusitania is a chartered boat, which is probably making her last voyage. They do not see how the difficulties to which I referred can be met without cable communication, and they think that we should continue to impress upon the Authorities the necessity for such means of communication. This is distinctly amusing; we might as well cry for the moon. I hoped that they would say that as we get up steam for their benefit they would meet the bare expense of doing it when their steamers are late, and I think that this view of the case must be brought before them sooner or later.

7. I send you a statement of our clients' dealings with us, which I intended to put before the last Board, but there was no time. There is no account about which we need feel any alarm as yet, except the Weddell Island one, and on that subject the Board

have decided that advances for the present are to be limited strictly to £1000 in the year, and an intimation to this effect has been sent to Mr. George Cobb, who looks after Mrs. Williams's business affairs here. I may mention that he is quite of opinion that with economy the place can be worked for that sum, and stringent orders go out this mail. Mr. Dean has a mortgage on the place for £7500, and it was understood when the businesses were amalgamated that he should retain the consignment of the wool as mortgagee, but that we should do the shipping out and home, and financing; there was also an express understanding to the effect that our account should be kept well paid up, and until lately this has been fairly carried out; but the fall in wool has put ^{it} behind, and Mrs. Williams has been asked to provide £1000 towards the deficit. A suggestion has been made that we should take a second mortgage, but the Directors are averse to this, as our business is to advance money on current accounts to be repaid annually on the sale of wool, and not to lock it up on mortgages. The property is worth far more than the mortgage, and with judicious economy the account ought to right itself before long. Some of the small accounts should be watched, or they may outgrow the capacity of the land, and wherever you see need for restricting credit you will have to act. There is great inequality in the accounts, some are good, some hardly pay us to keep open. For instance, there are Stickney Brothers. They buy nothing from us, we ship their annual stores to a distant and awkward port on a mere commission, they are the worst, Thomas says, in rendering help, and the wool is consigned to the partner who lives in England. We advance them all the cash they require, and they owe us at present over £800, besides the cost of the goods now going out. I shall write Mr. W. Stickney shortly that unless they keep us well supplied with cash we shall charge them interest as we do Baillon Bros., I lately asked him for a cheque, and he replied that he could not give one for some six weeks yet. This firm came to us voluntarily from Spearing & Waldron, and on that account, perhaps, we have been rather tender

with them, but all the same the business does not pay.

8. As Packe Bros. & Co. did not consign their Port Howard wool to us, we shall not send their cargo per Thetis beyond Stanley without extra charge; I refer, of course, to the Port Howard cargo. If Mr. Buckworth sees the error of his ways you are at liberty to relent, but when people play us tricks we must make them sit up when we can.

9. I have sent you a copy of a second letter from Messrs. Spreckels of San Francisco, whom I have referred to you for the names of any Captains you may consider likely to give evidence in favour of their contention that Stanley is a desirable port of refuge. I mentioned Captain Thomas of the Kate Thomas, as I thought that as a candidate for our service he would be likely to say something favourable, and I have also given a reference to an Agent of the Liverpool Salvage Association whom I knew in Stanley, and got on well with. It will be an interesting case, and if it goes in their favour ought to do us good.

10. The difficulties you are encountering in Stanley in consequence of the insufficient supply of labour combined with an increase of work are very disquieting. When a new set of circumstances arises the old routine must be set aside, and new plans devised for meeting the difficulties of the situation. For instance, the work created by the new mail agency is so important and overwhelming that it cannot be coped with by your present staff of a somewhat aged Overseer and a gang of labourers, and the decision to engage a Marine Superintendent to act as general out-door overlooker with a second in command under him is a step in the right direction. But there still remains the question of the rank and file, the staff consisting of chance labourers at so much an hour. Do you think that the time has arrived when we should have more labourers on monthly pay, in consideration of the very constant work that has now to be undertaken? And again, more and more cargo, I think, passes through Stanley in transit, much more than when I was in the Islands; what do you do with this, and what provisions are made for its

safety? When possible there is no doubt that less labour is involved when such goods are stored afloat, but there is the possibility of robbery. Do you think that it would do to keep a permanent watchman on board the Great Britain, who would be one of the labourers by day, and prevent pilfering by night? I do not know if the cabin accommodation has been kept up, but it could easily be renewed, and probably someone could be found who would be glad of the opportunity of getting free lodgings. You will understand that suggestions of this kind may be made from here, but that it rests with you to decide if they are practicable or not, and at all times to take such steps as may commend themselves to you to lessen or remove difficulties that threaten to become permanent.

I am, Sir,

your obedient servant,

Managing Director.

CLIENTS AT THE FALKLAND ISLANDS.

There are five classes, as follows:-

1. Those to whom we ship goods on commission per Thetis and mailboats, sell goods from Stores, and ship and sell their produce.
2. Same as to goods, but produce though shipped through us is consigned to others.
3. Those whose goods are mostly sold to them from the Stores, produce shipped and sold through us.
4. Those for whom we act as financial agents, but buy their own goods which we ship; produce shipped through us, but consigned to them.
5. Those with whom the business is almost exclusively financial, but buy to some extent at Stores.

Class 1.

1. Bertrand & Felton. Credit balance 30th September, £5381, goods purchased in 1899, £158.
2. Mrs. Bonner. Debit balance £1660, goods purchased £46. This client gives a cheque early in the year for balance due 31st December, and receives proceeds of produce on the prompt.
3. Dean & Anson. Credit balance, £1198. goods purchased £413.
4. A.E. Felton. Debit balance, £302, goods purchased, £90. A small account that wants watching.
5. J.J. Felton. Debit balance £2063, goods purchased £187. Wool not yet sold.
6. Holmsted & Blake. Credit balance, £691, goods purchased, £223.
7. Packe Bros. & Co. Credit balance, £585, goods purchased, £183.
8. Vere Packe. Debit balance, £5478, goods purchased, £243. Has spent large sums on improvements, and is gradually reducing his account, to which attention has been called.
9. A. Petaluga. Debit balance, £1269, goods purchased, £182. Wool not sold yet.

10. H. Waldron. Debit balance £569, goods purchased, £71. A portion of his produce not yet credited.

Class 2.

1. Baillon & Stickney. Debit balance £1963, £1432 of which has lately been paid off. Goods purchased £161. This account is charged $7\frac{1}{2}\%$ in a/c current, and 1% on all cash payments.

2. Stickney Bros. Debit balance £872, goods purchased, £ nil. This is not a satisfactory account, though quite safe. They came to us voluntarily from Spearing & Waldron, and have been treated tenderly, perhaps too much so.

3. Mrs. Williams. Debit balance £2864, since reduced by £1500, good purchased, £170. The property is mortgaged to Mr. Dean, and the account has up till now been kept fairly in hand, but low prices and possibly extravagance have given it a bad look. Credit will be ordered to be restricted, and Mrs. Williams has been requested to find another £1000.

Class 3.

1. C. Bender. Debit balance, £468, secured by mortgage, goods purchased £245. An account that wants watching.

2. W. D. Benney's Estate. Credit balance, £1087, goods purchased £143. A satisfactory account.

3. H. & G. Cobb. Debit balance, £1332, goods purchased £71.
back
This account has been set ~~by~~ through a bad manager, but is recovering.

4. R. B. Cull. Credit balance, £221, goods purchased, £18.

5. W. Fell. Credit balance, £596, goods purchased, £152.

6. Mrs. Hansen. Credit balance £21, goods purchased, £307.

7. J. McKay. Debit balance, £197, goods purchased, £38.

8. Mrs. Robson. Debit balance £258, goods purchased, £444.

9. J. Robson. Debit balance, £321, goods purchased, £73. This is not a satisfactory account, and must be restricted.

10. Sharp & Smith. Credit balance, £1734, goods purchased, £110.

11. D. Smith. Credit balance, £906, goods purchased, £226.

12. Speedwell Island. Debit balance , £786, goods purchased

£314. A portion of last year's produce still unsold.

13. C.C.Wesell. Debit balance, £203, goods purchased, £45. No wool sold yet; a very small account.

Class 4.

1. Dean & Sons. These are exceptional accounts in which
 2. Pebble Island. Mr. Dean is interested. We ship out goods
 purchased by him, and collect and ship produce. Goods purchased,
 Port Stephens, £168, Pebble Island, £407.

Class 5.

J.L.Waldron. We act as financial agents principally, goods being shipped out and produce received by the Mortgagee, Mr. W.B. Waldron. Interest and commission as in the case of Baillon & Stickney. The account is settled half yearly by draft on W.B. Waldron. Goods purchased, £380.

 In all these accounts, with two exceptions, interest where charged is at 5%.

26th November, 1900.

Enclosures.

per Supplementary mail via Lisbon

Remarks on Clients accounts.
Homeward freight paid Pacific Steam & Co.
Copy of letter from the " 29 1000 (for reply)
John Hancock's promissory note £10 for collection
Brokers. Copies of Apales Reports, contracts, Hides &
Tallow per "Junitania"
Clients Reports + contracts:-

∑	103	bales Wool.	Junitania
Z	105	"	"
R	243.	"Hides"	"
Z	59	"Hides"	"
∑	146.	"	"
S	242.		

Bills invoices provisions per "Quopesa".
Gramophones Circular.
List of Cargo "Quopesa"
Lading General cargo + bins (two).
Ledger & Journal entries
Remarks on Accounts.
Remarks on Stores + Supplementary Remarks.
Replies to Remarks on Stores
Copy of Mr Kommer's Apale 83 cks Tallow in "Gravia"
"First of Exchange" £1000.
Letters:-

C. J. Mathews.
Jno Bynnes.
Capt Rowlandt.

General Invoice (incomplete).

London 1st December 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851.)

61. Gracechurch Street.

Per Orellana

No 923.

London, E.C. 21st December, 1900.

Sir,

My last despatches went per Oropesa, and I now write some days in advance of the mail date on account of the Christmas holidays. Your despatch no. 163 per Kosmos arrived on the 7th inst., and nos. 164 and 165 per Orellana on the 12th. We have also received your cable through Valparaiso dated 14th inst. as follows:—"Impatriare kettles federal Beeswing Prichard Portmadoc sympathie subzehn benedetta jubertais manquillo harding handformig", which I translate, "Cancel the part of indent relating to kettles, arrange credit for Beeswing belonging to Prichard Bros. & Co., Portmadoc, 350 tons (weight understood) will most likely be sold, you may buy at 15/. per ton more or less, Harding is now here". The kettles were ordered long ago, and were shipped before the cable arrived. You probably used a word denoting tons measurement for want of a better; I hear that the shippers have given notice of abandonment, which is unfortunate, there are too many of these coal sales now a days. Messrs. Prichard are a good firm; they agree to accept the master's draft.

2. 163-2. The P.S.N. Co. repeat that Captain Hayes assured them that he was quite prepared to wait for the tallow, but that you told him that it did not matter and that it could wait; this directly contradicts what you say.

3. Par. 4. The Board have considered the question of roofing the Charles Cooper, and think that it would be a good thing to do. A similar proposal was made for the Egeria years ago, but it seemed to me at the time that it would be too expensive for all the advantage we should gain; with the conditions of work so

W.A. Harding, Esq.,

Manager,

Stanley.

much altered it would now seem desirable to take advantage of getting cheap iron and doing as you suggest. If damaged it will of course have to be painted with oxide, but that would probably be desirable in any case. The last price of roofing iron here was £13.2.6 per ton, and you cannot expect to get more than that for wrecked stuff, in fact if we could sell the cargo at English prices we should do uncommonly well. As regards a possible objection on the part of the Government it seems to me that we almost ought to wish for it, if made on the ground of spoiling the view from the front road, for it would be an admirable argument to use against them if the project for building on the green in front of your house should at any time be revived.

4. Par.6. The Board are glad to hear that the telephone is at last likely to be of some practical value, owing to the energy of Mr. Appleyard. I have written separately on this subject.

5. 164-3. Notwithstanding what you say it would be worth while getting Atherton's opinion as to the J.R. Kelley's donkey boiler, for after all if the tubes only want replacing and the shell is good it would be worth having if offered cheap. It must be comparatively new I should think; the Great Britain's we have had ourselves since 1886, and how much older it is I have no idea.

6. Par.4. You seem to consider that with one or two exceptions the men on the Samoa have been substantially rewarded. The Directors have been much pleased all along with Sedgwick's reports, and would certainly agree to your making up any deficiency to him that has arisen through his difference with Mc. Lauchlen. As regards the 2nd Engineer, I doubt if he can now be found. I wrote to him twice, but got no reply, and this was soon after his return.

7. I will send you a copy of the particulars given of the Samoa in Norwegian Lloyd's. The man who values her at £5000 is considered by Mr. Langridge to know as much about Norwegian ships as anyone in London. The earlier she gets home in the Spring, the better price she is likely to fetch.

8. Par.6. It is disappointing to find that the ship cannot

be got ready to leave in January. It is evident that she cannot, but the fact that she has been lying in Stanley since the 21st of August marks with emphasis the shocking state of congestion into which work has got, the relief of which, as remarked last mail, has to be devised somehow. If it had been possible to discharge the cargo the remainder of the work you mention need not have taken long. Of course the hold would have to be cleaned, but the fact that it was damp would be no obstacle in carrying a cargo of wool. The crew you would naturally get down from Montevideo, and put straight on board. Under the circumstances it is a good thing that you have gone to Valparaiso, as you have probably arranged for a large lot of wool to be taken by a cargo boat, and this will be in time for the March sales. It is very desirable to get the first of the clip forward as soon as possible, as our cash payments have been unusually large for some months, and there has been but little produce coming in. You will now have a more difficult job in hand in having to sandwich the sailing of the Samoa in between two steamer shipments instead of getting the first load clean away by her, leaving the rest for steam. It will not do to keep her until the end of the season, as, independently of the delay in realizing her and getting much needed cash, the market for small sailing vessels is always better at the beginning of the Baltic season than later; so experts tell us. With regard to any possible objection on the part of the Government over the register, you are probably aware that there have been frequent cases in the past of condemned ships being sent home. If surveyors report that she is seaworthy, a register cannot be refused without laying the Government or their officials ~~liable~~ open to a claim for damages. Besides this, did not the Governor himself ask you to send her to the Straits? If so, how could he have made such a proposal with regard to a vessel if she was not fit to go to sea? I hardly think that you will have trouble on this score. There is no special reason for shipping sheepskins by steam, and when there is wool in hand it should always have precedence. As regards

stowage, is there any reason for giving any more dunnage to the Samoa than to any other sailing vessel? Until the early eighties all wool was shipped by sail, and there must be plenty of people who understand the stowage of such a cargo.

9. Mr. Sharpe had been informed probably that the Samoa would carry the first wool, as I told Mr. Ward so. We hope that you will have made arrangements for getting rid of a good deal of the Samoa's cargo.

10. Par. 11. Your proposal to credit the Samson with £2000 as salvage will do as a first instalment, but if the property realized exceeds £8000 she should have the balance of 25% fixed by the Board as her share. You will have got the Law books before now, and found out a good deal about Salvage. I believe that it is a fact that agreements made at sea can be and often are upset by appeal to an Admiralty Court. You will also see that the Court looks favourably on salvage performed by a steamer, and probably the circumstances of our tug would be taken into consideration. Some of your questions I shall have to refer to an expert, which I have not had time to do as yet. For an instance of the upsetting of a Salvage agreement I refer you to the case of the Sussex and the Menes in 1881, for which see my despatches home 325-2, 329-26, and 333-3. I quoted the elements of Salvage from memory, and you will have seen that I was not quite accurate as to some of them. As regards your further question as to the amount of salvage, you will have seen, probably, that no sum exceeding 50% would be recognized by a Court, and that only in an extreme case. But there is nothing to prevent Underwriters assenting to a higher amount, and the Andrina was possibly salvaged with their consent. But if not, they may not have taken steps to dispute it, and may have thought that owing to the scene of the wreck being so far removed from civilization to get anything at all was a mercy for which they ought to be duly thankful. In a case, a similar one, in which a salvage of 75% was brushed aside and 33 and 1-3rd substituted I can give you chapter and verse. The Balcarry was wrecked in Thetis Bay, Tierra del Fuego, in 1870, and salvage arranged with three Stanley schooners. Out

came a special agent, Captain Sceales, who repudiated the agreement at once, and substituted the lower rate without the necessity of going to Court. For details see my despatches 76-21, 79-3, 90-3, 98-18, and others. This was 30 years ago, and it was a most instructive case, in fact I built all my dealings with salvage on it afterwards. Seeing that a large percentage was more or less likely to be upset I seldom or never agreed to sanction more than one-third, acting as Lloyd's Agent, and no agreement that I ever was concerned in was objected to or upset by the Underwriters. I do not think that you will go wrong if you follow this plan, the question is, as you say, interesting. Of course a case might occur in which the value of the property saved was so great that such a salvage would be out of all proportion, and this would be more likely to occur in a case of assistance at sea; the cases I was concerned with were all connected with saving property that had been wrecked.

11. Par. 12. The only chance of getting letters sent via Sandy Point to anticipate the mail would be forwarding them to someone who could be trusted to put them on board a Kosmos or Lamport & Holt for delivery to Morton; it does not matter much.

12. Par. 17. I cannot write fully today about the sailing vessel cargoes, but they have outrun all calculation. I will refer to the question by Supplementary mail. I do not remember hearing from you that the Albatros's cargo had not turned out well. With regard to the information you have obtained from Mr. Buckworth as to our intentions, I can assure you that no one here has even dreamt of utilizing the Thetis in the way named; but we all know that the intelligent public of the Falklands is at all times prepared to manage our business for us, and I think that we ought to be obliged to Mr. Buckworth for such an excellent suggestion.

13

20. Par. 19. I should have thought that with steam at your disposal the matter of a few lengths of the Great Britain would not make any appreciable difference in the way of loss of time. The agents I alluded to were the London ones, but we have little to do with them.

14. Par. 21. It is unpleasant to hear of the Sissie breaking

Handwritten note:
 These few
 troops, with
 mails

down again; if the tubes are going why not ask for a new set? Or is there any other reason? You will probably have reported further as to the accident to the Samson.

15. Par.23. The Board are willing to take Captain Thomas on the terms mentioned, and he will have Mc. Lauchlen's house of course. I am sorry that I overlooked the word you sent, and so cabled yesterday to the care of Vorwerks "Thomas approved". I suppose that before leaving Valparaiso you will communicate the news to him at Iquique. His references are quite satisfactory.

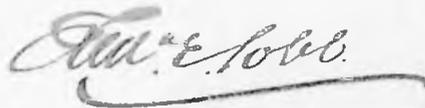
16. 165_2. W. Thomas & Co. took time to consider the bill before accepting it, but finally did so, remarking that the charges were outrageously high for the work done. I hope that Capt. Thomas will be able to explain to them that they were not out of the way. There were errors in the account that should not have occurred, and steps should be taken to check calculations better in future, as such things look bad, especially when they are always in our favour. I had to send a cheque for the overcharges before I could get the bill back.

17. Par.3. The sale of barb wire at Sandy Point at rather less than half English value does not strike us as being a very good bargain; it would probably have been better to ship it home. It is not clear why this should be treated differently from the roofing iron.

18. I shall write further after the holidays.

I am, Sir,

your obedient servant,



Managing Director.

*None to
Cable mail
March 6 work
interest*

Copy of Agreement Speedwell Ltd
Client's reports + contracts

DS 10 pki Sallow in "Quellana"

W.P. 20 " " "

J.D. 6 " " "

IF 19 " " "

17.10.10 " " "

RBC 11 " " "

J-B 30 " " "

L 42 " " "

F 10 " " "

△ 28 " " "

SI 18 bales Wool "Quopusa"

F 101 " " "

reports only {

~~Schedule freight return Quopusa skins Pacific~~

Copy of Cablegram sent 5th December.

Copy of letter to the London River Plate Bk 6th inst

Certificate of entry "Shetis" for Capt Thomas.

Re loading Coals for "Athene."

" Patent Fuel

Copy of Cablegram sent 20th December.

Remarks on Telephone of 20th December.

Client's reports + contracts

R 10 bales skins in Shetis

RBC 5 " " "Quopusa"

IF 18 " " "

IF 5 " " "

17.10.6 " " "

SI 10 " " "

Cableto Proforma invoices samples in
Pearson's case.

Copy of letter to Spruckels of 14th December

Invoice for goods shipped for "Quopusa" + Boumer

" " Gombstone " "Quisail & Antoin

Janquidge's invoice coals for Annis

Curtis' invoice lump powder " "

Willards invoice Bedsteads for "Annie"
 Blanch's " " pens for "Thetis" for H. G. Cobb.
 Blyth's invoice sheep pens for "Thetis"
 Particulars of Samoa's classing &c. &c.
 Copy of letter from the Apollinaris Co.
 of 17th December & circulars &c.
 Copy of letter to Pacific Steam of 15th Oct.
 Copy of debit note error in A/c "Kate Thomas".

London 22nd December 1900.

The Falkland Islands Company.

(INCORPORATED BY ROYAL CHARTER 1851)

61, Gracechurch Street.

Per Supplementary mail.

No 924.

London, E.C. 28th December, 1900

Sir,

I was able to get a despatch away before Christmas replying to yours per Orellana, but owing to the holidays it has been impossible to send the usual packet of invoices in time to catch the steamer before leaving Liverpool, and they have to go overland.

2. Mr. Morton of Montevideo was here last month, and at his request we opened a credit for him in the name of his son with the London & River Plate Bank, who will purchase his drafts on us for supplies and payments on Stanley account to the amount of £250 per month, that being the outside amount likely to be incurred by any one steamer; the sum, however, you will note is not to be cumulative. In the unlikely event of its being exceeded the surplus can be arranged for by cable, or you can send up a draft for the estimated excess with your order. I rather gather that the failure of the late firm was ~~rather~~ a bad one, and that some people have been hit rather hard.

3. As payments to the shearers have to be made by draft on a Bank in Buenos Ayres and we have no account there, we have also arranged with the L. & R.P. Bank that you are to draw upon their branch for a sum not exceeding £700 in British currency, to be paid at the exchange of the day, and that the Bank are to recoup themselves by drawing on us here. With the daily fluctuations in exchange it is impossible to arrange a rate at which you could draw from Stanley, and the method agreed on is, I think, according to the contract. Had payment to be made in Montevideo no fresh credit would have been necessary, and you could have

W.A. Harding, Esq.,

Manager,

Stanley.

drawn on the Bank there at the fixed exchange of \$4.70. I have taken £700 as the highest possible sum payable to the contractors, but if you think it insufficient you should say so at once. Perhaps some of the money will be wanted in Montevideo after all.

4. I have consulted Mr. Langridge on the points raised by you about Salvage, and he agrees with what I have written. As to the questions I could not answer he tells me that in awarding the amounts to be paid to the ship and crew respectively, the major portion goes to the owners if the salving vessel is a steamer, and thinks that where £1400 is the total award the owners would probably get £1150, the Captain £100, and the crew £200 between them. But as to the scale of division among the men themselves Mr. Langridge will consult an authority, and let me know. With regard to your question as to whether an allowance would be made by the Court for the facts that the tug is the only one within 500 miles, that she is expensive to maintain, and that her sources of revenue are meagre, he says that all those considerations would have due weight. As to the Andrina, he thinks that the agreement may have been made with the assent of the Underwriters, and he agrees with me that it is better to make a moderate claim rather than one that is likely to be disputed. The fact that the case of the Andrina would probably have to be tried in a foreign Court would have weight. By this mail I do not expect to be able to give you more information than I have.

5. The Thetis sailed on the 6th inst. and the Annie on the 15th. The three rams went in charge of Capt. Thomas, and I told him that you would give the boatswain, or whoever looks after them, a gratuity if they are landed alive. There is a quantity of cargo for San Carlos, and it is left to you to decide whether she is to go there on the way round, or to put out the cargo for conveyance by schooner. There is a certain amount of risk in sending her into Falkland Sound on the way to the West, and you may be arranging to send a schooner for wool from San Carlos, which would carry the Stores out. There is only about a

boatload of cargo for Spring Point, so that unless you can be sure of getting wool there you had better not let Thomas deliver it, especially as the place has the reputation of giving no assistance whatever.

6. As the Orellana did not bring the Goose Green sheepskins which are sometimes shipped in November, we conclude that they were not dry enough, and that they will be on board the Liguria.

7. In writing the other day I did not touch on the subject of the cargo you expect to be able to keep in Stanley out of the Samoa, which you estimate at £5000. It would certainly be better to get rid of as much as you can and turn it into cash, even if you sell a good deal below the actual value, rather than store up a quantity to be sold in future years or perhaps become dead stock. We have got a very cheap thing, and we can afford to part with it at low prices, and still secure a handsome profit, in fact we are in the position of people who buy bankrupt stocks, and sell them at alarming sacrifices. If we take over £5000 in stock into the Store, we are only making a book profit until the things are sold. During the past year we have laid out more money than usual on various ventures; we have bought the Samson, the Garland, and we have laid out a good deal on the Samoa in addition to her cost, and now we want to see some money coming in in return. In order to bring this about you will readily see that as much as possible should be disposed of, over and above what is readily saleable in the Islands, by shipping to neighbouring ports or even to London, so that we may have the venture brought to a point and cleared off the books. We hope that your visit to Valparaiso will have paved the way for this. We have another unremunerative venture in the shape of the Glengowan, for which there is a market almost to a certainty as soon as she can be got afloat; but that has to wait until you have devised a plan for relieving the congestion from which you are suffering.

8. With regard to this plan, it seems to me that the fortnightly visits of the P.S.N. boats make a fairly large standing gang of labourers, who are bound to us and cannot be taken away

by others who may offer temporarily higher pay, a positive necessity. That is to say that you should have a gang of men on monthly not hourly pay, the principal objections to which would be the loss in case of bad weather and having to pay them when laid up by sickness. But these disadvantages would be overbalanced by the advantage of having men sufficient to get your work done, which is the chief consideration, and I suggest your thinking the matter over carefully and deciding whether it is practicable. As to wages, assuming that a man makes about 36/. a week, if you offer the advantage of buying stores at the Company's rate and guarantee them overtime on the usual scale, I should think that you could pick up enough men at £7.10/. per month, and the question then will be how many you ought to have. The advantage of this would be that you would always have a staff for carrying on ordinary work, and could supplement them when pressure arises in the ordinary way if there are spare hands knocking about. Of course this proposal would be an improvident one in a place where labour is plentiful, but under present circumstances, with the Admiralty absorbing all spare labour in addition to the increasing regular work caused by the steamers, it seems to me that unless something of the sort is done the congestion in your work will get worse and worse. In connexion with this, it will be interesting to hear from you what profit we are making on the work secured to us by the mail agency, for an estimate of which you must by this time have sufficient data. These remarks are in continuation of what I wrote last month.

9. You have received the amount of freight on the first three steamers on which commission is due to the agency, but we have not yet had the Orellana's accounts, and must trust to your receiving the amount from the P.S.N.Co. I suppose that you are on the look out for the commission on any other goods shipped from Stanley which do not pass through our hands. Have you had any communication from Liverpool on the subject of this commission on freights, which naturally cannot be credited until long after the shipments have taken place? In the matter of passages

that we are entitled to 10% return on those of the shearers, and perhaps you have arranged with Wilsons to take it off when issuing the tickets, otherwise we shall have to ask for a refund. The next mail should bring the return of all passages from the beginning of the service which was asked for by the Lusitania's mail.

10. The Athene sailed from Newport on the 20th inst., with 786 tons coal and a quantity of patent fuel; the delay has been most unfortunate, but quite unavoidable on our part. As the men of war seem to be going down later than usual, we hope that the first stock will hang out until she arrives.

11. We have never had such trouble before over goods out as we have with the Thetis and the Annie, and still the result has been most unsatisfactory. To begin with, knowing that the Thetis could not carry anything like the quantity of goods and wood ordered we joined in the charter of the other vessel, by which we intended to ship the wood alone, with possibly a few other stores in case the Thetis should shut anything out. The estimate of tonnage for the Thetis was 533, and as we expected her to carry about 600 we felt safe. For the Annie we got an estimate from Lenantons of the wood amounting to 341 tons, including $27\frac{1}{2}$ for the Assembly Room, and as the loading proceeded it seemed so certain that the Annie would have only a part cargo that I agreed to send 100 tons of house coal at the cheap rate of 20/. All these calculations have been falsified in the most deplorable way. More orders came in from H. Waldron and Petaluga, and when stowed the Thetis was found to have only 535 tons on board, owing greatly, I believe, to the unusual number of casks which are bad stowage. No less than 141 tons were shut out, and had to be transferred to the Annie, the wood, instead of 341 tons, measured 422, and the end of it was that after taking in the Thetis goods the Annie was full, and 108 tons of wood were shut out. I need hardly say that we are more than annoyed over the affair, especially as the wood is wanted, but estimates of this kind are most difficult to make, and even experienced shipbrokers are liable to go astray. There will be wood to go on with, and we must hope that there will be another chance of shipping before very long.

12. In my last despatch I passed over your remarks in desp. 164-17 about the Thetis being regarded as a competitor. I conclude that there is either some exaggeration about this or that the paragraph was written without due consideration of the past history of our dealings with clients. The Thetis, or the vessel she replaced has been the means of keeping our clientele solid, and of enabling us to defeat attacks that threatened a disruption of our business with the sheepfarmers. Are you not aware that some years before you went out Spearing & Waldron made a sudden attack on us, and actually caused a secession on the part of Hilmsted & Blake, Bonner, and others, while others became shaky in their allegiance? The only way to defeat them was to undertake to do their business on the terms offered by our opponents, which we had previously refused, and ~~that~~ these are the terms on which we have been running for something like ten years. We knew at the time that they were poor as compared with those on which we had previously done business, but we saw that we had to move with the times, or that if we did not we should lose the control of the wool shipments, which were then important to us, as the means of getting better terms out of the Kosmos. How now to improve ^{to} these terms, if it can be done, is the problem that I have thought a good deal about, without arriving at any satisfactory conclusion, and I have already alluded to it in late despatches. If clients tell you that they can import by the Thetis at half what you charge, it means one of two things: either they are saying what is not true, or you are charging them a profit of 100 per cent. No doubt you think that they should be our customers and buy from us; so did I, and they were excellent times for us when we sold the farmers all they wanted and shipped nothing whatever on commission, but times change, and when the farmers discovered that there were people here who were prepared to do what we had hitherto refused, they went to them, and we had to recognize the fact that we must do what others did, or lose our business altogether.

I am, Sir,

your obedient servant,

Managing Director.

Enclosures.

for Supplementary mail via Lisbon

Ledger + Journal Entries
 Remarks on Accounts.
 Remarks on Stores + Supplementary
 Clients Invoice Goods for "Shetis"

Baillon + Stickney	299.	3.	3
Parker Bros Co.	285	4.	2
ditto	149.	18.	7.
ditto	179.	7.	2.
Stickney Bros.	207.	8.	1.
Stobursted + Blake	589	15.	-
Bertrand + Felton	600.	8.	8.
ditto	9.	10.	6.
Mr Bonner	287.	14.	5.
George Bonner	384.	18.	2.
Mr Williams	47.	16.	5.
St Waldron	463.	6.	2.
St + G Cobb	47.	18.	9.
A. Pitaluga	432.	11.	2.
E. J. Mathews	24.	16.	5.
J. S. Felton	374.	1.	11.
Went Parker	421.	17.	2.

Particulars of cost of 3 Hams for "Shetis"
 of Company's freight for "Shetis".
Clients Apstals:



146 Hides "Lusitania"
 59 " " " "

S. 246 " " " "

Copy of Brokers Apstals Company Hides for "Lusitania"

